

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

B E T W E E N:

**ROYAL BANK OF CANADA**

Applicant

- and -

**SARDARA TRANSPORT INC., 2780785 ONTARIO INC.  
and PAYLESS TYRES CENTRE INC.**

Respondents

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

---

**APPLICATION RECORD**

---

February 2, 2024

**AIRD & BERLIS LLP**  
Brookfield Place  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9

**Sanjeev P.R. Mitra (LSO # 37934U)**  
Tel: (416) 865-3085  
Email: [smitra@airdberlis.com](mailto:smitra@airdberlis.com)

**Jeremy Nemers (LSO # 66410Q)**  
Tel: (416) 865-7724  
Email: [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

**Adrienne Ho (LSO # 68439N)**  
Tel: (416) 637-7980  
Email: [aho@airdberlis.com](mailto:aho@airdberlis.com)

Lawyers for Royal Bank of Canada

**TO SERVICE LIST**

Court File No. CV-24-00713924-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

B E T W E E N:

**ROYAL BANK OF CANADA**

Applicant

- and -

**SARDARA TRANSPORT INC., 2780785 ONTARIO INC.  
and PAYLESS TYRES CENTRE INC.**

Respondents

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

**TABLE OF CONTENTS**

<b><u>TAB</u></b>	<b><u>DOCUMENT</u></b>	
1.	Notice of Application, dated January 31, 2024	
2.	Receivership Order	
3.	Blackline of Receivership Order against Model Order	
4.	Affidavit of Evgeniya Jens sworn February 1, 2024	
	<u>Exhibits</u>	
	A	Corporate Profile Reports
	B	Printout from Sardara Transport Inc.'s website
	C	Credit Agreements
	D	Corporate Guarantees
	E	General Security Agreements

	F	Security Agreement for Chattel Mortgage
	G	Charge/Mortgage granted by 2780785 Ontario Inc.
	H	Assignment of rents granted by 2780785 Ontario Inc.
	I	Guarantees executed by Mr. Jagteshwa Brar
	J	Certified PPSA searches
	K	Parcel Search for the Real Property
	L	Other Registered Charges
	M	Tax Arrears Certificate against the Real Property
	N	Tax Certificate dated January 10, 2024
	O	Letter from Royal Bank of Canada to Sardara Transport Inc. dated April 14, 2023
	P	Demand Letters from Royal Bank of Canada
	Q	Email correspondence between Aird & Berlis and counsel for 2780785 Ontario Inc.
	R	Email from Mr. Jagteshwar Brar dated January 25, 2024
	S	Email correspondence between Aird & Berlis and counsel for 2780785 Ontario Inc., as well as email correspondence between Royal Bank of Canada and Mr. Jagteshwar Brar
	T	Consent to Act as Receiver
5.	Service List	

# TAB 1



Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**B E T W E E N:**

**ROYAL BANK OF CANADA**

Applicant

- and -

**SARDARA TRANSPORT INC., 2780785 ONTARIO INC.  
and PAYLESS TYRES CENTRE INC.**

Respondents

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

*(Court seal)*

**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

- In person
- By telephone conference
- By video conference

before a judge presiding over the Commercial List on a date to be scheduled at a scheduling hearing on February 7, 2024 at 9:45 a.m., or as soon after that time as the matter can be heard, via Zoom coordinates 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.

Date January 31, 2024

Issued by .....

Local registrar

Address of  
court office

330 University Avenue  
Toronto, ON M5G 1R7

**TO: SERVICE LIST**

## APPLICATION

1. The applicant, Royal Bank of Canada (“**RBC**”), makes application for an Order that, amongst other things:

- a) if necessary, abridges the time for service and filing of this notice of application and the application record or, in the alternative, dispensing with and/or validating service of same;
- b) appoints msi Spergel inc. (“**Spergel**”) as receiver of the assets, undertakings and properties of Sardara Transport Inc. (“**Sardara**”), 2780785 Ontario Inc. (“**278**”) and Payless Tyres Centre Inc. (“**Payless**” and, together with Sardara and 278, the “**Debtors**”) acquired for or used in relation to a business carried on by the Debtors (the “**Property**”), including, without limitation, the real property known municipally as 13760 Trafalgar Road, Halton Hills, Ontario (the “**Real Property**”); and
- c) grants such further and other relief as is just.

2. The grounds for the application are:

- a) the Debtors are each incorporated under the Ontario *Business Corporations Act*, with registered head offices in Brampton, Ontario;
- b) the Debtors are privately held and share one sole common director;
- c) the Debtors are indebted to RBC in connection with:
  - i) in the case of Sardara: (i) the credit facilities made available to Sardara by RBC pursuant to and under the terms of the credit agreement dated June 10, 2021 and amended September 22, 2022 (the “**Sardara Credit Agreement**”); and (ii) Sardara’s guarantee of certain obligations of 278 to RBC pursuant to the written guarantee and postponement of claim dated October 14, 2020, which is limited to the principal amount of \$1,900,000.00 (the “**Sardara-278 Guarantee**”);



- ii) in the case of 278: (i) the credit facilities made available to 278 by RBC pursuant to and under the terms of the credit agreement dated September 13, 2022 (the “**278 Credit Agreement**”); and 278’s guarantee of certain obligations of Sardara to RBC pursuant to the written guarantee and postponement of claim dated September 27, 2022, which is limited to the principal amount of \$2,500,000.00 (the “**278-Sardara Guarantee**” and, together with the Sardara-278 Guarantee, the “**Corporate Guarantees**”); and
- iii) in the case of Payless, the credit facilities made available to Payless by RBC pursuant to and under the terms of the credit agreement dated October 1, 2021 (the “**Payless Credit Agreement**” and, together with the Sardara Credit Agreement and the 278 Credit Agreement, the “**Credit Agreements**”);
- d) as security for the Debtors’ obligations to RBC, the Debtors provided security in favour of RBC (collectively, the “**Security**”), including, without limitation:
  - i) general security agreements in favour of RBC by each of the Debtors, registration in respect of which was made in all cases under the *Personal Property Security Act* (Ontario) (the “**PPSA**”);
  - ii) the security agreement for chattel mortgage granted by Sardara, registration in respect of which was made under the PPSA;
  - iii) the charge/mortgage granted by 278 in respect of the Real Property in the registered principal amount of \$2,600,000.00; and
  - iv) the assignment of rents granted by 278 in respect of the Real Property;
- e) RBC is the only registered secured creditor under the PPSA against 278 and Payless, and the first-to-register general secured creditor under the PPSA against Sardara;

- f) certain of the credit facilities provided to the Debtors are payable on demand, and one or more events of default has also occurred, including, without limitation, the failure by the Debtors to pay any principal, interest or other amount when due, and the failure by the Debtors to comply with their reporting obligations to RBC;
- g) on January 5, 2024, RBC proceeded to make formal written demand on the Debtors for the payment of amounts owing to RBC under the Credit Agreement and the Corporate Guarantees (collectively, the “**Demand Letters**”), which were accompanied by notices of intention to enforce security pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”);
- h) as set out in the Demand Letters, the following amounts were owing by the Debtors to RBC for principal and interest as of January 5, 2024 (together with costs (including, without limitation, legal fees and expenses) and accruing interest, the “**Indebtedness**”):
  - i) \$4,436,762.28 from Sardara (including \$1,782,169.85 in respect of the Sardara-278 Guarantee);
  - ii) \$4,282,169.85 from 278 (including \$2,500,000.00 in respect of the 278-Sardara Guarantee); and
  - iii) \$265,322.74 from Payless;
- i) none of the Indebtedness has been repaid;
- j) at this stage, RBC considers that the only reasonable and prudent path forward is to take any and all steps necessary to protect the Property by having a receiver appointed, and it is within RBC’s rights under the Security to do so;
- k) it is just and equitable that a receiver be appointed. A receiver is necessary for the protection and monetization of the Property;
- l) Spergel has consented to being appointed as the receiver;

- m) Spergel is a licensed insolvency trustee and is familiar with the circumstances of the Debtors and their arrangements with RBC;
- n) the other grounds set out in the affidavit of Zhenya Jens to be sworn in support of the within application (the “**Jens Affidavit**”);
- o) subsection 243(1) of the BIA;
- p) section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- q) rules 1.04, 2.01, 2.03, 3.02, 16, 38 and 41 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and
- r) such further grounds as are required and this Court may permit.

3. The following documentary evidence will be used at the hearing of the application:

- a) the Jens Affidavit;
- b) the consent of Spergel to act as the Receiver; and
- c) such other material as is required and this Court may permit.

January 31, 2024

**AIRD & BERLIS LLP**

Barristers & Solicitors  
Brookfield Place  
181 Bay Street, Suite 1800  
Toronto, Ontario M5J 2T9

**Sanjeev P.R. Mitra (LSO # 37934U)**

Tel: (416) 865-3085  
Email: [smitra@airdberlis.com](mailto:smitra@airdberlis.com)

**Jeremy Nemers (LSO # 66410Q)**

Tel: (416) 865-7724  
Email: [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

**Adrienne Ho (LSO # 68439N)**

Tel: (416) 637-7980  
Email: [aho@airdberlis.com](mailto:aho@airdberlis.com)

*Lawyers for Royal Bank of Canada*

**ROYAL BANK OF CANADA**

- and -

**SARDARA TRANSPORT INC., et al.**

Applicant

Respondents

Court File No.

---

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**Proceedings commenced at Toronto**

---

**NOTICE OF APPLICATION**

---

**AIRD & BERLIS LLP**

Brookfield Place  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9

**Sanjeev P.R. Mitra** (LSO # 37934U)

Tel: (416) 865-3085  
Fax: (416) 863-1515  
Email: [smitra@airdberlis.com](mailto:smitra@airdberlis.com)

**Jeremy Nemers** (LSO # 66410Q)

Tel: (416) 865-7724  
Fax: (416) 863-1515  
Email: [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

**Adrienne Ho** (LSO # 68439N )

Tel: (416) 637-7980  
Fax: (416) 863-1515  
Email: [aho@airdberlis.com](mailto:aho@airdberlis.com)

*Lawyers for Royal Bank of Canada*

# TAB 2

Court File No. CV-24-00713924-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE )  
 )  
 )  
JUSTICE <\*> ) DAY OF <\*>, 2024

B E T W E E N:

**ROYAL BANK OF CANADA**

Applicant

- and -

**SARDARA TRANSPORT INC., 2780785 ONTARIO INC.  
and PAYLESS TYRES CENTRE INC.**

Respondents

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

**ORDER  
(appointing Receiver)**

**THIS APPLICATION** made by Royal Bank of Canada (“**RBC**”) 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 (in such capacity, the “**Receiver**”) without security, of all of the assets, undertakings and properties of Sardara Transport Inc., 2780785 Ontario Inc. and Payless Tyres Centre Inc. (collectively, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, was heard this day by judicial videoconference via Zoom.

**ON READING** the affidavit of Evgeniya Jens sworn February 1, 2024 and the Exhibits thereto and on hearing the submissions of counsel for RBC and such other counsel as were present, no one appearing for any other stakeholder although duly served as appears from the affidavit of service sworn <\*>, 2024, and on reading the consent of Spergel to act as the Receiver,

### **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the notice of application and the application record is hereby abridged and validated so that this 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, Spergel is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the “**Property**”), including, but not limited to the lands and premises municipally known as 13760 Trafalgar Road, Halton Hills, Ontario, all as more specifically described in Schedule “A” hereto (the “**Real Property**”).

### **RECEIVER’S POWERS**

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 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;
- (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 hereby

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, provided that the aggregate consideration for all such transactions does not exceed \$200,000; 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 enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (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 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 their 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** 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**

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 DEBTORS OR THE PROPERTY**

9. **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 hereby stayed and suspended pending further Order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

10. **THIS COURT ORDERS** that all rights and remedies against the 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 Debtors to carry on any business which the Debtors are 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**

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 Debtors, without written consent of the Receiver or leave of this Court.

## **CONTINUATION OF SERVICES**

12. **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 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 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**

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**

14. **THIS COURT ORDERS** that all employees of the Debtors, if any, 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 ANTI-SPAM LEGISLATION**

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 Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

16. **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 clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

17. **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**

18. **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**

19. **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.



20. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

21. **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**

22. **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 \$150,000 (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.

23. **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.

24. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “B” hereto (the “**Receiver’s Certificates**”) for any amount borrowed by it pursuant to this Order.

25. **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**

26. **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/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* (the "**Rules**") this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules 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 and shall be accessible by selecting the Debtors' names from the engagement list at the following URL: <https://www.spergelcorporate.ca/engagements>.

27. **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**

28. **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.

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

30. **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.

31. **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.

32. **THIS COURT ORDERS** that RBC shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of RBC's security or, if not so provided by RBC's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estates with such priority and at such time as this Court may determine.

33. **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.

34. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of today's date and is enforceable without the need for entry or filing.

---

**SCHEDULE "A"****DESCRIPTION OF REAL PROPERTY****PIN 25007 - 0188 LT**

PT LT 29, CON 7 ESQ AS IN 470163 EXCEPT PT 1 ON 20R11397, EXCEPT PT 1 ON 20R11460; HALTON HILLS/ESQUESING

**SCHEDULE “B”**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the “**Receiver**”) of all of the assets, undertakings and properties of Sardara Transport Inc., 2780785 Ontario Inc. and Payless Tyres Centre Inc. (collectively, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the “**Property**”) appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated the <\*> day of <\*>, 2024 (the “**Order**”) made in an application having Court file number <\*>, 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:

Applicant

Respondents

Court File No.

---

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**Proceedings commenced at Toronto**

---

**APPOINTMENT ORDER**

---

**AIRD & BERLIS LLP**  
Barristers and Solicitors  
Brookfield Place  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9

**Sanjeev P.R. Mitra (LSO # 37934U)**

Tel: (416) 865-3085

Fax: (416) 863-1515

Email: [smitra@airdberlis.com](mailto:smitra@airdberlis.com)

**Jeremy Nemers (LSO # 66410Q)**

Tel: (416) 865-7724

Fax: (416) 863-1515

Email: [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

**Adrienne Ho (LSO # 68439N)**

Tel: (416) 637-7980

Fax: (416) 863-1515

Email: [aho@airdberlis.com](mailto:aho@airdberlis.com)

***Lawyers for Royal Bank of Canada***

# TAB 3



Revised: January 21, 2014  
s.243(1) BIA (National Receiver) and s. 101  
CJA (Ontario) Receiver

Court File No. — CV-24-00713924-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

THE HONOURABLE

)  
)  
)  
)

WEEKDAY <\*>, THE # <\*>

JUSTICE — <\*>

DAY OF MONTH <\*>, 20YR2024

**PLAINTIFF<sup>†</sup>**

**Plaintiff**

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

**DEFENDANT**

**Defendant**

SARDARA TRANSPORT INC., 2780785 ONTARIO INC.  
and PAYLESS TYRES CENTRE INC.

Respondents

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

<sup>†</sup>—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.

## ORDER (appointing Receiver)

THIS ~~MOTION~~ APPLICATION made by ~~the Plaintiff~~<sup>2</sup> Royal Bank of Canada (“RBC”) 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 ~~[RECEIVER'S NAME]~~ msi Spergel inc. (“Spergel”) as receiver ~~[and manager]~~ (in such ~~capacities~~ capacity, the “Receiver”) without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~ (Sardara Transport Inc., 2780785 Ontario Inc. and Payless Tyres Centre Inc. (collectively, the “Debtor” “Debtors”)) acquired for, or used in relation to a business carried on by the ~~Debtor~~ Debtors, was heard this day ~~at 330 University Avenue, Toronto, Ontario~~ by judicial videoconference via Zoom.

ON READING the affidavit of ~~[NAME]~~ Evgeniya Jens sworn ~~[DATE]~~ February 1, 2024 and the Exhibits thereto and on hearing the submissions of counsel for ~~[NAMES]~~ RBC and such other counsel as were present, no one appearing for ~~[NAME]~~ any other stakeholder although duly served as appears from the affidavit of service ~~of [NAME]~~ sworn ~~[DATE]~~ <\*>, 2024, and on reading the consent of ~~[RECEIVER'S NAME]~~ Spergel to act as the Receiver,

### SERVICE

1. THIS COURT ORDERS that the time for service of the ~~Notice~~ notice of ~~Motion~~ application and the ~~Motion~~ application record is hereby abridged and validated<sup>3</sup> so that this ~~motion~~ application is properly returnable today and hereby dispenses with further service thereof.

### APPOINTMENT

<sup>2</sup> ~~Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

<sup>3</sup> ~~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.~~

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~ Spergel is hereby appointed Receiver, without security, of 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~~ Debtors, including all proceeds thereof (collectively, the "Property"), including, but not limited to the lands and premises municipally known as 13760 Trafalgar Road, Halton Hills, Ontario, all as more specifically described in Schedule "A" hereto (the "Real Property").

### RECEIVER'S POWERS

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;
- (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.<sup>4</sup> The authority hereby 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

~~<sup>4</sup>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.~~

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. ~~(i)~~ without the approval of this Court in respect of any transaction not exceeding \$~~\_\_\_\_\_~~50,000, provided that the aggregate consideration for all such transactions does not exceed \$~~\_\_\_\_\_~~200,000; and

ii. ~~(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,<sup>5</sup> 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;

<sup>5</sup> ~~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.~~

- (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 enter into agreements with any trustee in bankruptcy appointed in respect of the ~~Debtor~~Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the ~~Debtor~~Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the ~~Debtor~~Debtors may have; and
- (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~~their 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** 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**

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**

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**

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 is~~Debtors are 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**

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

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's~~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 ~~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

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

14. **THIS COURT ORDERS** that all employees of the ~~Debtor~~Debtors, if any, shall remain the employees of the ~~Debtor~~Debtors until such time as the Receiver, on the ~~Debtor's~~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 ANTI-SPAM LEGISLATION**

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.

16. **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 clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

## LIMITATION ON ENVIRONMENTAL LIABILITIES

17. ~~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

18. ~~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

19. ~~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.<sup>6</sup>

20. ~~19.~~ **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass ~~its~~their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

21. ~~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**

22. ~~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 \$~~\_\_\_\_\_~~150,000 (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"~~"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,

<sup>6</sup> ~~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".~~

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.

23. ~~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.

24. ~~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.

25. ~~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

26. ~~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/>~~

<http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall

be valid and effective service. Subject to Rule 17.05 of the Rules of Civil Procedure (the "**Rules**") 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~~ and shall be accessible by selecting the Debtors' names from the engagement list at the following URL ~~with~~ at: <https://www.spergelcorporate.ca/engagements>.

27. ~~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

28. ~~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.

29. ~~28.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the ~~Debtor~~Debtors.

30. ~~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.

31. ~~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.

32. ~~31.~~ **THIS COURT ORDERS** that ~~the Plaintiff~~RBC shall have its costs of this ~~motion~~application, up to and including entry and service of this Order, provided for by the terms of ~~the Plaintiff~~RBC's security or, if not so provided by ~~the Plaintiff~~RBC's security, then on a

substantial indemnity basis to be paid by the Receiver from the ~~Debtor's estate~~Debtors' estates with such priority and at such time as this Court may determine.

33. ~~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.

34. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of today's date and is enforceable without the need for entry or filing.

---

DOCSTOR: 17717428

SCHEDULE "A"

DESCRIPTION OF REAL PROPERTY

PIN 25007 - 0188 LT

PT LT 29, CON 7 ESQ AS IN 470163 EXCEPT PT 1 ON 20R11397, EXCEPT PT 1 ON 20R11460; HALTON HILLS/ESQUESING



SCHEDULE "B"

## RECEIVER CERTIFICATE

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ msi Spergel inc., the receiver (the "Receiver") of all of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~ of Sardara Transport Inc., 2780785 Ontario Inc. and Payless Tyres Centre Inc. (collectively, the "Debtors") acquired for, or used in relation to a business carried on by the ~~Debtor~~ Debtors, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ~~\_\_\_~~ <\*> day of ~~\_\_\_\_\_~~ <\*>, ~~20\_\_~~ 2024 (the "Order") made in an ~~action~~ application having Court file number ~~\_\_\_CL\_\_\_~~ <\*>, 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\_\_.

~~[RECEIVER'S NAME]~~ [msi Spergel inc.](#), solely in its capacity as Receiver of the Property, and not in its personal capacity

Per:

\_\_\_\_\_ Name:

Title:

Applicant

Respondents

Court File No.

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

**Proceedings commenced at Toronto**

**APPOINTMENT ORDER**

**AIRD & BERLIS LLP**  
**Barristers and Solicitors**  
**Brookfield Place**  
**181 Bay Street, Suite 1800**  
**Toronto, ON M5J 2T9**

**Sanjeev P.R. Mitra (LSO # 37934U)**

**Tel: (416) 865-3085**

**Fax: (416) 863-1515**

**Email: [smitra@airdberlis.com](mailto:smitra@airdberlis.com)**

**Jeremy Nemers (LSO # 66410Q)**

**Tel: (416) 865-7724**

**Fax: (416) 863-1515**

**Email: [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)**

**Adrienne Ho (LSO # 68439N)**

**Tel: (416) 637-7980**

**Fax: (416) 863-1515**

**Email: [aho@airdberlis.com](mailto:aho@airdberlis.com)**

**Lawyers for Royal Bank of Canada**

Document comparison by Workshare Compare on February 1, 2024 4:11:10 PM

Input:	
Document 1 ID	iManage://wsc.airdberlis.com/CM/55835414/1
Description	#55835414v1<wsc.airdberlis.com> - receivership-order-EN
Document 2 ID	iManage://wsc.airdberlis.com/CM/55831207/3
Description	#55831207v3<wsc.airdberlis.com> - Appointment Order
Rendering set	Standard

Legend:	
<a href="#">Insertion</a>	
<del>Deletion</del>	
<del>Moved from</del>	
<a href="#">Moved to</a>	
Style change	
Format change	
<del>Moved deletion</del>	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:

	Count
Insertions	214
Deletions	206
Moved from	0
Moved to	0
Style changes	0
Format changes	0
Total changes	420

# TAB 4

Court File No. CV-24-00713924-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

B E T W E E N:

**ROYAL BANK OF CANADA**

Applicant

- and -

**SARDARA TRANSPORT INC., 2780785 ONTARIO INC.  
and PAYLESS TYRES CENTRE INC.**

Respondents

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

**AFFIDAVIT OF EVGENIYA JENS  
(sworn February 1, 2024)**

I, Evgeniya Jens (also known as Zhenya Jens), of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a Senior Manager in the Special Loans & Advisory Services Department (the “**Special Loans Group**”) of Royal Bank of Canada (“**RBC**”). RBC is a secured creditor of the Respondents herein, being Sardara Transport Inc. (“**Sardara**”), 2780785 Ontario Inc. (“**278**”) and Payless Tyres Centre Inc. (“**Payless**” and, together with Sardara and 278, the “**Debtors**”), and I am responsible for RBC’s management of the credit facilities that RBC advanced to the Debtors (the “**Credit Facilities**”). As such, I have personal knowledge of the matters to which I hereinafter depose. Where I do not have such personal knowledge, I have stated the source of my information and, in all such cases, believe it to be true.

## PURPOSE

2. I am swearing this Affidavit in support of an application by RBC for an Order appointing msi Spergel inc. (“**Spergel**”) as receiver of all the assets, undertakings and properties of the Debtors acquired for or used in relation to a business carried on by the Debtors (the “**Property**”), including, without limitation, the real property known municipally as 13760 Trafalgar Road, Halton Hills, Ontario (the “**Real Property**”).

## DESCRIPTION OF THE DEBTORS

3. The Debtors’ corporate profile reports are attached collectively as **Exhibit “A”** to this Affidavit. In substance, they reflect that all the Debtors are privately-owned corporations registered under Ontario’s *Business Corporations Act* with registered head offices in Brampton, Ontario, and that Jagteshwar Brar (“**Mr. Brar**”) is their sole director.

4. According to the printout from Sardara’s website that is attached as **Exhibit “B”** to this Affidavit, Sardara is a transportation logistics service and management solutions provider that ships, stores and manages freight needs “*across globe.*” As discussed below, I understand 278 to be the holding company of the Real Property. I also understand Payless to offer truck repair services.

## RBC’S LOANS TO THE DEBTORS AND RELATED SECURITY

5. Sardara is indebted to RBC in connection with:

- (a) the credit facilities made available to Sardara by RBC pursuant to and under the terms of the credit agreement dated June 10, 2021 and amended September 22, 2022 (the “**Sardara Credit Agreement**”); and



- (b) Sardara’s guarantee of certain obligations of 278 to RBC pursuant to the written guarantee and postponement of claim dated October 14, 2020, which is limited to the principal amount of \$1,900,000.00 (the “**Sardara-278 Guarantee**”).
6. 278 is indebted to RBC in connection with:
- (a) the credit facilities made available to 278 by RBC pursuant to and under the terms of the credit agreement dated September 13, 2022 (the “**278 Credit Agreement**”); and
- (b) 278’s guarantee of certain obligations of Sardara to RBC pursuant to the written guarantee and postponement of claim dated September 27, 2022, which is limited to the principal amount of \$2,500,000.00 (the “**278-Sardara Guarantee**” and, together with the Sardara-278 Guarantee, the “**Corporate Guarantees**”).
7. Payless is indebted to RBC in connection with the credit facilities made available to Payless by RBC pursuant to and under the terms of the credit agreement dated October 1, 2021 (the “**Payless Credit Agreement**” and, together with the Sardara Credit Agreement and the 278 Credit Agreement, the “**Credit Agreements**”).
8. Copies of the Credit Agreements are attached collectively as **Exhibit “C”** to this Affidavit. Copies of the Corporate Guarantees are attached collectively as **Exhibit “D”** to this Affidavit.
9. To secure their respective obligations to RBC, each of the Debtors also provided security to RBC (collectively, the “**Security**”), including, without limitation:
- (a) the three general security agreements (one for each of the three Debtors) attached collectively as **Exhibit “E”** to this Affidavit, registration in respect of which were made under the *Personal Property Security Act* (Ontario) (the “**PPSA**”);

- (b) the security agreement for chattel mortgage granted by Sardara attached as **Exhibit “F”** to this Affidavit, registration in respect of which was made under the PPSA;
- (c) the charge/mortgage granted by 278 attached as **Exhibit “G”** to this Affidavit in respect of the Real Property in the registered principal amount of \$2,600,000.00; and
- (d) the assignment of rents granted by 278 attached as **Exhibit “H”** to this Affidavit in respect of the Real Property.

10. Mr. Brar also provided certain personal guarantees to RBC in connection with the obligations of Sardara (limited to the principal amount of \$2,500,000.00), 278 (limited to the principal amount of \$850,000.00) and Payless (limited to the principal amount of \$585,324.00) (collectively, the “**Personal Guarantees**” and, together with the Corporate Guarantees, the “**Guarantees**”), copies of which are attached collectively as **Exhibit “I”** to this Affidavit. RBC reserves the right to pursue Mr. Brar going forward in respect of the Personal Guarantees, including for any interest accruing from the date of the Demand Letters (as defined below).

#### **OTHER SECURED CREDITORS**

11. Copies of the certified PPSA search results for the Debtors as at December 29, 2023 are attached collectively as **Exhibit “J”** to this Affidavit.

12. RBC is the only PPSA registrant against 278 and Payless. Ford Credit Canada Company, VW Credit Canada Inc. and The Bank of Nova Scotia (collectively, the “**Other PPSA Registrants**”) have also registered under the PPSA against Sardara. The registrations in favour of the Other PPSA Registrants all appear to relate to specific equipment and/or motor vehicles. The PPSA search results confirm that RBC is the only registrant against all collateral classifications other than consumer goods.

13. I have instructed RBC's legal counsel, Aird & Berlis LLP ("**Aird & Berlis**") to serve each of the Other PPSA Registrants with RBC's application record.

14. A copy of the parcel search for the Real Property is attached hereto as **Exhibit "K"** to this Affidavit. As reflected therein, RBC holds the first-ranking mortgage security against the Real Property. 278 also appears to have granted charges over the Real Property in favour of: (i) 2794963 Ontario Inc. and Kamaljit Kaur Grewal; (ii) 2794395 Ontario Corp.; and (iii) Jitendra Patel (collectively, the "**Other Real Property Registrants**"), copies of which registered charges are attached collectively as **Exhibit "L"** to this Affidavit. The Corporation of the Town of Halton Hills (the "**Municipality**") has also registered a tax arrears certificate against the Real Property, a copy of which is attached as **Exhibit "M"** to this Affidavit. An updated tax certificate obtained from the Municipality shows tax arrears of \$43,598.20 due and owing as of January 10, 2024, and is attached as **Exhibit "N"** to this Affidavit.

15. I have instructed Aird & Berlis to serve each of the Other Real Property Registrants and the Municipality with RBC's application record.

## **THE DEMANDS**

16. On April 14, 2023, RBC sent a letter to Sardara advising that RBC was terminating its banking relationship with Sardara, and requesting that Sardara seek an alternative financial institution to support Sardara's banking needs by no later than July 13, 2023. A copy of this letter is attached as **Exhibit "O"** to this Affidavit.

17. On November 1, 2023, the term loan granted to 278 under the 278 Credit Agreement matured without repayment being made thereunder.

18. The Credit Agreements require that certain reporting be made to RBC in respect of all three of the Debtors, including, without limitation, annual financial statements within 90 days of each fiscal year end. RBC has still not received annual financial statements from any of the Debtors for the 2022 fiscal year.

19. On January 5, 2024, RBC proceeded to make formal written demand on all the Debtors and Mr. Brar, as applicable, for payment of the amounts owed to RBC under the Credit Agreements and the Guarantees (collectively, the “**Demand Letters**”). Notices of intention to enforce security (the “**BIA Notices**”) pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) accompanied the Demand Letters sent to the Debtors. Copies of the Demand Letters and the BIA Notices are attached collectively as **Exhibit “P”** to this Affidavit.

20. As particularized in more detail in the Demand Letters, the following amounts were owing by the Debtors for principal and interest as of January 5, 2024, plus, in all cases, costs (including, without limitation, legal fees and expenses) and accruing interest (collectively, the “**Indebtedness**”):

- (a) \$4,436,762.28 from Sardara (including \$1,782,169.85 in respect of the Sardara-278 Guarantee);
- (b) \$4,282,169.85 from 278 (including \$2,500,000.00 in respect of the 278-Sardara Guarantee); and
- (c) \$265,322.74 from Payless.

21. As described in the Demand Letters, certain of the Credit Facilities are payable on demand, and one or more events of default has also occurred, including, without limitation, the failure by

the Debtors to pay any principal, interest or other amount when due, and the failure to meet the reporting requirements stipulated in the Credit Agreements.

### **PROPOSED SALE OF REAL PROPERTY**

22. I understand from Mr. Brar that the Debtors intended to repay the Indebtedness to RBC (and, potentially, the indebtedness owing by the Debtors to other stakeholders) by causing 278 to sell the Real Property, which sale was supposed to close on January 31, 2024 (the “**Purported Transaction**”).

23. Attached as **Exhibit “Q”** to this Affidavit is an email chain between Aird & Berlis and 278’s counsel, in which 278’s counsel advises that the Purported Transaction has been “*extended*” for two weeks beyond January 31, 2024. When asked for the reason why and for other particulars regarding the status of the Purported Transaction (including, without limitation, evidence supporting the closing funds’ sufficiency to repay the Indebtedness and any other applicable encumbrances ranking in priority thereto, and evidence supporting the closing funds’ existence and location), 278’s counsel eventually responded “*Your email has been forwarded to our client and we will reply once information is received from client.*”

24. Attached as **Exhibit “R”** to this Affidavit is an email I received from Mr. Brar on January 25, 2024, in which Mr. Brar indicates that “*they were requesting 2 weeks extension as their Funds delayed by week but I requested them some supporting documents*”, “*Their lawyers sending us official request extension today, which we will forward to your lawyers*” and “*Rest I will update you today afternoon, after my meeting with their RBC Representative.*” Notwithstanding the content of Mr. Brar’s email, I did not receive a further update from him that day.

25. The Purported Transaction did not close on January 31, 2024. Attached collectively as **Exhibit “S”** are email exchanges dated January 30, 2024 that I and Aird & Berlis had with Mr. Brar and 278’s counsel respectively, in which in substance, the Debtors were seeking to extend the closing of the Purported Transaction to March 22, 2024.

26. As of the date of the swearing of this Affidavit, none of the Indebtedness has been repaid and the Debtors have not provided satisfactory evidence to support the existence of the necessary funds to close the Purported Transaction or why a further delay to closing is needed.

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

27. As of the date of the swearing of this Affidavit, the Debtors have failed to repay the amounts owing to RBC and have failed to make satisfactory arrangements with RBC in respect of same.

28. At this stage, RBC considers the only reasonable and prudent path forward is to take any and all steps necessary to protect the Property by having a receiver appointed, and it is within RBC’s rights under its security to do so.

29. In the circumstances set out above, I believe that it is just and equitable that a receiver be appointed. A receiver is necessary for the protection of the Property and the interests of RBC and all stakeholders. RBC believes that the appointment of a receiver would enhance the prospect of recovery by RBC and protect all stakeholders.


30. RBC proposes that msi Spergel inc. (“**Spergel**”) be appointed as the receiver of the Property.

31. Spergel is a licensed insolvency trustee, and is familiar with the circumstances of each of the Debtors and their arrangements with RBC.


32. Spergel has consented to act as receiver should the Court so appoint it, as set out in its consent attached as **Exhibit "T"** to this Affidavit.

33. This Affidavit is made in support of the within application, and for no other or improper purpose whatsoever.

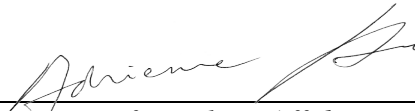
**SWORN** by Evgeniya Jens at )  
the City of Toronto, in the Province of )  
Ontario, before me on this 1<sup>st</sup> day of )  
February, 2024 in accordance with )  
O. Reg. 431/20, Administering Oath )  
or Declaration Remotely. )

  
\_\_\_\_\_  
Commissioner for taking affidavits, etc.

Adrienne Ho  
LSO: 68439N

  
\_\_\_\_\_  
**EVGENIYA JENS**

This is Exhibit "A" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.

A handwritten signature in cursive script, appearing to read "Adreinne Ho", written over a horizontal line.

*Commissioner for Taking Affidavits*  
Adreinne Ho



Ministry of Public and  
Business Service Delivery

## Profile Report

SARDARA TRANSPORT INC. as of December 29, 2023

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	SARDARA TRANSPORT INC.
Ontario Corporation Number (OCN)	2095505
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	March 01, 2006
Registered or Head Office Address	191 Willow Park Dr, Brampton, Ontario, Canada, L6R 2M9

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

A handwritten signature in black ink, appearing to read "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.

**Active Director(s)**

Minimum Number of Directors 1  
Maximum Number of Directors 10

Name JAGTESHWAR SINGH BRAR  
Address for Service 191 Willow Park Drive, Brampton, Ontario, Canada, L6R 2M9  
Resident Canadian Yes  
Date Began June 30, 2010

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.

**Active Officer(s)****Name**

JAGTESHWAR SINGH BRAR

**Position**

President

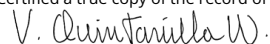
**Address for Service**

191 Willow Park Drive, Brampton, Ontario, Canada, L6R 2M9

**Date Began**

June 30, 2010

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



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.

**Corporate Name History****Name**

SARDARA TRANSPORT INC.

**Effective Date**

March 01, 2006

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.

**Active Business Names**

This corporation does not have any active business names registered under the Business Names Act in Ontario.

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.

**Expired or Cancelled Business Names**

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

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.

**Document List**

<b>Filing Name</b>	<b>Effective Date</b>
CIA - Notice of Change PAF: JAGTESHWAR SINGH BRAR - DIRECTOR	January 29, 2018
Annual Return - 2012 PAF: NAVJOT JATANA - DIRECTOR	July 18, 2017
Annual Return - 2011 PAF: NAVJOT JATANA - DIRECTOR	July 18, 2017
Annual Return - 2010 PAF: NAVJOT JATANA - DIRECTOR	July 18, 2017
Annual Return - 2009 PAF: JARNAIL JATANA - DIRECTOR	July 18, 2017
CTA - Complied	December 15, 2012
CTA - Default Corporations Tax Act	December 08, 2012
CIA - Initial Return PAF: NAVJOT SINGH JATANA - DIRECTOR	April 20, 2006
BCA - Articles of Incorporation	March 01, 2006

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.

*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.





Ministry of Public and  
Business Service Delivery

## Profile Report

PAYLESS TYRES CENTRE INC. as of December 29, 2023

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	PAYLESS TYRES CENTRE INC.
Ontario Corporation Number (OCN)	2284113
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	May 06, 2011
Registered or Head Office Address	191 Willow Park Dr, Brampton, Ontario, Canada, L6R 2M9

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

A handwritten signature in black ink, appearing to read "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.

**Active Director(s)**

Minimum Number of Directors 1  
Maximum Number of Directors 10

Name JAGTESHWAR BRAR  
Address for Service 191 Willow Park Dr, Brampton, Ontario, Canada, L6R 2M9  
Resident Canadian Yes  
Date Began December 31, 2014

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.

**Active Officer(s)**

There are no active Officers currently on file for this corporation.

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.

**Corporate Name History****Name**

PAYLESS TYRES CENTRE INC.

**Effective Date**

May 06, 2011

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.

**Active Business Names**

This corporation does not have any active business names registered under the Business Names Act in Ontario.

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.

### Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

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.

## Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: JAGTESHWAR SINGH BRAR - DIRECTOR	July 03, 2019
Annual Return - 2017 PAF: NAVJOT JATANA - DIRECTOR	November 04, 2018
Annual Return - 2016 PAF: NAVJOT JATANA - DIRECTOR	July 09, 2017
Annual Return - 2015 PAF: NAVJOT JATANA - DIRECTOR	July 09, 2017
Annual Return - 2014 PAF: NAVJOT JATANA - DIRECTOR	July 09, 2017
Annual Return - 2013 PAF: NAVJOT JATANA - DIRECTOR	July 09, 2017
Annual Return - 2012 PAF: NAVJOT JATANA - DIRECTOR	July 09, 2017
Annual Return - 2011 PAF: NAVJOT NAVJOT - DIRECTOR	July 09, 2017
CIA - Initial Return PAF: NAVJOT JATANA - DIRECTOR	June 02, 2011
BCA - Articles of Incorporation	May 06, 2011

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.

*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.





Ministry of Public and  
Business Service Delivery

## Profile Report

2780785 ONTARIO INC. as of December 29, 2023

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	2780785 ONTARIO INC.
Ontario Corporation Number (OCN)	2780785
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	September 30, 2020
Registered or Head Office Address	191 Willow Park Dr, Brampton, Ontario, Canada, L6R 2M9

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

A handwritten signature in black ink, appearing to read "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.

**Active Director(s)**

Minimum Number of Directors 1  
Maximum Number of Directors 10

Name JAGTESHWAR SINGH BRAR  
Address for Service 191 Willow Park Dr, Brampton, Ontario, Canada, L6R 2M9  
Resident Canadian Yes  
Date Began September 30, 2020

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.

**Active Officer(s)**

There are no active Officers currently on file for this corporation.

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.

**Corporate Name History****Name**

2780785 ONTARIO INC.

**Effective Date**

September 30, 2020

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.

**Active Business Names**

This corporation does not have any active business names registered under the Business Names Act in Ontario.

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.

**Expired or Cancelled Business Names**

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

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.

**Document List****Filing Name**

BCA - Articles of Incorporation

**Effective Date**

September 30, 2020

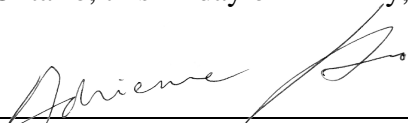
Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*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.

This is Exhibit "B" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*  
Adreinne Ho





ABOUT US



# WELCOME TO **SARDARA TRANSPORT**

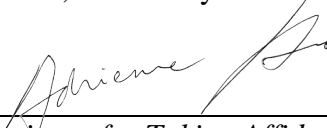
We are a dedicated logistics service and management solutions provider. We use the latest eco-friendly and fuel efficient fleet to operate one of the largest and most modern transportation service provider in the industry. We ship, we store and we manage freight needs across globe.

We help businesses move their shipments across the globe with the detailed coordination of where and when to provide right service and solutions. We use cost effective and efficient methods to services to our clients. Partnerships with the right industry leading logistics providers to provide fast and accurate service.

— **DEDICATED SERVICE** — **RELIABLE SOLUTIONS** — **TRUSTED PARTNER**

We offers the best logistics solutions using secured storage, innovative packaging and dynamic supply chain management for shipment of your goods. Our team of professional logistic consultants will help your business with the right service, cost effective tools and innovative solutions.

This is Exhibit "C" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.

A handwritten signature in cursive script, appearing to read "Adreinne Ho", written in black ink.

---

*Commissioner for Taking Affidavits*

Adreinne Ho



Royal Bank of Canada  
Commercial Financial Services  
21 King St W, Suite 200  
Hamilton ON L8P 4W7

June 10, 2021

**Private and Confidential**

**SARDARA TRANSPORT INC.**

191 Willow Park Dr  
Brampton ON  
L6R 2M9

ROYAL BANK OF CANADA (the "**Bank**") hereby confirms the credit facilities described below (the "**Credit Facilities**") subject to the terms and conditions set forth below and in the attached Terms & Conditions and Schedules (collectively the "**Agreement**"). This Agreement amends and restates without novation the existing agreement dated October 14, 2020 and any amendments thereto. Any amount owing by the Borrower to the Bank under such previous agreement is deemed to be a Borrowing under this Agreement. Any and all security that has been delivered to the Bank and is set forth as Security below, shall remain in full force and effect, is expressly reserved by the Bank and, unless expressly indicated otherwise, shall apply in respect of all obligations of the Borrower under the Credit Facilities. Unless otherwise provided, all dollar amounts are in Canadian currency.

The Bank reserves all of its rights and remedies at any time and from time to time in connection with any or all breaches, defaults or Events of Default now existing or hereafter arising under this Agreement or any other agreement delivered to the Bank, and whether known or unknown, and this Agreement shall not be construed as a waiver of any such breach, default or Event of Default.

**BORROWER:** Sardara Transport Inc. (the "**Borrower**")

**CREDIT FACILITIES**

**Facility #1:** \$2,000,000.00 revolving demand facility by way of:

- a) RBP based loans ("**RBP Loans**")

Revolve in increments of:	\$5,000.00	Minimum retained balance:	\$0.00
Revolved by:	Bank	Interest rate (per annum):	RBP + 2.23%

**AVAILABILITY**

The Borrower may borrow, repay and reborrow up to the amount of this facility provided this facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice.

Borrowings outstanding under this facility must not exceed at any time the aggregate of the following, less Potential Prior-Ranking Claims (the "**Borrowing Limit**"):

- a) 75% of Good Canadian/US Accounts Receivable.

\_\_\_\_\_  
 © Registered Trademark of Royal Bank of Canada

SRF #337 282 784

Page 1 of 6

**REPAYMENT**

Notwithstanding compliance with the covenants and all other terms and conditions of this Agreement, Borrowings under this facility are repayable on demand.

**GENERAL ACCOUNT**

The Borrower shall establish a current account with the Bank (the "**General Account**") for the conduct of the Borrower's day-to-day banking business. The Borrower authorizes the Bank daily or otherwise as and when determined by the Bank, to ascertain the balance of the General Account and:

- a) if such position is a debit balance the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, make available a Borrowing by way of RBP Loans under this facility;
- b) if such position is a credit balance, where the facility is indicated to be Bank revolved, the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, apply the amount of such credit balance or any part as a repayment of any Borrowings outstanding by way of RBP Loans under this facility.

**Facility #2:** \$201,519.34 non-revolving term facility by way of:

- a) Fixed Rate Term Loans ("**FRT Loans**") Interest rate (per annum): 4.27%

**REPAYMENT**

Payment Amount:	\$5,820.48	Payment Frequency:	Monthly
Payment Type:	Blended	Payment date:	27th of each month
Repayable in full on:	June 27, 2024	Current remaining amortization (months)	37
Amount eligible for prepayment of FRT Loan: NIL			

**OTHER FACILITIES**

The Credit Facilities are in addition to the following facilities (the "**Other Facilities**"). The Other Facilities will be governed by this Agreement and separate agreements between the Borrower and the Bank. In the event of a conflict between this Agreement and any such separate agreement, the terms of the separate agreement will govern.

- a) Credit Card to a maximum amount of \$100,000.00.

**FEES****One Time Fee:**

Payable upon acceptance of this Agreement or as agreed upon between the Borrower and the Bank.

**Monthly Fee:**

Payable in arrears on the same day of each month.

Review Fee: \$1,500.00

Management Fee: \$350.00

**Other Fees:****Renewal Fee:**

If the Bank renews or extends any term facility or term loan beyond its Maturity Date, an additional renewal fee may be payable in connection with any such renewal in such amount as the Bank may determine and notify the Borrower.

**SECURITY**

Security for the Borrowings and all other obligations of the Borrower to the Bank, including, without limitation, any amounts outstanding under any Leases, if applicable, (collectively, the "**Security**"), shall include:

- a) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$1,946,543.00 signed by Jagtेशwar S. Brar;
- b) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$2,302,000.00 signed by Jagtेशwar S. Brar;
- c) General security agreement on the Bank's form 924 signed by the Borrower constituting a first ranking security interest in all personal property of the Borrower;
- d) Security agreement (chattel mortgage) on the Bank's form 927 signed by the Borrower constituting a first ranking and specific security interest in all equipment financed under Facility #2;
- e) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$2,302,000.00 signed by 2780785 Ontario Inc., supported by a general security agreement on the Bank's form 924 constituting a first ranking security interest in all personal property of 2780785 Ontario Inc. and further supported by a collateral mortgage in the amount of \$2,600,000.00 constituting a first fixed charge on the lands and improvements located at 13760 Trafalgar Road, Halton Hills, ON;
- f) Assignment of rents on the Bank's form 760 signed by the Borrower constituting a first ranking assignment of all rents arising from the lands and improvements located at 13760 Trafalgar Road, Halton Hills, ON;
- g) Postponement and assignment of claim on the Bank's form 918 signed by Jagtेशwar S. Brar.

Upon receipt of the security described in paragraph b) above, in form and substance satisfactory to the Bank, together with such legal opinions and any other supporting documentation as the Bank may reasonably require, to the full satisfaction of the Bank, such security will replace the security described in paragraph a) above.

#### **FINANCIAL COVENANTS**

In the event that the Borrower or 2780785 Ontario Inc. changes accounting standards, accounting principles and/or the application of accounting principles during the term of this Agreement, all financial covenants shall be calculated using the accounting standards and principles applicable at the time this Agreement was entered into.

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of any demand or other discretionary facility the Borrower covenants and agrees with the Bank that the Borrower will:

- a) maintain on a combined basis for the Borrower and 2780785 Ontario Inc., to be measured as at the end of each fiscal year:
  - i. Fixed Charge Coverage, of not less than 1.15:1;
  - ii. a ratio of Total Liabilities to Tangible Net Worth of not greater than 3:1.

#### **REPORTING REQUIREMENTS**

The Borrower will provide the following to the Bank:

- a) monthly Borrowing Limit Certificate, substantially in the form of Schedule "F" signed on behalf of the Borrower by any one of the Chief Executive Officer, the President, the Vice-President Finance, the Treasurer, the Comptroller, the Chief Accountant or any other employee of the Borrower holding equivalent office, within 30 days of each month end;
- b) monthly aged list of accounts receivable, aged list of accounts payable, lienable accounts payable including monies due to owner-operators, contract carriers, brokers and all parties protected by deemed trust legislation, and listing of Potential Prior-Ranking Claims for the Borrower, within 30 days of each month end;

- c) annual review engagement financial statements for the Borrower, within 90 days of each fiscal year end;
- d) annual notice to reader financial statements for 2780785 Ontario Inc., within 90 days of each fiscal year end;
- e) annual notice to reader combined financial statements for the Borrower and 2780785 Ontario Inc., within 90 days of each fiscal year end;
- f) annual chartered accountant confirmation of unfunded capital expenditures supported by calculations for the Borrower, for the next following fiscal year within 90 days of each fiscal year end;
- g) annual equipment and financing listing including, year, vehicle make, model, VIN #, purchase price, down payment, unfunded amount, loan/lease, amount financed, payment amount, bullet amount, start date, end date and lender, within 90 days of each fiscal year end;
- h) annual personal statement of affairs for all Guarantors, who are individuals, within 90 days of the end of every fiscal year of the Borrower, commencing with the fiscal year ending in 2022;
- i) such other financial and operating statements and reports as and when the Bank may reasonably require.

#### **CONDITIONS PRECEDENT**

In no event will the Credit Facilities or any part thereof be available unless the Bank has received:

- a) a duly executed copy of this Agreement;
- b) the Security provided for herein, registered, as required, to the satisfaction of the Bank;
- c) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require;
- d) an environmental questionnaire in respect of the Borrower and/or site checklist(s) in respect of all applicable real property on which the Borrower has granted Security to the Bank, on the Bank's standard form(s) and containing findings acceptable to the Bank; and
- e) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

Additionally:

- f) all documentation to be received by the Bank shall be in form and substance satisfactory to the Bank.

#### **BUSINESS LOAN INSURANCE PLAN**

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible.

If the Borrower decides to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 ENG or 53460 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be

used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

If there are any discrepancies between the insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

#### **GOVERNING LAW JURISDICTION**

Province of Ontario.

#### **ACCEPTANCE**

This Agreement is open for acceptance until July 10, 2021, after which date it will be null and void, unless extended by the Bank in its sole discretion.

#### **ROYAL BANK OF CANADA**



Per: \_\_\_\_\_

Title: Vice President

#### **RBC Contact: Andrea Bellenie**

/cb



Sardara Transport Inc.

June 10, 2021

We acknowledge and accept the terms and conditions of this Agreement on this 10 day of JUNE, 2021.

**SARDARA TRANSPORT INC.**

Per: \_\_\_\_\_

Name: JAGJESHWAR BRARTitle: DIRECTOR

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

I/We have the authority to bind the Borrower

## Attachments:

Terms and Conditions

Schedules:

- Definitions
- Calculation and Payment of Interest and Fees
- Additional Borrowing Conditions
- Borrowing Limit Certificate
- RBC Covarity Dashboard Terms and Conditions



## TERMS AND CONDITIONS

The Bank is requested by the Borrower to make the Credit Facilities available to the Borrower in the manner and at the rates and times specified in this Agreement. Terms defined elsewhere in this Agreement and not otherwise defined in the Terms and Conditions below or the Schedules attached hereto have the meaning given to such terms as so defined. In consideration of the Bank making the Credit Facilities available, the Borrower agrees, and if the Borrower is comprised of more than one Person, such Persons jointly and severally agree, or in Quebec solidarily agree, with the Bank as follows:

### REPAYMENT

Amounts outstanding under the Credit Facilities, together with interest, shall become due in the manner and at the rates and times specified in this Agreement and shall be paid in the currency of the Borrowing. Unless the Bank otherwise agrees, any payment hereunder must be made in money which is legal tender at the time of payment. In the case of a demand facility of any kind, the Borrower shall repay all principal sums outstanding under such facility upon demand. Where any Borrowings are repayable by scheduled blended payments, such payments shall be applied, firstly, to interest due, and the balance, if any, shall be applied to principal outstanding. If any such payment is insufficient to pay all interest then due, the unpaid balance of such interest will be added to such Borrowing, will bear interest at the same rate, and will be payable on demand or on the date specified herein, as the case may be. Borrowings repayable by way of scheduled payments of principal and interest shall be so repaid with any balance of such Borrowings being due and payable as and when specified in this Agreement. The Borrower shall ensure that the maturities of instruments or contracts selected by the Borrower when making Borrowings will be such so as to enable the Borrower to meet its repayment obligations. For any Borrowings that are repayable by scheduled payments, if the scheduled payment date is changed then the Maturity Date of the applicable Borrowings shall automatically be amended accordingly.

In the case of any reducing term loan and/or reducing term facility ("**Reducing Term Loan/Facility**"), provided that nothing contained in this paragraph shall confer any right of renewal or extension upon the Borrower, the Borrower and the Bank agree that, at the Bank's option, the Bank may provide a letter ("**Renewal Letter**") to the Borrower setting out the terms upon which the Bank is prepared to extend the Reducing Term Loan/Facility. In the event that the Bank provides a Renewal Letter to the Borrower and the Reducing Term Loan/Facility is not repaid on or before the Maturity Date of the applicable Reducing Term Loan/Facility, then at the Bank's option the Reducing Term Loan/Facility shall be automatically renewed on the terms set out in the Renewal Letter and the terms of this Agreement shall be amended accordingly.

### PREPAYMENT

Where Borrowings are by way of RBP Loans, the Borrower may prepay such Borrowings in whole or in part without fee or premium.

Where Borrowings are by way of FRT Loans, provided an Event of Default shall not have occurred and be continuing, the Borrower may prepay such Borrowings on a non-cumulative basis up to the percentage, as selected by the Borrower for each FRT Loan, of the outstanding principal balance on the day of prepayment, without fee or premium, once per year during the 12 month period from each anniversary date of the Borrowing. Any prepayment of Borrowings by way of FRT Loans prior to the maturity date, in whole or in part (in excess of any prepayment explicitly permitted in this Agreement), requires an amendment of the terms of this Agreement. An amendment to permit such a prepayment requires the Bank's prior written consent. The Bank may provide its consent to an amendment to permit a prepayment upon satisfaction by the Borrower of any conditions the Bank may reasonably impose, including, without limitation, the Borrower's agreement to pay the Prepayment Fee as defined below.

The Prepayment Fee will be calculated by the Bank as the sum of:

- a) the greater of:

- (i) the amount equal to 3 months' interest payable on the amount of the FRT Loan Borrowings being prepaid, calculated at the interest rate applicable to the FRT Loan Borrowings on the date of prepayment; and
- (ii) the present value of the cash flow associated with the difference between the Bank's original cost of funds for the FRT Loan and the current cost of funds for a loan with a term substantially similar to the remaining term of the FRT Loan and an amortization period substantially similar to the remaining amortization period of the FRT Loan, each as determined by the Bank on the date of such prepayment;

plus:

- b) forgone margin over the remainder of the term of the FRT Loan. Foregone margin is defined as the present value of the difference between the Bank's original cost of funds for the FRT Loan and the interest that would have been charged to the Borrower over the remaining term of the FRT Loan;

plus:

- c) a processing fee.

The Prepayment Fee shall also be payable by the Borrower in the event that the Bank demands repayment of the outstanding principal of the FRT Loan on the occurrence of an Event of Default. The Borrower's obligation to pay the Prepayment Fee will be in addition to any other amounts then owing by the Borrower to the Bank, will form part of the loan amount and will be secured by the Security described herein.

The prepayment of any Borrowings under a term facility and/or any term loan will be made in the reverse order of maturity.

#### **EVIDENCE OF INDEBTEDNESS**

The Bank shall maintain accounts and records (the "Accounts") evidencing the Borrowings made available to the Borrower by the Bank under this Agreement. The Bank shall record the principal amount of such Borrowings, the payment of principal and interest on account of the Borrowings, and all other amounts becoming due to the Bank under this Agreement. The Accounts constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement. The Borrower authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any bank account of the Borrower for all amounts payable under this Agreement, including, but not limited to, the repayment of principal and the payment of interest, fees and all charges for the keeping of such bank accounts.

#### **GENERAL COVENANTS**

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, the Borrower covenants and agrees with the Bank that the Borrower:

- a) will pay all sums of money when due under the terms of this Agreement;
- b) will immediately advise the Bank of any event which constitutes or which, with notice, lapse of time or both, would constitute a breach of any covenant or other term or condition of this Agreement or any Security or an Event of Default;
- c) will file all material tax returns which are or will be required to be filed by it, pay or make provision for payment of all material taxes (including interest and penalties) and Potential Prior-Ranking Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- d) will give the Bank 30 days prior notice in writing of any intended change in its ownership structure or composition and will not make or facilitate any such changes without the prior written consent of the Bank;

- e) will comply with all Applicable Laws, including, without limitation, all Environmental and Health and Safety Laws;
- f) will immediately advise the Bank of any action requests or violation notices received concerning the Borrower and hold the Bank harmless from and against any losses, costs or expenses which the Bank may suffer or incur for any environment related liabilities existent now or in the future with respect to the Borrower;
- g) will deliver to the Bank such financial and other information as the Bank may reasonably request from time to time, including, but not limited to, the reports and other information set out under Reporting Requirements;
- h) will immediately advise the Bank of any unfavourable change in its financial position which may adversely affect its ability to pay or perform its obligations in accordance with the terms of this Agreement;
- i) will keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- j) except for Permitted Encumbrances, will not, without the prior written consent of the Bank, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- k) will not, without the prior written consent of the Bank, sell, transfer, convey, lease or otherwise dispose of any of its properties or assets other than in the ordinary course of business and on commercially reasonable terms;
- l) will not, without the prior written consent of the Bank, guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other Person, except as may be provided for herein;
- m) will not, without the prior written consent of the Bank, merge, amalgamate, or otherwise enter into any other form of combination with any other Person;
- n) will permit the Bank or its representatives, from time to time, i) to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, ii) to collect information from any entity regarding any Potential Prior-Ranking Claims and iii) to discuss the Borrower's affairs with the auditors, counsel and other professional advisers of the Borrower. The Borrower hereby authorizes and directs any such third party to provide to the Bank or its representatives all such information, records or documentation requested by the Bank; and
- o) will not use the proceeds of any Credit Facility for the benefit or on behalf of any Person other than the Borrower.

#### **FEES, COSTS AND EXPENSES**

The Borrower agrees to pay the Bank all fees stipulated in this Agreement and all fees charged by the Bank relating to the documentation or registration of this Agreement and the Security. In addition, the Borrower agrees to pay all fees (including legal fees), costs and expenses incurred by the Bank in connection with the preparation, negotiation, documentation and registration of this Agreement and any Security and the administration, operation, termination, enforcement or protection of its rights in connection with this Agreement and the Security. The Borrower shall indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank if any facility under the Credit Facilities is repaid or prepaid other than on its Maturity Date. The determination by the Bank of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Bank in liquidating or redeploying deposits acquired to make or maintain any facility.

#### **GENERAL INDEMNITY**

The Borrower hereby agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from and against any and all claims, suits, actions, demands, debts, damages, costs, losses, obligations, judgements, charges, expenses and liabilities of any nature which are suffered, incurred or sustained by, imposed on or asserted against any such Person as a result of, in connection with or arising out of i) any breach of any term or condition of this Agreement or any Security or any other agreement delivered to the Bank by the Borrower or any Guarantor if applicable, or any Event of Default, ii) the Bank acting upon instructions given or

agreements made by electronic transmission of any type, iii) the presence of Contaminants at, on or under or the discharge or likely discharge of Contaminants from, any properties now or previously used by the Borrower or any Guarantor and iv) the breach of or non compliance with any Applicable Law by the Borrower or any Guarantor.

#### **AMENDMENTS AND WAIVERS**

Save and except for any waiver or extension of the deadline for acceptance of this Agreement at the Bank's sole discretion, which may be communicated in writing, verbally, or by conduct, no amendment or waiver of any provision of this Agreement will be effective unless it is in writing, signed by the Borrower and the Bank. No failure or delay, on the part of the Bank, in exercising any right or power hereunder or under any Security or any other agreement delivered to the Bank shall operate as a waiver thereof. Each Guarantor, if applicable, agrees that the amendment or waiver of any provision of this Agreement (other than agreements, covenants or representations expressly made by any Guarantor herein, if any) may be made without and does not require the consent or agreement of, or notice to, any Guarantor. Any amendments requested by the Borrower will require review and agreement by the Bank and its counsel. Costs related to this review will be for the Borrower's account.

#### **SUCCESSORS AND ASSIGNS**

This Agreement shall extend to and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Borrower shall not be entitled to assign or transfer any rights or obligations hereunder, without the consent in writing of the Bank. The Bank may assign or transfer all or any part of its rights and obligations under this Agreement to any Person. The Bank may disclose to potential or actual assignees or transferees confidential information regarding the Borrower and any Guarantor if applicable, (including, any such information provided by the Borrower, and any Guarantor if applicable, to the Bank) and shall not be liable for any such disclosure.

#### **GAAP**

Unless otherwise provided, all accounting terms used in this Agreement shall be interpreted in accordance with Canadian Generally Accepted Accounting Principles, as appropriate, for publicly accountable enterprises, private enterprises, not-for-profit organizations, pension plans and in accordance, as appropriate, with Public Sector Accounting Standards for government organizations in effect from time to time, applied on a consistent basis from period to period. All financial statements and/or reports shall be prepared using one of the above bases of presentation, as appropriate. Except for the transition of accounting standards in Canada, any change in accounting principles or the application of accounting principles is only permitted with the prior written consent of the Bank.

#### **SEVERABILITY**

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and such invalid provision shall be deemed to be severable.

#### **GOVERNING LAW**

This Agreement shall be construed in accordance with and governed by the laws of the Province identified in the Governing Law Jurisdiction section of this Agreement and the laws of Canada applicable therein. The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of such Province and acknowledges the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.

#### **DEFAULT BY LAPSE OF TIME**

The mere lapse of time fixed for performing an obligation shall have the effect of putting the Borrower, or a Guarantor if applicable, in default thereof.

#### **SET-OFF**

The Bank is authorized (but not obligated), at any time and without notice, to apply any credit balance (whether or not then due) in any account in the name of the Borrower, or to which the

Borrower is beneficially entitled (in any currency) at any branch or agency of the Bank in or towards satisfaction of the indebtedness of the Borrower due to the Bank under the Credit Facilities and the other obligations of the Borrower under this Agreement. For that purpose, the Bank is irrevocably authorized to use all or any part of any such credit balance to buy such other currencies as may be necessary to effect such application.

#### **NOTICES**

Any notice or demand to be given by the Bank shall be given in writing by way of a letter addressed to the Borrower. If the letter is sent by telecopier, it shall be deemed received on the date of transmission, provided such transmission is sent prior to 5:00 p.m. on a day on which the Borrower's business is open for normal business, and otherwise on the next such day. If the letter is sent by ordinary mail to the address of the Borrower, it shall be deemed received on the date falling five (5) days following the date of the letter, unless the letter is hand-delivered to the Borrower, in which case the letter shall be deemed to be received on the date of delivery. The Borrower must advise the Bank at once about any changes in the Borrower's address.

#### **CONSENT OF DISCLOSURE**

The Borrower hereby grants permission to any Person having information in such Person's possession relating to any Potential Prior-Ranking Claim, to release such information to the Bank (upon its written request), solely for the purpose of assisting the Bank to evaluate the financial condition of the Borrower.

#### **NON-MERGER**

The provisions of this Agreement shall not merge with any Security provided to the Bank, but shall continue in full force for the benefit of the parties hereto.

#### **JOINT AND SEVERAL**

Where more than one Person is liable as Borrower or Guarantor if applicable for any obligation under this Agreement, then the liability of each such Person for such obligation is joint and several (in Quebec, solidarity) with each other such Person.

#### **COUNTERPART EXECUTION**

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.

#### **ELECTRONIC MAIL AND FAX TRANSMISSION**

The Bank is entitled to rely on any agreement, document or instrument provided to the Bank by the Borrower or any Guarantor as applicable, by way of electronic mail or fax transmission as though it were an original document. The Bank is further entitled to assume that any communication from the Borrower received by electronic mail or fax transmission is a reliable communication from the Borrower.

#### **ELECTRONIC IMAGING**

The parties hereto agree that, at any time, the Bank may convert paper records of this Agreement and all other documentation delivered to the Bank (each, a "**Paper Record**") into electronic images (each, an "**Electronic Image**") as part of the Bank's normal business practices. The parties agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

#### **REPRESENTATIONS AND WARRANTIES**

The Borrower represents and warrants to the Bank that:

- a) if applicable, it is duly constituted, validly existing and duly registered or qualified to carry on business or its operations in all jurisdictions where the nature of its properties, assets, business or operations make such registration or qualification necessary or desirable;

- b) the execution, delivery and performance by it of this Agreement do not violate any Applicable Laws or agreements to which it is subject or by which it is bound, and where applicable, have been duly authorized by all necessary actions and do not violate its constating documents;
- c) no event has occurred which constitutes, or which, with notice, lapse of time, or both, would constitute, a breach of any covenant or other term or condition of this Agreement or any Security or any other agreement delivered to the Bank or an Event of Default;
- d) there is no claim, action, prosecution or other proceeding of any kind pending or threatened against it or any of its assets or properties before any court or administrative agency which relates to any non-compliance with any Environmental and Health and Safety Laws which, if adversely determined, might have a material adverse effect upon its financial condition or operations or its ability to perform its obligations under this Agreement or any Security, and there are no circumstances of which it is aware which might give rise to any such proceeding which it has not fully disclosed to the Bank; and
- e) it has good and marketable title to all of its properties and assets, free and clear of any encumbrances, other than as may be provided for herein.

Representations and warranties are deemed to be repeated as at the time of each Borrowing and/or the entering into each Lease, if applicable, hereunder.

#### **LANGUAGE**

The parties hereto have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. Les parties ont expressément demandé que la présente convention et tous les documents y afférents, y compris les avis, soient rédigés en langue anglaise.

#### **WHOLE AGREEMENT**

This Agreement and any documents or instruments referred to in, or delivered pursuant to, or in connection with, this Agreement constitute the whole and entire agreement between the Borrower and the Bank with respect to the Credit Facilities.

#### **EXCHANGE RATE FLUCTUATIONS**

If, for any reason, the amount of Borrowings and/or Leases, if applicable, outstanding under any facility in a currency other than Canadian currency, when converted to the Equivalent Amount in Canadian currency, exceeds the amount available under such facility, the Borrower shall immediately repay such excess or shall secure such excess to the satisfaction of the Bank.

#### **JUDGEMENT CURRENCY**

If for the purpose of obtaining judgement in any court in any jurisdiction with respect to this Agreement, it is necessary to convert into the currency of such jurisdiction (the "**Judgement Currency**") any amount due hereunder in any currency other than the Judgement Currency, then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgement is given. For this purpose "rate of exchange" means the rate at which the Bank would, on the relevant date, be prepared to sell a similar amount of such currency in the Toronto foreign exchange market, against the Judgement Currency, in accordance with normal banking procedures.

In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which judgement is given and the date of payment of the amount due, the Borrower will, on the date of payment, pay such additional amounts as may be necessary to ensure that the amount paid on such date is the amount in the Judgement Currency which, when converted at the rate of exchange prevailing on the date of payment, is the amount then due under this Agreement in such other currency together with interest at RBP and expenses (including legal fees on a solicitor and client basis). Any additional amount due from the Borrower under this section will be due as a separate debt and shall not be affected by judgement being obtained for any other sums due under or in respect of this Agreement.

#### **EVENTS OF DEFAULT**



Without affecting or limiting the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, each of the following shall constitute an **"Event of Default"** which shall entitle the Bank, in its sole discretion, to cancel any Credit Facilities, demand immediate repayment in full of any amounts outstanding under any term facility, together with outstanding accrued interest and any other indebtedness under or with respect to any term facility, and to realize on all or any portion of any Security:

- a) failure of the Borrower to pay any principal, interest or other amount when due pursuant to this Agreement;
- b) failure of the Borrower, or any Guarantor if applicable, to observe any covenant, term or condition contained in this Agreement, the Security, or any other agreement delivered to the Bank or in any documentation relating hereto or thereto;
- c) the Borrower, or any Guarantor if applicable, is unable to pay its debts as such debts become due, or is, or is adjudged or declared to be, or admits to being, bankrupt or insolvent;
- d) if any proceeding is taken to effect a compromise or arrangement with the creditors of the Borrower, or any Guarantor if applicable, or to have the Borrower, or any Guarantor if applicable, declared bankrupt or wound up, or to have a receiver appointed for any part of the assets or operations of the Borrower, or any Guarantor if applicable, or if any encumbrancer takes possession of any part thereof;
- e) if in the opinion of the Bank there is a material adverse change in the financial condition, ownership or operation of the Borrower, or any Guarantor if applicable;
- f) if any representation or warranty made by the Borrower, or any Guarantor if applicable, under this Agreement or in any other document relating hereto or under any Security shall be false in any material respect; or
- g) if the Borrower, or any Guarantor if applicable, defaults in the payment of any other indebtedness, whether owing to the Bank or to any other Person, or defaults in the performance or observance of any agreement in respect of such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated.

Should the Bank demand immediate repayment in full of any amounts outstanding under any term facility due to an Event of Default, the Borrower shall immediately repay all principal sums outstanding under such facility and all other obligations in connection with any such term facility.

#### **INCREASED COSTS**

If any change in Applicable Laws or the interpretation thereof after the date hereof (i) imposes or increases taxes on payments due to the Bank hereunder (other than taxes on the overall net income of the Bank), (ii) imposes or increases any reserve or other similar requirement or (iii) imposes or changes any other condition affecting the Credit Facilities, and the result of any of the foregoing results in any additional cost to the Bank of making available, continuing or maintaining any of the Credit Facilities hereunder (or maintaining any obligations to make any such Credit Facilities available hereunder) or results in any reduction in the amount of any sum received or receivable by the Bank in connection with this Agreement or the Credit Facilities made available hereunder, then from time to time, upon written request of the Bank, the Borrower shall promptly pay to the Bank, such additional amount or amounts as will compensate the Bank for any such additional costs incurred or reduction suffered.

#### **CONFIDENTIALITY**

This Agreement and all of its terms are confidential ("**Confidential Information**"). The Borrower shall keep the Confidential Information confidential and will not disclose the Confidential Information, or any part thereof, to any Person other than the Borrower's directors, officers, employees, agents, advisors, contractors, consultants and other representatives of the Borrower who need to know the Confidential Information for the purpose of this Agreement, who shall be informed of the confidential nature of the Confidential Information and who agree or are otherwise bound to treat the Confidential Information consistent with the terms of this Agreement. Without limiting the generality of the foregoing, the Borrower shall not issue any press release or make any other public announcement or filing with respect to the Confidential Information without the Bank's prior written consent.

## Schedule "A"

### DEFINITIONS

For the purpose of this Agreement, if applicable, the following terms and phrases shall have the following meanings:

**"Applicable Laws"** means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, policies, guidelines, rulings, interpretations, directives (whether or not having the force of law), orders, codes, treaties, conventions, judgements, awards, determinations and decrees of any governmental, quasi-governmental, regulatory, fiscal or monetary body or agency or court of competent jurisdiction in any applicable jurisdiction;

**"Borrowing"** means each use of a Credit Facility, excluding Leases, and all such usages outstanding at any time are **"Borrowings"**;

**"Business Day"** means a day, excluding Saturday, Sunday and any other day which shall be a legal holiday or a day on which banking institutions are closed throughout Canada;

**"Business Loan Insurance Plan"** means the optional group creditor insurance coverage, underwritten by Sun Life Assurance Company of Canada, and offered in connection with eligible loan products offered by the Bank;

**"Canadian/US Accounts Receivable"** means trade accounts receivable of the Borrower owing by Persons whose chief operating activities are located in the US or Canada;

**"Capital Expenditures"** means, for any fiscal period, any amounts accrued or paid in respect of any purchase or other acquisition for value of capital assets and, for greater certainty, excludes amounts expended in respect of the normal repair and maintenance of capital assets utilized in the ordinary course of business;

**"Contaminant"** includes, without limitation, any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental and Health and Safety Law;

**"Corporate Distributions"** means any payments to any shareholder, director or officer, or to any associate or holder of subordinated debt, or to any shareholder, director or officer of any associate or holder of subordinated debt, including, without limitation, bonuses, dividends, interest, salaries or repayment of debt or making of loans to any such Person, but excluding salaries to officers or other employees in the ordinary course of business;

**"EBITDA"** means, for any fiscal period, net income from continuing operations (excluding extraordinary gains or losses) plus, to the extent deducted in determining net income, Interest Expense and income taxes accrued during, and depreciation, depletion and amortization ex

**"Environmental Activity"** means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater;

**"Environmental and Health and Safety Laws"** means all Applicable Laws relating to the environment or occupational health and safety, or any Environmental Activity;

**"Equity"** means the total of share capital, (excluding preferred shares redeemable within one year) contributed surplus and retained earnings plus Postponed Debt;



**"Equivalent Amount"** means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through the Bank in Toronto, in accordance with normal banking procedures;

**"Fixed Charge Coverage"** means, for any fiscal period, the ratio of EBITDA plus payments under operating leases less cash income taxes and Unfunded Capital Expenditures to Fixed Charges;

**"Fixed Charges"** means, for any fiscal period, the total of Interest Expense, scheduled principal payments in respect of Funded Debt, payments under operating leases and Corporate Distributions;

**"Funded Debt"** means, at any time for the fiscal period then ended, all obligations for borrowed money which bears interest or to which interest is imputed plus, without duplication, all obligations for the deferred payment of the purchase of property, all capital lease obligations and all indebtedness secured by purchase money security interests, but excluding Postponed Debt;

**"Good Canadian/US Accounts Receivable"** means Canadian/US Accounts Receivable excluding (i) the entire amount of accounts, any portion of which is outstanding more than 90 days after billing date, provided that the under 90 day portion may be included where the over 90 day portion is less than 10% of the amount of accounts, or where the Bank has designated such portion as nevertheless good, (ii) all amounts due from any affiliate, (iii) bad or doubtful accounts, (iv) accounts subject to any security interest or other encumbrance ranking or capable of ranking in priority to the Bank's security, (v) the amount of all holdbacks, contra accounts or rights of set-off on the part of any account debtor, (vi) those trade accounts receivable included elsewhere in the Borrowing Limit calculation, (vii) any accounts which the Bank has previously advised to be ineligible, or (viii) Potential Prior Ranking claims related to Canadian/US Accounts Receivable (ie Amounts due to subcontractors including, without limitation, amounts owing to owners/operators, brokers and any other parties who are subject to and protected by Deemed Trust Legislation in Canada or who maintain Priority Claim rights over the Bank;

**"Guarantor"** means any Person who has guaranteed the obligations of the Borrower under this Agreement;

**"Interest Expense"** means, for any fiscal period, the aggregate cost of advances of credit outstanding during that period including, without limitation, interest charges, capitalized interest, the interest component of capital leases, fees payable in respect of letters of credit and letters of guarantee and discounts incurred and fees payable in respect of bankers' acceptances;

**"Lease"** means an advance of credit by the Bank to the Borrower by way of a Master Lease Agreement, Master Leasing Agreement, Leasing Schedule, Equipment Lease, Conditional Sales Contract, or pursuant to an Interim Funding Agreement or an Agency Agreement, in each case issued to the Borrower;

**"Maturity Date"** means the date on which a facility is due and payable in full;

**"Permitted Encumbrances"** means, in respect of the Borrower:

- a) liens arising by operation of law for amounts not yet due or delinquent, minor encumbrances on real property such as easements and rights of way which do not materially detract from the value of such property, and security given to municipalities and similar public authorities when required by such authorities in connection with the operations of the Borrower in the ordinary course of business; and
- b) Security granted in favour of the Bank;

**"Person"** includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association, a government or any department or agency thereof, and any other incorporated or unincorporated entity;

---

**"Policy"** means the Business Loan Insurance Plan policy 5100, issued by Sun Life Assurance Company of Canada to the Bank;

**"Postponed Debt"** means indebtedness that is fully postponed and subordinated, both as to principal and interest, on terms satisfactory to the Bank, to the obligations owing to the Bank hereunder;

**"Potential Prior-Ranking Claims"** means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the Security or otherwise in priority to any claim by the Bank for repayment of any amounts owing under this Agreement;

**"RBP"** and **"Royal Bank Prime"** each means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on commercial loans made in Canadian currency in Canada;

**"Release"** includes discharge, spray, inject, inoculate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust, and when used as a noun has a similar meaning;

**"Tangible Net Worth"** means the total of Equity less intangibles, deferred charges, leasehold improvements, deferred tax credits and unsecured advances to related parties. For the purpose hereof, intangibles are assets lacking physical substance;

**"Total Liabilities"** means all liabilities, exclusive of deferred tax liabilities and Postponed Debt, plus all annualized operating lease and rent payments for trucks, tractors, trailers and real estate (used for any purpose) multiplied by 3.50 plus all contingent liabilities including but not limited to all third-party liabilities which are guaranteed by the Borrower;

**"Unfunded Capital Expenditures"** means Capital Expenditures not funded by either bank debt or equity proceeds.



Schedule "F"

BORROWING LIMIT CERTIFICATE

I, \_\_\_\_\_, representing the Borrower hereby certify as of fiscal year ending \_\_\_\_\_:

1. I am familiar with and have examined the provisions of the Agreement dated June 10, 2021 and any amendments thereto, between Sardara Transport Inc., as Borrower, and Royal Bank of Canada, as the Bank and have made reasonable investigations of corporate records and inquiries of other officers and senior personnel of the Borrower. Terms defined in the Agreement have the same meanings where used in this certificate.

2. The Borrowing Limit is \$ \_\_\_\_\_, calculated as follows:

Total Canadian/US Accounts Receivable		\$ _____
Less:	a) Accounts, any portion of which exceeds 90 days	\$ _____
	b) Accounts due from affiliates	\$ _____
	c) "Under 90 days" accounts where collection is suspect	\$ _____
	d) Accounts subject to prior encumbrances	\$ _____
	e) Holdbacks, contra-accounts or rights of set-off	\$ _____
	f) Accounts included elsewhere in the Borrowing Limit calculation	\$ _____
	g) Other ineligible accounts	\$ _____
	h) Potential Prior Ranking claims related to Canadian/US Accounts Receivable (ie Amounts due to subcontractors including, without limitation, amounts owing to owners/operators, brokers and any other parties who are subject to and protected by Deemed Trust Legislation in Canada or who maintain Priority Claim rights over the Bank	\$ _____
Plus:	i) Under 90 day portion of accounts included in a) above, where the over 90 day portion is less than 10% of the amount of accounts, or which the Bank has designated as nevertheless good	\$ _____
Good Canadian/US Accounts Receivable		A \$ _____
Marginable Good Canadian/US Accounts Receivable at 75% of A		B \$ _____
Less:	Potential Prior-Ranking Claims while not limited to these include:	
Sales tax, Excise & GST		\$ _____
Employee source deductions such as E.I., CPP, Income Tax		\$ _____
Workers Compensation Board		\$ _____
Wages, Commissions, Vacation Pay		\$ _____
Unpaid Pension Plan Contributions		\$ _____
Overdue Rent, Property & Business Tax and potential claims from third parties such as subcontractors		\$ _____
Other		\$ _____
Total Potential Prior-Ranking Claims		C \$ _____
Borrowing Limit (B-C)		\$ _____
Less:	Facility #1 Borrowings	\$ _____
Margin Surplus (Deficit)		\$ _____

3. The reports (if required as per the Reporting Requirements section of the Agreement) and information provided herewith are accurate and complete in all respects and all amounts certified as Potential Prior-Ranking Claims are current amounts owing and not in arrears.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_







**Royal Bank of Canada**  
 Commercial Financial Services  
 3405 Harvester Rd  
 Suite 105  
 Burlington ON L7N 3N1

September 22, 2022

**Private and Confidential**

**SARDARA TRANSPORT INC.**

191 Willow Park Dr  
 Brampton ON  
 L6R 2M9

We refer to the agreement dated June 10, 2021 and any amendments thereto, between Sardara Transport Inc., as the Borrower, and Royal Bank of Canada, as the Bank, (the "**Agreement**").

The Bank reserves all of its rights and remedies at any time and from time to time in connection with any or all breaches, defaults or Events of Default now existing or hereafter arising under any Bank document, and whether known or unknown, and this amending agreement shall not be construed as a waiver of any such breach, default or Events of Default.

All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.

The Agreement is amended as follows:

1. Under the Credit Facilities section, Facility #1 is amended by deleting "\$2,000,000.00" and by substituting "\$2,500,000.00".
2. The Security section is amended and restated as follows:

**SECURITY**

Security for the Borrowings and all other obligations of the Borrower to the Bank, including, without limitation, any amounts outstanding under any Leases, if applicable, (collectively, the "**Security**"), shall include:

- a) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$2,302,000.00 signed by Jagteshwar S. Brar;
- b) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$2,500,000.00 signed by Jagteshwar S. Brar;
- c) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$2,302,000.00 signed by 2780785 Ontario Inc.
- d) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$2,500,000.00 signed by 2780785 Ontario Inc., supported by
  - i) a general security agreement on the Bank's form 924 constituting a first ranking security interest in all personal property of 2780785 Ontario Inc.

<sup>®</sup>Registered Trademark of Royal Bank of Canada

- ii) a collateral mortgage in the amount of \$2,600,000.00 constituting a first fixed charge on the lands and improvements located at 13760 Trafalgar Road, Halton Hills, ON;
- iii) Assignment of rents on the Bank's form 760 constituting a first ranking assignment of all rents arising from the lands and improvements located at 13760 Trafalgar Road, Halton Hills, ON;
- e) General security agreement on the Bank's form 924 signed by the Borrower constituting a first ranking security interest in all personal property of the Borrower;
- f) Security agreement (chattel mortgage) on the Bank's form 927 signed by the Borrower constituting a first ranking and specific security interest in all equipment financed under Facility #2;
- g) Postponement and assignment of claim on the Bank's form 918 signed by Jagtshwar S. Brar.

Upon receipt of the security described in paragraphs b) and d) above, in form and substance satisfactory to the Bank, together with such legal opinions and any other supporting documentation as the Bank may reasonably require, to the full satisfaction of the Bank, such security will replace the security described in paragraphs a) and c) above.

3. Under the Reporting Requirements section paragraph d) and e) are amended and restated as follows:
- d) annual compilation engagement financial statements for 2780785 Ontario Inc., within 90 days of each fiscal year end;
  - e) annual compilation engagement combined financial statements for the Borrower and 2780785 Ontario Inc., within 90 days of each fiscal year end;
4. On Schedule "A" - Definitions, the definitions for "**Fixed Charge Coverage**" and "**Fixed Charges**" are amended and restated as follows:

"**Fixed Charge Coverage**" means, for any fiscal period, the ratio of EBITDA plus payments under operating leases less cash income taxes, Corporate Distributions and Unfunded Capital Expenditures to Fixed Charges;

"**Fixed Charges**" means, for any fiscal period, the total of Interest Expense, scheduled principal payments in respect of Funded Debt and payments under operating leases;

#### **BUSINESS LOAN INSURANCE PLAN**

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible.

If the Borrower decides to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 ENG or 53460 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved

Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

If there are any discrepancies between the insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

#### **CONDITIONS PRECEDENT**

The effectiveness of this amending agreement is conditional upon receipt of:

- a) a duly executed copy of this amending agreement;
- b) the Security provided for herein, registered, as required, to the satisfaction of the Bank;
- c) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require; and
- d) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

Additionally;

- e) all documentation to be received by the Bank shall be in form and substance satisfactory to the Bank.

#### **REVIEW FEE**

A non-refundable review fee of \$2,000.00 is payable by the Borrower upon acceptance of this amending agreement.

#### **COUNTERPART EXECUTION**

This amending agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.



Sardara Transport Inc.

September 22, 2022

All other terms and conditions outlined in the Agreement remain unchanged and in full force and effect.

This amending agreement is open for acceptance until October 22, 2022, after which date it will be null and void, unless extended by the Bank in its sole discretion.

**ROYAL BANK OF CANADA**



Per: \_\_\_\_\_  
Title: Vice President

**RBC Contact: Andrea Bellenie**

/mp

Agreed to and accepted this 27 day of Sept, 2022.

**SARDARA TRANSPORT INC.**

Per: Jagteshwar  
Name: JAGTESHWAR SIMEN BRAR  
Title: DIRECTOR

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

I/We have the authority to bind the Borrower





**ROYFARM MORTGAGE LOAN AGREEMENT  
PART 1 - LOAN DETAILS**

PREPARATION DATE: September 13, 2022

Borrower SRF No. (Primary): 344446232

BORROWER NAME(S): 2780785 ONTARIO INC.

Guarantor SRF No. (Primary):

GUARANTOR NAME(S):

PROPERTY ADDRESS:

LEGAL DESCRIPTION: PT LT 29, CON 7 ESQ AS IN 470163 EXCEPT PT 1 ON 20R11397,  
EXCEPT PT 1 ON 20R11460; HALTON HILLS/ESQUESING

("Mortgaged Property")

BRANCH ADDRESS: ROYFARM MORTGAGE CENTRE  
36 YORK MILLS RD 4TH FLR  
TORONTO ON M2P 0A4

**THIS IS PART 1** of a two-part document (the "Loan Agreement") which together contains the terms and conditions of this Loan. The definitions are included in Part 2 - Terms and Conditions (Form 3489) of the Loan Agreement, but do remember that "we", "our", "us" and the "Bank" mean Royal Bank of Canada; and "you" and "your" mean the above named borrower(s); "Mortgagor" means the person(s) who has given or will give a Mortgage as security for the Total Debt and, where applicable, "Guarantor" means the above named guarantor(s).

We have agreed to advance to you the Aggregate Principal Amount which is noted below by way of one or more Loans to be advanced in amounts and on dates established by us, provided such Loans (as defined below) are made available at our sole discretion and that we may cancel or restrict the availability of any unused portion of the Aggregate Principal Amount at any time at our sole discretion. All Loans made under this Loan Agreement are collectively referred to as the "Loans". This Loan Agreement amends and restates without novation the existing loan agreement and any amendments thereto. Any amount owing by you to us under such previous agreement is deemed to be a Loan under this Loan Agreement.

You promise to repay the Total Debt as provided below.

Aggregate Principal Amount: \$1,900,000.00

Fee:

**FIRST LOAN**Original Principal Amount: **\$1,900,000.00**Current Principal Balance (if applicable): **\$1,802,291.76**Reference No: **49649081 -001**

Loan Interest Rate:

**CLOSED FIXED** @ **2.900** % per annum: calculated semi-annually (on the basis of a 365 or 366 day year, as applicable), not in advance, both and after maturity, default and judgement.

**OPEN VARIABLE** Prime Interest Rate % per annum. Calculated not in advance, both and after maturity, default and judgement.

**CLOSED VARIABLE** Prime Interest Rate % per annum. Calculated not in advance, both and after maturity, default and judgement.

Date of Monthly Payments: **1st**First Payment Date: **December 1, 2020**Payment Frequency: **monthly**Interest Adjustment Date: **November 1, 2020**Maturity date/ Fixed Payment Review Date: **November 1, 2023**Amount of Each Payment: **\$8,894.46** Blended principal and interest

**BUSINESS LOAN INSURANCE PLAN:**

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the borrowings that may be eligible.

If the Borrower decides to apply for insurance on the borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 ENG or 53460 FRE). If the Borrower has existing uninsured borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such borrowings, and that all such borrowings are not insured under the Policy as at the date of acceptance of this Loan Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved borrowings, such coverage will be applied automatically to all new borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Loan Agreement cannot be used to waive coverage on new borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new borrowings, a different loan account number than the loan account number applicable to the existing borrowings must apply to such new borrowings.

If the Borrower has existing borrowings to which Business Loan Insurance Plan coverage applies, and any new borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new borrowings and that such new borrowings are not insured under the Policy as at the date the Borrower executes this Loan Agreement.

If there are any discrepancies between the insurance information in this Loan Agreement and the Business Loan Insurance Plan documents regarding the borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

**IMPORTANT:** You acknowledge that we have brought to our attention the terms and conditions set out in Part 2 (Form 3489), a copy of which is attached, which is incorporated into and forms part of this Loan Agreement. You acknowledge receipt of Part 2 (Form 3489) and agree to everything written and in this Part 1 of the Loan Agreement.

Parts 1 and 2 of this document has been drawn up and executed in the English language at the express wish of the parties. Les parties 1 et 2 de ce document ont été rédigées et signées en langue anglaise à la demande expresse des parties (Quebec only).

The undersigned Borrower(s) acknowledge and accept the terms and conditions of this Loan Agreement on the date or dates set out below.

2780785 ONTARIO INC.

Sajtesh I B  
Borrower Signature

27 Sept 2022  
Date

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Date

The undersigned Guarantor(s) confirm to Royal Bank of Canada that they have received copies of and have read and understood this Loan Agreement and that they agree to be bound by all of the obligations referred to therein.

Sajtesh I B  
Guarantor Signature

27 Sept 2022  
Date

\_\_\_\_\_  
Guarantor Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Guarantor Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Guarantor Signature

\_\_\_\_\_  
Date

ROYAL BANK OF CANADA

Per: [Signature]

Title: Vice President

## Royfarm Mortgage Loan Agreement Terms and Conditions

**1.00 WHAT THE WORDS MEAN:** In the Loan Agreement, please remember that:

"You" and "your" mean the borrowers who have signed Part 1 of this Loan Agreement; and

"We", "our" and "us" mean Royal Bank of Canada

Please also remember that:

"**Aggregate Principal Amount**" means the total amount of principal you have been authorized to borrow from us under this Loan Agreement that is made up of one or more Loans;

"**Borrower**" means the borrower named in Part 1 of this Loan Agreement and if more than one person is named therein the term "**Borrower**" means any and all, one or more of them;

"**Business Loan Insurance Plan**" means the optional group creditor insurance coverage, underwritten by Sun Life Assurance Company of Canada, and offered in connection with eligible loan products offered by us;

"**Fixed Rate Loan**" has the meaning given in Section 2.06;

"**Guarantor**" means the Guarantor named in Part 1 of this Loan Agreement and means a party other than the Borrower who has signed the Mortgage as a Mortgagor or has signed a Guarantee of Mortgage or a guarantee in favour of Royal Bank of Canada. If more than one person is named as a Guarantor in this Loan Agreement, the term "Guarantor" means any and all, one or more of them;

"**Interest Adjustment Date**" means the date prior to the commencement of the calculation of interest for the regular payments on a Loan when accrued interest, calculated at the Loan Interest Rate on the principal amount(s) advanced, becomes due. The Interest Adjustment Date for each Loan is set out in Part 1 of this Loan Agreement;

"**Interest Rate Differential**" and "**IRD**" have the meaning given in Section 2.11(a)(iv);

"**Loan Agreement**" means the agreement created by the form identified by the heading "Royfarm Mortgage Loan Agreement Part 1 - Loan Details" which refers to this "Part 2 - Terms and Conditions" and which is signed by you and us, together with this "Part 2 - Terms and Conditions", as such agreement may be amended from time to time by any Royfarm Mortgage Loan Amendment Agreement signed by you and us;

"**Loan**" and "**Loans**" mean one of the loans granted pursuant to this Loan Agreement and all of the loans granted pursuant to this Loan Agreement, respectively;

"**Loan Interest Rate**" means the rate of interest payable in respect of a Loan as stated in Part 1 of this Loan Agreement;

"**Maturity Date**" means the date upon which the term of a Loan matures;

"**Mortgage**" means the mortgage given by the Mortgagor as security for the Total Debt;

"**Mortgage Interest Rate**" means the rate of interest indicated in the Mortgage;

"**Mortgaged Property**" means the lands and premises that the Mortgagor has charged by way of a mortgage to secure the payment to us of the Aggregate Principal Amount and interest and all other monies payable under this Loan Agreement;

"**Mortgagor**" means the Borrower and/or the Guarantor and/or the owner of the Mortgaged Property who have given the Mortgage as security for the Borrower's obligations under this Loan Agreement;

"**Other Security**" has the meaning given in Section 5.02;

"**Original Principal Amount**" means the principal amount we have advanced to you in respect of the Loans provided in this Loan Agreement;

"**Policy**" means the Business Loan Insurance Plan policy 5100, issued by Sun Life Assurance Company of Canada to us.

"**Prime Interest Rate**" means the annual rate of interest we announce from time to time as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada. If it is necessary for us to prove the Prime Interest Rate in effect at any time, you agree that our written certificate, setting out the Prime Interest Rate at that time, is sufficient proof for that purpose;

"**Total Debt**" means the total amount you owe us under this Loan Agreement made up of the amount, on any day, of the principal balance outstanding on each of the Loans provided in this Loan Agreement, plus interest thereon at the Loan Interest Rate applicable to each such Loan, plus other amounts and expenses (other than principal and interest) payable pursuant to this Loan Agreement or the Mortgage or any Other Security including, without limitation, any future advances as described in Section 2.10.

"**Variable Rate Loan**" has the meaning given in Section 2.07.

You agree with us as follows:

### 2.00 ROYFARM MORTGAGE LOAN

#### 2.01 Loans:

The aggregate of the Original Principal Amounts of all Loans provided in this Loan Agreement shall not exceed the Aggregate Principal Amount.

#### 2.02 Advancement of Loans:

- (a) No advance shall be made until we are satisfied that the Mortgage granted by the Mortgagor has been registered and constitutes a valid charge on the Mortgaged Property having the agreed upon priority.
- (b) The first Loan must be entirely advanced prior to the advancement of the second Loan, and the second Loan must be entirely advanced prior to the advancement of the third Loan and so on for as many Loans as may exist.
- (c) You will not use any portion of any Loan for the benefit or on behalf of any person other than yourselves.

**2.03 Interest:** You will pay us interest on the principal amounts advanced and outstanding from time to time in respect of each of the Loans at the applicable Loan Interest Rate, both before and after maturity, default and judgment.

**2.04 Compound Interest:** If you have not paid interest when due, we will charge you interest on the overdue amount of interest until it is paid to us. This is called compound interest. We will also charge you interest on compound interest that is overdue both before and after maturity and default until it is paid. Compound interest will be charged periodically at intervals (called rests) that are the same as the payment dates under each Loan. The interest rate for compound interest is the same as the applicable Loan Interest Rate.

**2.05 Loan Interest Rate Changes:** If you have a variable rate Loan, the Loan Interest Rate will change automatically, without notice, each time there is a change in our Prime Interest Rate. The Loan Interest Rate will always be the Prime Interest Rate plus the number of percentage points per annum stipulated in this Loan Agreement. If you have a variable rate Loan you acknowledge that the Loan Interest Rate will be calculated not in advance at the same frequency as the payment frequency for that Loan.

**2.06 Payments under Fixed Rate Loans:** You will pay us the amount of each regular payment of principal and interest, set out in this Loan Agreement on each payment date during the term of the Loan, for each of the Loans provided where the applicable Loan Interest Rate is a fixed rate of interest (a "**Fixed Rate Loan**"). The balance of each Fixed Rate Loan will become due and payable on the respective Maturity Date of the Loan.

**2.07 Payments under Variable Rate Loans:** You will pay us the amount of each regular payment of principal and interest, set out in this Loan Agreement on each payment date during the term of the Loan; for each of the Loans provided where the applicable Loan Interest Rate is a variable rate of interest (a "**Variable Rate Loan**"). The balance of each Variable Rate Loan will become due and payable

on its respective Maturity Date of the loan. While the amount of the regular payment for Variable Rate Loans is fixed under this Loan Agreement, the respective portions of interest and principal that comprise each payment may vary as the Prime Interest Rate, and therefore, the Loan Interest Rate, varies. If the amount of the regular payment is not sufficient to pay all accrued interest due on a payment date, the unpaid balance of accrued interest will be added to the principal balance of the Variable Rate Loan, which will increase the amount outstanding and will bear interest at the Loan Interest Rate. Thus, if the Loan Interest Rate rises, a larger portion of any payment will be applied in payment of interest. Conversely, if the Loan Interest Rate falls, a larger portion of any payment will be applied against principal, which will accelerate the reduction of the principal amount of the Variable Rate Loan.

**2.08 Application of Payments:** We will apply the amount of each payment you make under this Loan Agreement firstly to interest payable in respect of the Loan which you designate at the Loan Interest Rate applicable to that Loan and we will apply the balance of the payment in reduction of the principal amount of the same Loan. If you are in default under this Loan Agreement, the Mortgage or the Other Security, we will apply any payments you make during the period of default in whatever order we may elect as between taxes, interest, repairs, insurance premiums or other advances we make on your behalf and then against the principal of the Loans as we may elect.

**2.09 Advances:** Neither execution nor registration of the Mortgage nor the advance of any Loan shall bind us to advance any further unadvanced portion of the Aggregate Principal Amount.

**2.10 Future Advances:** Notwithstanding repayment by you in whole or in part of the Aggregate Principal Amount, and notwithstanding the terms of section 2.01 you may, subject to our approval, borrow the amounts that have been repaid in an amount that does not have the effect of increasing the total principal amount then outstanding under the Loans to an amount that exceeds the Aggregate Principal Amount.

**2.11 Payment and Prepayment Privileges:** Provided you are not in default, we acknowledge and agree that:

- (a) Fixed Rate Loans and Closed Variable Rate Loans.
- (i) 10% Principal Only Payment: Once in each 12 month period (from anniversary date to anniversary date of the Interest Adjustment Date) you may prepay up to 10% of the Original Principal Amount of any loan, at any time, without notice or bonus interest. This privilege does not apply if you are prepaying an amount that is greater than 10% of the Original Principal Amount of a Loan.
- (ii) 10% Increase in Regular Payments: Once in each 12 month period (from anniversary date to anniversary date of the Interest Adjustment Date), you may increase, on written notice, the regular payments of principal and interest under the Loan by an additional amount not exceeding 10% of the regular payments being paid immediately prior to such increase.
- (iii) You cannot exercise unused prepayment privileges described in 2.11(a)(i) and 2.11(a)(ii) in subsequent years, or months, as the case may be. If you make a prepayment or increase your payment, you are still required to make all regular payments.
- (iv) Payment of More than 10% of Principal: In addition to the privileges described above, you acknowledge and agree that:
  - (a) if you have a Fixed Rate Loan, you may prepay the whole or any part of the principal amount of a Loan at any time during the term of the Loan upon payment of the greater of:
    - (i) 3 months bonus interest at the Loan Interest Rate; or
    - (ii) the Interest Rate Differential ("IRD"). IRD is the present value of the extent to which interest, calculated at the Loan Interest Rate for the remainder of the Term exceeds interest for the

remainder of the Term calculated at the rate we offer at that time for Royfarm loans with terms similar to the time remaining in the term of the Loan (the "Similar Term Rate"); and

- (b) if you have a closed Variable Rate Loan you may prepay the whole or any part of the principal amount of the Loan upon payment of 3 months interest at the Loan Interest Rate. The prepayment charge in this Section 2.11(a)(iv) is calculated based on the principal amount prepaid.

If the remaining term of the Loan is not exactly the same as a term we offer for Royfarm loans (e.g. remaining term is 40 months and we offer 36 month and 48 month Royfarm loans), we shall use a mathematical method called linear interpolation to determine the Similar Term Rate. Linear interpolation works as follows:

Find the nearest longer term and shorter term offered for Royfarm loans to the remaining term of the Loan, as of the prepayment date.

Calculate the number of days between the shorter term and the prepayment date (A).

Calculate the number of days between the shorter term and the longer term (B).

Calculate the difference between the interest rates for the longer term and the shorter term (C).

The 'Similar Term Rate' for the IRD calculation is equal to [C times A divided by B] plus the interest rate applicable to the shorter term.

Linear Interpolation Similar Term Rate and Interest Rate Differential (IRD) Illustration:

Pertinent Loan Details

Loan Amount	\$100,000
Loan Rate: Offered Rate:	7.00%
Client Discount:	0.50%,
Client Rate:	6.50%
Remaining Term:	40 months
Nearest Shorter Term:	36 months, Offered Rate: 5.00%
Nearest Longer Term:	48 months, Offered Rate: 5.50%

Number of days between shorter term and prepayment date = 122 (A)

Number of days between shorter and longer terms = 365 (B)

Similar Term Rate Calculation:

$C = 5.50\% - 5.00\% = 0.50\%$

Similar Term Rate =  $[C \times A / B] + 5.00\% = [0.50\% \times 122 / 365] + 5.00\% = 0.17\% + 5.00\% = 5.17\%$

IRD Calculation Illustration (simplified for illustrative purposes)

IRD = Loan Amount X [Client Rate - (Similar Term Rate - Client Discount)] X Remaining Term (years)

= \$100,000 X [6.50% - (5.17% - 0.50%)] X 40months / 12months = \$6,100. This calculation is for illustration purposes only.

Should you wish to prepay, when you contact us, we will provide the precise amount of the prepayment charge.

If the Loan is closed, you also agree that if you prepay more than 10% of the Principal Amount, you will pay us a processing fee. Currently this fee is \$150.00, however you acknowledge that we may change this fee from time to time without notice to you.

You also agree that if prior to the end of the term you wish to amend a Loan Interest Rate or the term of a Loan, you will pay us the breakage costs relating to the change in the interest rate or term of the applicable Loan. The breakage costs shall be calculated using the calculation set out immediately above in Section 2.11(a)(iv).

(b) Open Variable Rate Loans:

- (i) If you have an open Variable Rate Loan, you may prepay the whole or any part of the principal amount of the Loan at any time without notice or bonus interest, but any such prepayment must not be less than \$500.00.



- (ii) Once in each 12 month period (from anniversary date to anniversary date of the Interest Adjustment Date), you may increase, on written notice, the regular payments of principal and interest under the Loan by an unlimited additional amount.
- (c) **Amount of Regular Payment Not Affected:** Any prepayment of principal made pursuant to the prepayment privileges described above will not affect the amount of the regular payments which will continue to be the same amount regardless of any such prepayment until the whole of the Original Principal Amount of the applicable Loan has been paid in full.
- (d) **No Other Prepayments:** You may not prepay the Loan except as set forth above.
- (e) **Non-Monthly Payment Option:** If you select the Non-Monthly Payment Option, the amount of your weekly, bi-weekly or semi-monthly payment of principal and interest will be calculated according to the following formulas:
  - (i) **Weekly:** monthly principal and interest payment  $\times 12 \div 52$ , collected 52 times each year;
  - (ii) **Bi-Weekly:** monthly principal and interest payment  $\times 12 \div 26$ , collected 26 times each year;
  - (iii) **Semi-Monthly:** monthly principal and interest payment  $\div 2$ , collected 2 times each month, fifteen days apart.

We may terminate the Non-Monthly Payment Option immediately and without notice to you in the event that you are in default under this Loan Agreement, the Mortgage or the Other Security.

- (f) **Accelerated Payment Option:** If you select the Accelerated Payment Option, the amount of your weekly or bi-weekly payment of principal and interest will be higher than the corresponding non-accelerated payment, thereby reducing the amortization of the Loan.

The following formulae are used to calculate your payment of principal and interest:

- (i) **Weekly:** monthly principal and interest payment  $\times 12 \div 48$ , collected 52 times each year;
  - (ii) **Bi-Weekly:** monthly principal and interest payment  $\times 12 \div 24$ , collected 26 times each year.
- (g) **Convertibility Option:**

If you have a Closed Variable Rate Loan, then during the term of the Loan, you may, without bonus interest, convert the term, effective on any regular payment date (the "Conversion Date") to a Closed Fixed Rate Loan with a term that is longer than the remaining term of the Loan immediately prior to the Conversion Date. You must notify us in writing of your desire to convert to the new term no more than 30 days and at least 5 days prior to the Conversion Date. The rate of interest for the new term will be that in effect on the date you notify you in writing. You must also sign our amending agreement. It will set out the terms and conditions of the amended Loan, including interest rate, term and if any, prepayment options.

**2.12 Renewals:** Each of the Loans under this Loan Agreement may, at our option, be renewed or extended by an agreement in writing at maturity for any term selected by you. If you do not sign and return to us the renewal agreement by the maturity date, the Loan will be automatically renewed on the terms set out in the renewal agreement.

We shall, at all times, and at our entire discretion, have the right to renew your Loans for such terms as appropriate, to make all your Loans mature on the date which coincides with the latest Maturity Date then outstanding.

The Mortgagor acknowledges that subject to the Mortgagor not being a corporation, the *Interest Act* (Canada) and certain provincial statutes permit the prepayment of mortgages and loans secured by a mortgage with three months further interest once five years have elapsed from the date of the mortgage or loan. The Mortgagor, provided it is not a corporation, agrees that for the purpose of this statutory right of prepayment only, the effective date of this Loan Agreement and the Mortgage will be the Effective Date set forth in any Royfarm Mortgage Loan Amendment Agreement entered into by you and us with respect to each Loan, as applicable.

**2.13 Business Loan Insurance Plan:** Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

**Please note:** If you have Business Loan Insurance Plan coverage on previously approved loans, such coverage will be applied automatically to all new loans eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. If you do not want Business Loan Insurance Plan coverage to apply to any new Loans, a different loan account number will need to be set up and all uninsured loans attached to it.

The Guarantor agrees as follows:

### 3.00 GUARANTOR'S PROMISES AND AGREEMENT

**3.01** As we would not have agreed to lend the Aggregate Principal Amount to the Borrower without the promises of the Guarantor and in consideration of our advancing all or part of the Aggregate Principal Amount to the Borrower at the request of the Guarantor, the Guarantor promises:

- (a) to pay all of this payments due under this Loan Agreement, and
- (b) to keep and perform all of the Borrower's obligations under this Loan Agreement.

**3.02** The Guarantor agrees that, with or without notice, the following shall in no way affect any of the promises of the Guarantor or the liability of the Guarantor to us:

- (a) a discharge of the Mortgaged Property or any part of the Mortgaged Property from the Mortgage;
- (b) any disregard or waiver of a default;
- (c) the giving of extra time to the Borrower to (i) do something that the Borrower has agreed to do, or (ii) cure a default;
- (d) any other dealing between the Borrower and us which concerns this Loan Agreement or the Mortgage.

**3.03** All of the Guarantor's promises shall be binding on the Guarantor until all of the Total Debt is fully paid to us.

**3.04** The Guarantor is a primary debtor to the same extent as if the Guarantor has signed this Loan Agreement as a Borrower and the Guarantor's promises and agreements are joint and several, or solidary in Québec, with the Borrower's promises and agreements. This means that the Guarantor and the Borrower are both liable to perform all of the Borrower's promises and agreements.

**3.05** If more than one person signs the Loan Agreement as a Guarantor, the promises are joint and several.

**4.00 GENERAL TERMS OF AGREEMENT**

**4.01 Payment:** Unless we otherwise agree, you must make all payments under this Loan Agreement in money which is legal tender in Canada at the time of payment.

**4.02 Default:** If you or the Guarantor do not perform any of the terms and conditions contained in this Loan Agreement, or in the Mortgage or the Other Security or any other agreement relating to this Loan Agreement, then, at our option, all monies owing under this Loan Agreement with accrued interest will become due and payable, and we will have the right to exercise all of the powers given to us under this Loan Agreement, the Mortgage and the Other Security. In addition to the rights described above, we shall be entitled, at our option, to require payment of 3 months bonus interest in advance at the Loan Interest Rate calculated on the principal, and you and the Guarantor shall not be entitled to require a discharge of the Mortgage without such payment.

The mere lapse of the time fixed for performing an obligation under this Loan Agreement will have the effect of putting you in default of it, but our failure to exercise any of our rights arising from such a default shall not constitute a waiver of such rights.

You also agree that if you default in the payment of any indebtedness owing to us or owing to any other entity, person or government department or agency other than us, or in the performance or observance of any agreement in respect of any such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated, such default shall constitute an event of default under this Loan Agreement. In the event of such default then, at our option, all monies owing under this Loan Agreement with accrued interest will become due and payable, and we will have the right to exercise all of the powers given to us under this Loan Agreement, the Mortgage and the Other Security.

**4.03 Material Adverse Change:** If in our opinion there is a material adverse change in the financial condition, operation or ownership of the Borrower(s) or Guarantor(s) then, at our option, all monies owing under this Loan Agreement with accrued interest will become due and payable, and we will have the right to exercise all of the powers given to us under this Loan Agreement, the Mortgage and the Other Security.

**4.04 Due on Sale:** If the Mortgagor transfers or sells, or agrees to sell or transfer the title to the Mortgaged Property to a transferee or purchaser we do not approve of in writing, and who has not personally assumed (with the consent of his or her spouse where required by law) all of your obligations under this Loan Agreement and under the Mortgage and Other Security or any other agreement relating to this Loan Agreement and all of the Mortgagor's obligations under the Mortgage by executing an assumption agreement in the form we require, then, at our option, all monies owing under this Loan Agreement, with accrued interest, will become due and payable.

**4.05 Prohibition against Rental:** The Mortgagor may not rent the whole or any part of the Mortgaged Property without our consent. We have the right to declare the amount of all monies owing under this Loan Agreement due and payable if the Mortgagor does so, and, if the Loan is a Fixed Rate Loan we may charge you for loss of investment which amount shall be calculated in accordance with Section 2.11(a)(iv).

**4.06 Proof of Total Debt:** We will keep records showing the amounts we have loaned to you, and the amounts you have repaid to us, in respect of each Loan. These records will, in the absence of manifest error, be sufficient proof of the Total Debt you owe to us at any time.

**4.07 Expenses:** You will pay us all fees stipulated in this Loan Agreement and all fees charged by us relating to the documentation or registration of this Loan Agreement, the Mortgage and the Other Security. You will pay all fees (including legal fees), expenses and costs incurred by us in connection with preparation, negotiation,

documentation and registration of this Loan Agreement, the Mortgage and the Other Security and the enforcement of our rights against you or under the Mortgage or Other Security. These costs and expenses may include (but are not limited to) costs of appraisals, inspections, financial reviews, amendments, registrations, searches, discharges and actions taken in connection with the preservation of our rights under this Loan Agreement, the Mortgage or the Other Security. You also agree that if you prepay more than 10% of a closed Loan, you will pay our processing fee. You acknowledge that this fee may change from time to time. Currently this fee is \$150.

**4.08 Interpretation:** For the purposes of this Loan Agreement, the word "mortgage" includes hypothec.

**4.09 Binding Agreement:** This Loan Agreement is binding upon and operates to the benefit of the parties and their respective heirs, executors, administrators, personal representatives, successors and assigns.

**4.10 Joint and Several Liability:** Where there is more than one Borrower under this Loan Agreement, their obligations herein shall be joint and several, or solidary in Quebec.

**4.11 Change of control of farming corporation:** Where the Mortgagor is a farming corporation, in the event: (a) you fail to supply us, in a form satisfactory to us, such information relating to the ownership of the shares of the Mortgagor as we may from time to time require; or (b) without our written consent, you (i) issue or redeem any of the shares of the Mortgagor or transfer any of its shares, (ii) there is a sale or sales of the shares of the Mortgagor which result in the transfer of the legal or beneficial interest of a majority of all the shares of the Mortgagor, or (iii) there is a change in the effective control of the majority of the voting shares of the Mortgagor, all of the Original Principal Amount secured by the Mortgage together and accrued interest thereon shall forthwith become due and payable at our option and our powers of sale of the Mortgaged Property under the Mortgage and all other remedies for enforcement by us shall be exercisable.

**4.12 Reviews:** We may conduct annual or periodic reviews of your affairs, at the times determined by us and upon timely notice to you for the purpose of determining your financial performance. You will make available to us all information that we may reasonably require and do all things reasonably necessary to facilitate our review.

**5.00 SECURITY**

**5.01** The Mortgagor has charged the Mortgaged Property as continuing collateral security for all of the Mortgagor's obligations, debts and liabilities, present or future, including, without limitation, this Loan Agreement. If the Mortgage is given as security only for this Loan Agreement, the Mortgaged Property is charged in the Aggregate Principal Amount, and interest and other amounts owing by you to us under this Loan Agreement. If the Mortgage is given as security for this Loan Agreement and as security for other agreements with us, the Mortgaged Property is charged in an amount that exceeds the Aggregate Principal Amount and interest and other amounts owing by you under this Loan Agreement. While the respective amounts of principal outstanding in respect of each Loan under this Loan Agreement may, subject to our approval, change from time to time and be reduced and thereafter increased or entirely extinguished and thereafter incurred again, you agree that at any one time the Mortgage will secure the Total Debt.

**5.02** You and the Guarantor will execute such additional security agreements as are required by us, which may include but are not limited to a General Security Agreement, a chattel mortgage, assignment of rents, assignment of accounts receivable, assignment of production quotas, powers of attorney or other security, on our standard forms existing at the time we require you to do so, which individually or collectively are referred to in this Loan Agreement as the "Other Security".

**5.03** The Mortgagor shall not under any circumstances grant a mortgage on the Mortgaged Property ranking subsequently in priority to the Mortgage, without having received our prior written consent. If such a mortgage is granted, it shall constitute an event of default under this Loan Agreement and we may exercise the rights set out in Section 4.02.

**5.04** The Mortgage is in addition to and not in substitution for any other security held by us in respect of any of your indebtedness to us, including any Other Security for all or any part of the Aggregate Principal Amount, and you understand and agree that we may pursue our remedies under the Mortgage and any Other Security concurrently or successively at our option. Any judgement or recovery under the Mortgage or under any Other Security held by us

for the Aggregate Principal Amount shall not affect our right to realize upon the Mortgage or any other such security, including any Other Security.

In particular, and without limiting the generality of the foregoing, you acknowledge and agree that the Mortgage is in addition to, and not in substitution for, any other mortgage which may have been granted by the Mortgagor to us.

#### **6.0 LANGUAGE OF AGREEMENTS**

**6.0 Language:** The parties have expressly requested that this agreement and all related documents, including notices, be drawn up in the English language. À la demande expresse des parties, cette entente et tout document y afférent, y compris les avis, ont été rédigés en langue anglaise (Quebec only/Québec seulement).







Royal Bank

FORM 460 (Rev 09/2021) O

<b>ROYAL BANK OF CANADA CREDIT AGREEMENT</b>		<b>DATE: October 1, 2021</b>
<b>BORROWER:</b> PAYLESS TYRES CENTRE INC.		<b>SRF:</b> 343022919
<b>ADDRESS</b> (Street, City/Town, Province, Postal Code) 191 WILLOW PARK DR BRAMPTON, ON L6R 2M9		

Royal Bank of Canada (the "**Bank**") hereby confirms to the undersigned (the "**Borrower**") the following credit facilities (the "**Credit Facilities**"), banking services and other products subject to the terms and conditions set forth below and in the standard terms provided herewith (collectively the "**Agreement**"). The Credit Facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time without notice.

### **CREDIT FACILITIES**

**Facility #1** **Revolving demand facility in the amount of \$200,000.00, available by way of RBP based loans.**

Minimum retained balance \$0.00

Revolved by the Bank in increments of \$5,000.00

Interest rate: RBP + 1.61% per annum. Interest payable monthly, in arrears, on the same day each month as determined by the Bank.

Margined: Yes  No

**Facility #2** **Fixed rate term loan (non-revolving) in the amount of \$150,142.17.** All outstanding principal and interest was payable in full August 24, 2021. Interest rate: 2.57% per annum.

**Facility #2** as described above in the amount of \$150,142.17, which was payable in full on August 24, 2021 (the "**Original Facility #2 Maturity Date**"), is renewed, subject to the following revised terms and conditions with effect retroactive to the Original Facility #2 Maturity Date. The Borrower understands and agrees that any payments which would have become due under this facility, as so revised and renewed, since the Original Facility #2 Maturity Date, will be charged to its account upon acceptance of this Agreement:

**Facility #2** **Fixed rate term loan (non-revolving), fully drawn in the amount of \$150,142.17.** Repayable by consecutive monthly blended payments of \$3,329.40, including interest, based on a remaining 48 month amortization. First payment is due September 24, 2021. This loan has a 48 month term and all outstanding principal and interest is payable in full August 24, 2025. Interest rate: 3.09% per annum. Amount eligible for prepayment is NIL.

**Facility #3** **Revolving lease line of credit in the amount of \$150,000.00.** Leases will be governed by this Agreement and separate agreements between the Borrower and the Bank. In the event of a conflict between this Agreement and any such separate agreement, the terms of the separate agreement will govern. The determination by the Bank as to whether it will enter into any Lease will be entirely at its sole discretion.

### **OTHER FACILITIES**

The Credit Facilities are in addition to the following facilities (the "**Other Facilities**"). The Other Facilities will be governed by this Agreement and separate agreements between the Borrower and the Bank. In the event of a conflict between this Agreement and any such separate agreement, the terms of the separate agreement will govern.

a) Credit Card to a maximum amount of \$50,000.00.

### **SECURITY**

Security for the Borrowings and all other obligations of the Borrower to the Bank, including without limitation any amounts outstanding under any Leases, if applicable, (collectively, the "**Security**"), shall include:

\* Registered trademark of Royal Bank of Canada.

- a) General security agreement on the Bank's form 924 signed by the Borrower constituting a first ranking security interest in all personal property of the Borrower;
- b) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$585,324.00 signed by Jagteshwar S. Brar;
- c) Postponement and assignment of claim on the Bank's form 918 signed by Jagteshwar S. Brar.

### **FEES**

Facility #1 management fee of \$125.00 payable in arrears on the same day each month.

Renewal Fee:

If the Bank renews or extends any term facility or term loan beyond its maturity date, an additional renewal fee may be payable in connection with any such renewal in such amount as the Bank may determine and notify the Borrower.

### **REPORTING REQUIREMENTS**

The Borrower will provide to the Bank:

- a) annual review engagement financial statements for the Borrower, within 90 days of each fiscal year end;
- b) biennial personal statement of affairs for all Guarantors, who are individuals, within 90 days of the end of every second fiscal year of the Borrower, commencing with the fiscal year ending in 2022;
- c) such other financial and operating statements and reports as and when the Bank may reasonably require.

### **OTHER INFORMATION/REQUIREMENTS**

- a) No Lease will be made available to the Borrower unless it meets the leasing criteria established by the Bank and the Bank has received such documentation in respect thereof as may be required by the Bank.

### **BUSINESS LOAN INSURANCE PLAN**

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible.

If the Borrower decides to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 ENG or 53460 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

If there are any discrepancies between the insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

### **STANDARD TERMS**

The following standard terms have been provided to the Borrower:

- Form 472 (11/2020) Royal Bank of Canada Credit Agreement – Standard Terms  
 Form 473 (02/2020) Royal Bank of Canada Credit Agreement – Margined Accounts Standard Terms  
 Form 473A (06/2021) Royal Bank of Canada Credit Agreement – RBC Covarity Terms and Conditions  
 Form 473B (02/2020) Royal Bank of Canada Credit Agreement – Margined Accounts Standard Terms

### **ACCEPTANCE**

This Agreement is open for acceptance until October 31, 2021, after which date it will be null and void, unless extended by the Bank in its sole discretion.

### **ROYAL BANK OF CANADA**



Per: \_\_\_\_\_  
 Title: Vice President

### **RBC Contact: ANDREA BELLENIE**

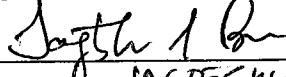
/dbs

### **CONFIRMATION & ACCEPTANCE**

The Borrower (i) confirms that it has received a copy of the Royal Bank of Canada Credit Agreement Standard Terms, Form 472, as well as all other standard terms which are hereinabove shown as having been delivered to the Borrower, all of which are incorporated in and form an integral part of this Agreement; and (ii) accepts and agrees to be bound by the terms and conditions of this Agreement including all terms and conditions contained in such standard terms.

Confirmed, accepted and agreed this 05 day of October, 2021.

### **PAYLESS TYRES CENTRE INC.**

Per:   
 Name: JAGTESHWAR BRAR  
 Title: DIRECTOR

Per: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

I/We have the authority to bind the Borrower

\* Registered trademark of Royal Bank of Canada.

## ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS

FORM 472 (11/2020)

The following set of standard terms is deemed to be included in and forms an integral part of the Royal Bank of Canada Loan Agreement which refers to standard terms with this document version date, receipt of which has been duly acknowledged by the Borrower. Terms defined elsewhere in this Agreement and not otherwise defined below have the meaning given to such terms as so defined. The Borrower agrees and if the Borrower is comprised of more than one Person, such Persons jointly and severally agree, or in Quebec solidarily agree, with the Bank as follows:

**GENERAL**

This Agreement amends and restates, without novation, any existing credit or loan agreement between the Borrower and the Bank and any amendments thereto, (other than existing agreements for Other Facilities). Any credit facility existing under any such credit or loan agreement which is secured by security under section 427 of the *Bank Act* (Canada) (or any successor to such provision) is deemed to be continued and renewed, without novation, under the Credit Facilities. Any amount owing by the Borrower to the Bank under any such credit or loan agreement is deemed to be a Borrowing under this Agreement. This Agreement is in addition to, and not in replacement of, agreements for Other Facilities. Any and all Security that has been delivered to the Bank and which is included as Security in this Agreement shall remain in full force and effect, is expressly reserved by the Bank and shall apply in respect of all obligations of the Borrower under the Credit Facilities. The Bank expressly reserves all Security granted to the Bank by the Borrower to secure the Borrower's existing debt towards the Bank, should the execution of this Agreement effect a novation of said debt. Unless otherwise provided, all dollar amounts are in Canadian currency.

**CONDITIONS PRECEDENT**

In no event will the Credit Facilities or any part thereof be available unless the Bank has received:

- a) a duly executed copy of this Agreement;
- b) the Security provided for herein, in form and substance, and executed and registered to the satisfaction of the Bank;
- c) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require; and
- d) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

**AVAILABILITY**

**Revolving facilities:** The Borrower may borrow, convert, repay and reborrow up to the amount of each revolving facility (subject to Margin where applicable) provided each facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice.

**Non-revolving facilities:** The Borrower may borrow up to the amount of each non-revolving facility provided these facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time without notice.

**LOAN REVOLVEMENT**

If the Credit Facilities include a revolving demand facility by way of RBP and/or RBUSBR based loans, the Borrower shall establish a current account in Canadian currency, and, where RBUSBR based loans are made available, in US currency (each a "**General Account**") for the conduct of the Borrower's day-to-day banking business. The Borrower authorizes the Bank daily or otherwise as and when determined by the Bank to ascertain the balance of any General Account and:

- a) if such position is a debit balance the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, make available a Borrowing by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- b) where the facility is indicated to be Bank revolved, if such position is a credit balance, the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, apply the amount of such credit balance or any part as a repayment of any Borrowings outstanding by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- c) where this facility is indicated to be Borrower revolved, if such position is a credit balance, the Bank will apply repayments on such facility only if so advised and directed by the Borrower;
- d) Overdrafts and Bank revolved facilities by way of RBP Loans, or RBUSBR Loans, are not available on the same General Account.

**REPAYMENT**

- a) Amounts outstanding under the Credit Facilities, together with interest, shall become due in the manner and at the rates and times specified in or pursuant to this Agreement and shall be paid in the currency of the Borrowing. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day.
- b) Unless the Bank otherwise agrees, any payment hereunder must be made in money which is legal tender at the time of payment.
- c) In the case of a demand facility of any kind, the Borrower shall repay all principal sums outstanding under such facility upon demand including, without limitation, an amount equal to the face amount of all LCs and LGs, if applicable, which are unexpired, which amount shall be held by the Bank as security for the Borrower's obligations to the Bank in respect of such Borrowings.
- d) Where any Borrowings are repayable by scheduled blended payments of principal and interest, such payments shall be applied, firstly, to interest due, and the balance, if any, shall be applied to principal outstanding with any balance of such Borrowings being due and payable as and when specified in this Agreement. If any such payment is insufficient to pay all interest then due, the unpaid balance of such interest will be added to such Borrowing, will bear interest at the same rate, and will be payable on demand or on the date specified herein, as the case may be.
- e) Borrowings repayable by way of scheduled payments of principal plus interest shall be so repaid with any balance of such Borrowings being due and payable as and when specified in this Agreement.
- f) For any Borrowings that are repayable by scheduled payments, if the scheduled payment date is changed then the maturity date of the applicable Borrowings shall automatically be amended accordingly.
- g) Without limiting the right of the Bank to terminate or demand payment of or to cancel or restrict availability of any unused portion of any revolving demand tender loan facility, Borrowings by way of tender loans shall be repaid (i) if the tender is not accepted, by returning the relevant draft, or certified cheque, if applicable, to the Bank for cancellation or (ii) if the tender is accepted, by returning the relevant draft, or certified cheque, if applicable, once letters of guarantee or performance bonds are arranged. In the event such draft, or certified cheque, if applicable, is presented for payment, the amount of the draft, or certified cheque, if applicable, will be converted to an RBP based loan with an interest rate of RBP plus 5% per annum.
- h) Should the Bank demand immediate repayment in full of any amounts outstanding under any term facility due to an Event of Default, the Borrower shall immediately repay all principal sums outstanding under such facility and all other obligations in connection with any such term facility.
- i) Except for Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the rate of RBP plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%, or, in the case of an amount in US currency if applicable, RBUSBR plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%. Such interest on overdue amounts shall be computed daily, compounded monthly and shall be payable both before and after any or all of default,



maturity, demand and judgement. For Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the same rate as the interest rate applicable to the principal amount of the Borrowings as specified in this Agreement.

- j) In the case of any reducing term loan and/or reducing term facility ("**Reducing Term Loan/Facility**"), provided that nothing contained in this paragraph shall confer any right of renewal or extension upon the Borrower, the Borrower and the Bank agree that, at the Bank's option, the Bank may provide a letter ("**Renewal Letter**") to the Borrower setting out the terms upon which the Bank is prepared to extend the Reducing Term Loan/Facility. In the event that the Bank provides a Renewal Letter to the Borrower and the Reducing Term Loan/Facility is not repaid on or before the maturity date of the applicable Reducing Term Loan/Facility, then at the Bank's option the Reducing Term Loan/Facility shall be automatically renewed on the terms set out in the Renewal Letter and the terms of this Agreement shall be amended accordingly.

#### PREPAYMENT

Where Borrowings under any term facility are by way of RBP and/or RBUSBR based loans, the Borrower may prepay such Borrowings in whole or in part at any time without fee or premium.

Where Borrowings under any term facility are at a fixed interest rate, provided an Event of Default shall not have occurred and be continuing, the Borrower may prepay such Borrowings on a non-cumulative basis up to the percentage indicated in this Agreement of the outstanding principal balance on the day of prepayment, without fee or premium, once per year during the 12 month period from each anniversary date of the Borrowing. Any prepayment of the Borrowing prior to the maturity date, in whole or in part (in excess of any prepayment explicitly permitted in this Agreement), requires an amendment of the terms of this Agreement. An amendment to permit such a prepayment requires the Bank's prior written consent. The Bank may provide its consent to an amendment to permit a prepayment upon satisfaction by the Borrower of any conditions the Bank may reasonably impose, including, without limitation, the Borrower's agreement to pay the Prepayment Fee as defined below.

The Prepayment Fee will be calculated by the Bank as the sum of:

- a) the greater of:
- (i) the amount equal to three (3) months' interest payable on the amount of the fixed rate term facility Borrowing being prepaid, calculated at the interest rate applicable to the fixed rate term facility Borrowing on the date of prepayment; and
  - (ii) the present value of the cash flow associated with the difference between the Bank's original cost of funds for the fixed rate term facility Borrowing and the current cost of funds for a fixed rate term loan with a term substantially similar to the remaining term and an amortization period substantially similar to the remaining amortization period of the fixed rate term facility Borrowing, each as determined by the Bank on the date of such prepayment;

plus:

- b) Foregone margin over the remainder of the term of the fixed rate term facility Borrowing. Foregone margin is defined as the present value of the difference between the Bank's original cost of funds for the fixed rate term facility Borrowing and the interest that would have been charged to the Borrower over the remaining term of the fixed rate term facility Borrowing;

plus:

- c) a processing fee.

The Prepayment Fee shall also be payable by the Borrower in the event the Bank demands repayment of the outstanding fixed rate term facility Borrowing on the occurrence of an Event of Default. The Borrower's obligation to pay the Prepayment Fee will be in addition to any other amounts then owing by the Borrower to the Bank, will form part of the Borrowings outstanding and will be secured by the Security described herein.

The prepayment of any Borrowings under a term facility will be made in the reverse order of maturity.

#### EVIDENCE OF INDEBTEDNESS

The Bank shall maintain accounts and records (the "**Accounts**") evidencing the Borrowings made available to the Borrower by the Bank under this Agreement. The Bank shall record the principal amount of such Borrowings, the payment of principal and interest on account of the Borrowings, and all other amounts becoming due to the Bank under this Agreement. The Accounts constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement. The Borrower authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any bank account of the Borrower for all amounts payable under this Agreement, including, but not limited to, the repayment of principal and the payment of interest, fees and all charges for the keeping of such bank accounts.

#### CALCULATION AND PAYMENT OF INTEREST AND FEES

- a) The Borrower shall pay interest on each Overdraft, RBP and/or RBUSBR based loan monthly in arrears on the same day of each month as determined by the Bank. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- b) The Borrower shall pay interest on each fixed and/or variable rate term facility in arrears at the applicable rate on such date as agreed upon between the Bank and the Borrower. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- c) The Borrower shall pay an LC fee on the date of issuance of any LC calculated on the face amount of the LC issued, based upon the number of days in the term and a year of 365 days. If applicable, fees for LCs issued in US currency shall be paid in US currency.
- d) The Borrower shall pay LG fees in advance on a quarterly basis calculated on the face amount of the LG issued and based on the number of days in the upcoming quarter or remaining term thereof and a year of 365 days. LG fees are non-refundable. If applicable, fees for LGs issued in US currency shall be paid in US currency.
- e) Amounts payable by the Borrower hereunder shall be paid at such place as the Bank may advise from time to time in the applicable currency. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day. Interest and fees payable under this Agreement are payable both before and after any or all of default, maturity, demand and judgement.
- f) The Borrower shall not be obligated to pay any interest, fees or costs under or in connection with this Agreement in excess of what is permitted by Applicable Law. In no event shall the effective interest rate payable by the Borrower under any facility be less than zero.

**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS****FORM 472 (11/2020)**

- g) The annual rates of interest or fees to which the rates calculated in accordance with this Agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.

**FEES, COSTS AND EXPENSES**

The Borrower agrees to pay the Bank all fees stipulated in this Agreement and all fees charged by the Bank relating to the documentation or registration of this Agreement and the Security. In addition, the Borrower agrees to pay all fees (including legal fees), costs and expenses incurred by the Bank in connection with the preparation, negotiation, documentation and registration of this Agreement and any Security and the administration, operation, termination, enforcement or protection of its rights in connection with this Agreement and the Security. The Borrower shall indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank if any facility under the Credit Facilities is repaid or prepaid other than on its Maturity Date. The determination by the Bank of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Bank in liquidating or redeploying deposits acquired to make or maintain any facility.

**GENERAL COVENANTS**

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, the Borrower covenants and agrees with the Bank that the Borrower:

- a) will pay all sums of money when due under the terms of this Agreement;
- b) will immediately advise the Bank of any event which constitutes or which, with notice, lapse of time or both, would constitute a breach of any covenant or other term or condition of this Agreement or any Security or an Event of Default;
- c) will file all material tax returns which are or will be required to be filed by it, pay or make provision for payment of all material taxes (including interest and penalties) and Potential Prior-Ranking Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- d) will give the Bank 30 days prior notice in writing of any intended change in its ownership structure or composition and will not make or facilitate any such changes without the prior written consent of the Bank;
- e) will comply with all Applicable Laws, including, without limitation, all Environmental and Health and Safety Laws;
- f) will immediately advise the Bank of any action requests or violation notices received concerning the Borrower and hold the Bank harmless from and against any losses, costs or expenses which the Bank may suffer or incur for any environment related liabilities existent now or in the future with respect to the Borrower;
- g) will deliver to the Bank such financial and other information as the Bank may reasonably request from time to time, including, but not limited to, the reports and other information set out under this Agreement;
- h) will immediately advise the Bank of any unfavourable change in its financial position which may adversely affect its ability to pay or perform its obligations in accordance with the terms of this Agreement;
- i) will keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- j) except for Permitted Encumbrances, will not, without the prior written consent of the Bank, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- k) will not, without the prior written consent of the Bank, sell, transfer, convey, lease or otherwise dispose of any of its properties or assets other than in the ordinary course of business and on commercially reasonable terms;
- l) will not, without the prior written consent of the Bank, guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other Person, except as may be provided for herein;
- m) will not, without the prior written consent of the Bank, merge, amalgamate, or otherwise enter into any other form of combination with any other Person;
- n) will permit the Bank or its representatives, from time to time, i) to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, ii) to collect information from any person regarding any Potential Prior-Ranking Claims and iii) to discuss the Borrower's affairs with the auditors, counsel and other professional advisers of the Borrower. The Borrower hereby authorizes and directs any such third party to provide to the Bank or its representatives all such information, records or documentation requested by the Bank; and
- o) will not use the proceeds of any Credit Facility for the benefit or on behalf of any Person other than the Borrower.

**GENERAL INDEMNITY**

The Borrower hereby agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from and against any and all claims, suits, actions, demands, debts, damages, costs, losses, obligations, judgements, charges, expenses and liabilities of any nature which are suffered, incurred or sustained by, imposed on or asserted against any such Person as a result of, in connection with or arising out of i) any breach of any term or condition of this Agreement or any Security or any other agreement delivered to the Bank by the Borrower or any Guarantor if applicable or any Event of Default, ii) the Bank acting upon instructions given or agreements made by electronic transmission of any type, iii) the presence of Contaminants at, on or under or the discharge or likely discharge of Contaminants from, any properties now or previously used by the Borrower and iv) the breach of or non compliance with any Applicable Law by the Borrower or any Guarantor.

**AMENDMENTS AND WAIVERS**

Save and except for any waiver or extension of the deadline for acceptance of this Agreement at the Bank's sole discretion, which may be communicated in writing, verbally, or by conduct, no amendment or waiver of any provision of this Agreement will be effective unless it is in writing, signed by the Borrower and the Bank. No failure or delay, on the part of the Bank, in exercising any right or power hereunder or under any Security or any other agreement delivered to the Bank shall operate as a waiver thereof. Each Guarantor, if applicable, agrees that the amendment or waiver of any provision of this Agreement (other than agreements, covenants or representations expressly made by any Guarantor herein, if any) may be made without and does not require the consent or agreement of, or notice to, any Guarantor.

**SUCCESSORS AND ASSIGNS**

This Agreement shall extend to and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Borrower shall not be entitled to assign or transfer any rights or obligations hereunder, without the consent in writing of the Bank.

**GAAP**

Unless otherwise provided, all accounting terms used in this Agreement shall be interpreted in accordance with Canadian Generally Accepted Accounting Principles, as appropriate, for publicly accountable enterprises, private enterprises, not-for-profit organizations, pension plans and in accordance, as appropriate, with Public Sector Accounting Standards for government organizations in effect from time to time, applied on a consistent

**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS****FORM 472 (11/2020)**

basis from period to period. All financial statements and/or reports shall be prepared using one of the above bases of presentation, as appropriate. Except for the transition of accounting standards in Canada, any change in accounting principles or the application of accounting principles is only permitted with the prior written consent of the Bank.

**SEVERABILITY**

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and such invalid provision shall be deemed to be severable.

**DEFAULT BY LAPSE OF TIME**

The mere lapse of time fixed for performing an obligation shall have the effect of putting the Borrower in default thereof.

**SET-OFF**

The Bank is authorized (but not obligated), at any time and without notice, to apply any credit balance (whether or not then due) in any account in the name of the Borrower, or to which the Borrower is beneficially entitled (in any currency) at any branch or agency of the Bank in or towards satisfaction of the indebtedness of the Borrower due to the Bank under the Credit Facilities and the other obligations of the Borrower under this Agreement. For that purpose, the Bank is irrevocably authorized to use all or any part of any such credit balance to buy such other currencies as may be necessary to effect such application.

**CONSENT OF DISCLOSURE**

The Borrower hereby grants permission to any Person having information in such Person's possession relating to any Potential Prior-Ranking Claim, to release such information to the Bank (upon its written request), solely for the purpose of assisting the Bank to evaluate the financial condition of the Borrower.

**JOINT AND SEVERAL / SOLIDARY**

Where more than one Person is liable as Borrower, for any obligation under this Agreement, then the liability of each such Person for such obligation is joint and several (in Quebec, solidary) with each other such Person.

**EVENTS OF DEFAULT**

Without affecting or limiting the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, each of the following shall constitute an "Event of Default" which shall entitle the Bank, in its sole discretion, to cancel any Credit Facilities, demand immediate repayment in full of any amounts outstanding under any term facility, together with outstanding accrued interest and any other indebtedness under or with respect to any term facility, and to realize on all or any portion of any Security:

- a) failure of the Borrower to pay any principal, interest or other amount when due pursuant to this Agreement;
- b) failure of the Borrower, or any Guarantor if applicable, to observe any covenant, term or condition or provision contained in this Agreement, the Security or any other agreement delivered to the Bank or in any documentation relating hereto or thereto;
- c) the Borrower, or any Guarantor if applicable, is unable to pay its debts as such debts become due, or is, or is adjudged or declared to be, or admits to being, bankrupt or insolvent;
- d) if any proceeding is taken to effect a compromise or arrangement with the creditors of the Borrower, or any Guarantor if applicable, or to have the Borrower, or any Guarantor if applicable, declared bankrupt or wound up, or to have a receiver appointed for any part of the assets or operations of the Borrower, or any Guarantor if applicable, or if any encumbrancer takes possession of any part thereof;
- e) if in the opinion of the Bank there is a material adverse change in the financial condition, ownership structure or composition or operation of the Borrower, or any Guarantor if applicable;
- f) if any representation or warranty made by the Borrower in any document relating hereto or under any Security shall be false in any material respect; or
- g) if the Borrower, or any Guarantor if applicable, defaults in the payment of any other indebtedness, whether owing to the Bank or to any other Person, or defaults in the performance or observance of any agreement in respect of such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated.

**LETTERS OF CREDIT AND/OR LETTERS OF GUARANTEE**

Borrowings made by way of LCs and/or LGs will be subject to the following terms and conditions:

- a) each LC and/or LG shall expire on a Business Day and shall have a term of not more than 365 days;
- b) at least 2 Business Days prior to the issue of an LC and/or LG, the Borrower shall execute a duly authorized application with respect to such LC and/or LG and each LC and/or LG shall be governed by the terms and conditions of the relevant application for such contract. If there is any inconsistency at any time between the terms of this Agreement and the terms of the application for LC and/or LG, the terms of the application for the LC and/or LG shall govern; and
- c) an LC and/or LG may not be revoked prior to its expiry date unless the consent of the beneficiary of the LC and/or LG has been obtained.
- d) LC and/or LG fees and drawings will be charged to the Borrower's accounts.

**FEF CONTRACTS**

Bank makes no formal commitment herein to enter into any FEF Contract and the Bank may, at any time and at all times, in its sole and absolute discretion, accept or reject any request by the Borrower to enter into a FEF Contract. Should the Bank make FEF Contracts available to the Borrower, the Borrower agrees, with the Bank as follows:

- a) the Borrower shall promptly issue or countersign and return a confirmation or acknowledgement of the terms of each such FEF Contract as required by the Bank;
- b) the Borrower shall, if required by the Bank, promptly enter into a Foreign Exchange and Options Master Agreement or such other agreement in form and substance satisfactory to the Bank to govern the FEF Contract(s);
- c) in the event of demand for payment under the Agreement, the Bank may terminate all or any FEF Contracts. If the agreement governing any FEF Contract does not contain provisions governing termination, any such termination shall be effected in accordance with customary market practice. The Bank's determination of amounts owing under any terminated FEF Contract shall be conclusive in the absence of manifest error. The Bank shall apply any amount owing by the Bank to the Borrower on termination of any FEF Contract against the Borrower's obligations to the Bank under the Agreement and any amount owing to the Bank by the Borrower on such termination shall be added to the Borrower's obligations to the Bank under the Agreement and secured by the Security;

## ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS

FORM 472 (11/2020)

- d) the Borrower shall pay all required fees in connection with any FEF Contracts and indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank in relation to any FEF Contract;
- e) any rights of the Bank herein in respect of any FEF Contract are in addition to and not in limitation of or substitution for any rights of the Bank under any agreement governing such FEF Contract. In the event that there is any inconsistency at any time between the terms hereof and any agreement governing such FEF Contract, the terms of such agreement shall prevail;
- f) in addition to any security which may be held at any time in respect of any FEF Contract, upon request by the Bank from time to time, the Borrower will deliver to the Bank such security as is acceptable to the Bank as continuing collateral security for the Borrower's obligations to the Bank in respect of FEF Contracts; and
- g) the Borrower will enter each FEF Contract as principal, and only for purposes of hedging currency risk arising in the ordinary course of the Borrower's business and not for purposes of speculation. The Borrower understands and hereby acknowledges the risks associated with each FEF Contract.

**EXCHANGE RATE FLUCTUATIONS**

If, for any reason, the amount of Borrowings and/or Leases if applicable, outstanding under any facility in a currency other than Canadian currency, when converted to the Equivalent Amount in Canadian currency, exceeds the amount available under such facility, the Borrower shall immediately repay such excess or shall secure such excess to the satisfaction of the Bank.

**LANGUAGE**

The parties hereto have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. Les parties ont expressément demandé que la présente convention et tous les documents y afférents, y compris les avis, soient rédigés en langue anglaise.

**WHOLE AGREEMENT**

This Agreement and any documents or instruments referred to in, or delivered pursuant to, or in connection with, this Agreement constitute the whole and entire agreement between the Borrower and the Bank with respect to the Credit Facilities.

**GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the Province in which the branch of the Bank, which is the Borrower's branch of account, is located, and the laws of Canada applicable therein, as the same may from time to time be in effect. The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of such Province and acknowledges the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.

**NOTICES**

Any notice or demand to be given by the Bank shall be given in writing by way of a letter addressed to the Borrower. If the letter is sent by telecopier, it shall be deemed received on the date of transmission, provided such transmission is sent prior to 5:00 p.m. on a day on which the Borrower's business is open for normal business, and otherwise on the next such day. If the letter is sent by ordinary mail to the address of the Borrower, it shall be deemed received on the date falling five (5) days following the date of the letter, unless the letter is hand-delivered to the Borrower, in which case the letter shall be deemed to be received on the date of delivery. The Borrower must advise the Bank at once about any changes in the Borrower's address.

**COUNTERPART EXECUTION**

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.

**ELECTRONIC MAIL AND FAX TRANSMISSION**

The Bank is entitled to rely on any agreement, document or instrument provided to the Bank by the Borrower or any Guarantor as applicable, by way of electronic mail or fax transmission as though it were an original document. The Bank is further entitled to assume that any communication from the Borrower received by electronic mail or fax transmission is a reliable communication from the Borrower.

**ELECTRONIC IMAGING**

The parties hereto agree that, at any time, the Bank may convert paper records of this Agreement and all other documentation delivered to the Bank (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of the Bank's normal business practices. The parties agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

**CONFIDENTIALITY**

This Agreement and all of its terms are confidential ("**Confidential Information**"). The Borrower shall keep the Confidential Information confidential and will not disclose the Confidential Information, or any part thereof, to any Person other than the Borrower's directors, officers, employees, agents, advisors, contractors, consultants and other representatives of the Borrower who need to know the Confidential Information for the purpose of this Agreement, who shall be informed of the confidential nature of the Confidential Information and who agree or are otherwise bound to treat the Confidential Information consistent with the terms of this Agreement. Without limiting the generality of the foregoing, the Borrower shall not issue any press release or make any other public announcement or filing with respect to the Confidential Information without the Bank's prior written consent.

**DEFINITIONS**

For the purpose of this Agreement, if applicable, the following terms and phrases shall have the following meanings:

"**Applicable Laws**" means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, policies, guidelines, rulings, interpretations, directives (whether or not having the force of law), orders, codes, treaties, conventions, judgements, awards, determinations and decrees of any governmental, quasi-governmental, regulatory, fiscal or monetary body or agency or court of competent jurisdiction in any applicable jurisdiction;

"**Borrowing**" means each use of a Credit Facility, excluding Leases, and all such usages outstanding at any time are "Borrowings";

“**Business Day**” means a day, excluding Saturday, Sunday and any other day which shall be a legal holiday in Canada or any Province thereof, or a day on which banking institutions are closed throughout Canada;

“**Business Loan Insurance Plan**” means the optional group creditor insurance coverage, underwritten by Sun Life Assurance Company of Canada, and offered in connection with eligible loan products offered by the Bank;

“**Capital Expenditures**” means, for any fiscal period, any amounts accrued or paid in respect of any purchase or other acquisition for value of capital assets and, for greater certainty, excludes amounts expended in respect of the normal repair and maintenance of capital assets utilized in the ordinary course of business;

“**Contaminant**” includes, without limitation, any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental and Health and Safety Law;

“**Corporate Distributions**” means any payments to any shareholder, director or officer, or to any associate or holder of subordinated debt, or to any shareholder, director or officer of any associate or holder of subordinated debt, including, without limitation, bonuses, dividends, interest, salaries or repayment of debt or making of loans to any such Person, but excluding salaries to officers or other employees in the ordinary course of business;

“**Current Assets**” means, at any time, those assets ordinarily realizable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year;

“**Current Liabilities**” means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for current assets);

“**Current Ratio**” means the ratio of Current Assets to Current Liabilities;

“**Debt Service Coverage**” means, for any fiscal period, the ratio of EBITDA to the total of Interest Expense and scheduled principal payments in respect of Funded Debt;

“**EBITDA**” means, for any fiscal period, net income from continuing operations (excluding extraordinary gains or losses) plus, to the extent deducted in determining net income, Interest Expense and income taxes accrued during, and depreciation, depletion and amortization expenses deducted for, the period;

“**Environmental Activity**” means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater;

“**Environmental and Health and Safety Laws**” means all Applicable Laws relating to the environment or occupational health and safety, or any Environmental Activity;

“**Equivalent Amount**” means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through the Bank in Toronto, in accordance with normal banking procedures;

“**Equity**” means the total of share capital (excluding preferred shares redeemable within one year) contributed surplus and retained earnings plus Postponed Debt;

“**Financial Assistance**” means any form of direct or indirect financial assistance of any other Person by means of a loan, guarantee or otherwise or any obligations (contingent or otherwise) intended to enable another Person to incur or pay any debt or comply with any agreements related thereto or to otherwise assure or protect creditors of another Person against loss in respect of debt or any other obligations of such other Person;

“**Fixed Charge Coverage**” means, for any fiscal period, the ratio of EBITDA plus payments under operating leases less cash income taxes, Corporate Distributions and Unfunded Capital Expenditures to Fixed Charges;

“**Fixed Charges**” means, for any fiscal period, the total of Interest Expense, scheduled principal payments in respect of Funded Debt and payments under operating leases;

“**Foreign Exchange Forward Contract**” or “**FEF Contract**” means a currency exchange transaction or agreement or any option with respect to any such transaction now existing or hereafter entered into between the Borrower and the Bank.

“**Funded Debt**” means, at any time for the fiscal period then ended, all obligations for borrowed money which bears interest or to which interest is imputed plus, without duplication, all obligations for the deferred payment of the purchase of property, all capital lease obligations and all indebtedness secured by purchase money security interests, but excluding Postponed Debt;

“**Guarantor**” means any Person who has guaranteed the obligations of the Borrower under this Agreement;

“**Lease**” means an advance of credit by the Bank to the Borrower by way of a Master Lease Agreement, Master Leasing Agreement, Leasing Schedule, Equipment Lease, Conditional Sales Contract, or pursuant to an Interim Funding Agreement or an Agency Agreement, in each case issued to the Borrower;

“**Interest Expense**” means, for any fiscal period, the aggregate cost of advances of credit outstanding during that period including, without limitation, interest charges, capitalized interest, the interest component of capital leases, fees payable in respect of letters of credit and letters of guarantee and discounts incurred and fees payable in respect of bankers' acceptances.

“**Investment**” means the acquisition (whether for cash, property, services, securities or otherwise) of shares, bonds, notes, debentures, partnership or other property interests or other securities of any other Person or any agreement to make any such acquisition;

“**Letter of Credit**” or “**LC**” means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of paying suppliers of goods;

“**Letter of Guarantee**” or “**LG**” means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of providing security to a third party that the Borrower or a person designated by the Borrower will perform a contractual obligation owed to such third party;

“**Margin**” or “**Margined**” means that the availability of Borrowings under the credit facilities will be based on the Borrower’s level of accounts receivable, inventory and Potential Prior Ranking Claims as determined by reference to regular reports provided to the Bank by the Borrower;

“**Overdraft**” means advances of credit by way of debit balances in the Borrower’s current account;

“**Permitted Encumbrances**” means, in respect of the Borrower:

- a) liens arising by operation of law for amounts not yet due or delinquent, minor encumbrances on real property such as easements and rights of way which do not materially detract from the value of such property, and security given to municipalities and similar public authorities when required by such authorities in connection with the operations of the Borrower in the ordinary course of business; and
- b) Security granted in favour of the Bank;

“**Person**” includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association, a government or any department or agency thereof including Canada Revenue Agency, and any other incorporated or unincorporated entity;

“**Policy**” means the Business Loan Insurance Plan policy 5100, issued by Sun Life Assurance Company of Canada to the Bank;

“**Postponed Debt**” means indebtedness that is fully postponed and subordinated, both as to principal and interest, on terms satisfactory to the Bank, to the obligations owing to the Bank hereunder;

“**Potential Prior-Ranking Claims**” means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the Security or otherwise in priority to any claim by the Bank for repayment of any amounts owing under this Agreement;

“**RBP**” and “**Royal Bank Prime**” each means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on commercial loans made in Canadian currency in Canada;

“**RBUSBR**” and “**Royal Bank US Base Rate**” each means the annual rate of interest announced by the Bank from time to time as a reference rate then in effect for determining interest rates on commercial loans made in US currency in Canada;

“**Release**” includes discharge, spray, inject, inoculate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust, and when used as a noun has a similar meaning;

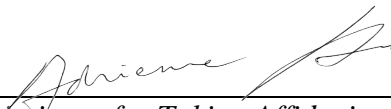
“**Tangible Net Worth**” means the total of Equity less intangibles, deferred charges, leasehold improvements, deferred tax credits and unsecured advances to related parties. For the purpose hereof, intangibles are assets lacking physical substance;

“**Total Liabilities**” means all liabilities exclusive of deferred tax liabilities and Postponed Debt;

“**Unfunded Capital Expenditures**” means Capital Expenditures not funded by either bank debt or equity proceeds.

“**US**” means United States of America.

This is Exhibit "D" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.

A handwritten signature in cursive script, appearing to read "Adreinne Ho", written in black ink.

---

*Commissioner for Taking Affidavits*  
Adreinne Ho

**GUARANTEE AND POSTPONEMENT OF CLAIM****TO: ROYAL BANK OF CANADA**

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by 2780785 ONTARIO INC. (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$1,900,000.00 One Million Nine Hundred Thousand Dollars** together with interest thereon from the date of demand for payment at a rate equal to the **Prime Interest Rate of the Bank plus 5.000 Five percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the



whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the Province of Ontario ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(Applicable in all P.P.S.A. Provinces except Ontario.)

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this Oct 14, 2020  
(MONTH) (DAY) (YEAR)

IN THE PRESENCE OF

Hank [Signature]  
Witness Signature:

Harnet Singh Brar  
Name:

Witness Signature :

Name:

Witness Signature :

Name:

Witness Signature :

Name:

SARDARA TRANSPORT INC.

[Signature]  
(DIRECTOR)

Insert the full name and address of guarantor (Undersigned above).

Full name and address
SARDARA TRANSPORT INC.
191 WILLOW PARK DRIVE, BRAMPTON ON L6R 2M9

(To be completed when the guarantee is stated to be governed by the laws of the Province of Alberta, the loan is repayable in Alberta, the guarantee is executed in Alberta, the Customer carries on business in Alberta, or the guarantor is resident or owns assets in Alberta.)

(To be completed only where the guarantor is not a corporation)

**THE GUARANTEES ACKNOWLEDGEMENT ACT (ALBERTA)  
CERTIFICATE OF BARRISTER AND SOLICITOR**

I HEREBY CERTIFY THAT:

(1) \_\_\_\_\_, the guarantor in the guarantee dated \_\_\_\_\_ made between ROYAL BANK OF CANADA and \_\_\_\_\_, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee;

(2) I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it.

CERTIFIED by \_\_\_\_\_, Barrister and Solicitor at the \_\_\_\_\_ of \_\_\_\_\_ in the Province of Alberta, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Signature

(Guarantor to sign in presence of Barrister and Solicitor)

**STATEMENT OF GUARANTOR**

I am the person named in the certificate \_\_\_\_\_

Signature of Guarantor

(To be completed when the guarantor is an individual and the guarantee is stated to be governed by the laws of Saskatchewan and the Customer is a farmer, farm corporation or farm partnership in Saskatchewan or engages in a farming operation or owns farm assets in Saskatchewan.)

**THE SASKATCHEWAN FARM SECURITY ACT ACKNOWLEDGEMENT OF GUARANTEE  
(SECTION 31)  
CERTIFICATE OF LAWYER OR NOTARY PUBLIC**

I HEREBY CERTIFY THAT:

(1) \_\_\_\_\_ of \_\_\_\_\_ in the Province of \_\_\_\_\_, the guarantor in the guarantee dated \_\_\_\_\_ made between ROYAL BANK OF CANADA and \_\_\_\_\_, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee;

(2) I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it.

(3) I have not prepared any documents on behalf of the creditor, Royal Bank of Canada, relating to the transaction and I am not otherwise interested in the transaction;

(4) I acknowledge that the guarantor signed the following "Statement of Guarantor" in my presence.

Given at \_\_\_\_\_ this \_\_\_\_\_ under my hand and seal of office

(SEAL REQUIRED WHERE NOTARY PUBLIC SIGNS CERTIFICATE)

\_\_\_\_\_  
A LAWYER OR A NOTARY PUBLIC IN AND FOR

**STATEMENT OF GUARANTOR**

I am the person named in the certificate \_\_\_\_\_

Signature of Guarantor







## Royal Bank of Canada Guarantee and Postponement of Claim

**SRF:**  
337282784

**BRANCH ADDRESS:**  
100 KING ST W-8TH FLR  
STELCO TOWER  
HAMILTON, ON  
L8P 1A2

**BORROWER:**  
SARDARA TRANSPORT INC.

**TO: ROYAL BANK OF CANADA**

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **SARDARA TRANSPORT INC.** (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$2,500,000.00 Two Million Five Hundred Thousand Dollars** together with interest thereon from the date of demand for payment at a rate equal to **the Prime Interest Rate of the Bank plus 5.000 Five percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of

one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the **Province of Ontario** ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may



bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(Applicable  
in all  
P.P.S.A  
Provinces.)

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this 27 day of Sept, 2022

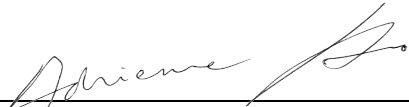
2780785 ONTARIO INC.

Jagtesh R  
JAGJESHWAR SINGH BRAR  
(DIRECTOR)

Insert the full name and address of guarantor (Undersigned above).

Full name and address
2780785 ONTARIO INC.
191 WILLOW PARK DRIVE , BRAMPTON , ON L6R 2M9

This is Exhibit "E" referred to in the Affidavit of Evgeniya Jens sworn before me at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*  
Adreinne Ho





## Royal Bank of Canada General Security Agreement

**SRF:**  
343022919

**BRANCH ADDRESS:**  
100 KING ST W-8TH FLR  
STELCO TOWER  
HAMILTON, ON  
L8P 1A2

**BORROWER:**  
PAYLESS TYRES CENTRE INC.

### 1. SECURITY INTEREST

a) For value received, the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA** ("RBC"), a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- i) all Inventory of whatever kind and wherever situate;
- ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- iv) all lists, records and files relating to Debtor's customers, clients and patients;
- v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- vi) all contractual rights and insurance claims;
- vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and
- viii) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment Property", "proceeds", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (Ontario). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

### 2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness

of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

### 3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

- a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;
- b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;
- c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;
- d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situated at one of such locations; and
- e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

### 4. COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect Debtor covenants and agrees:

- a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor;
- b) to notify RBC promptly of:
  - i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
  - ii) the details of any significant acquisition of Collateral,
  - iii) the details of any claims or litigation affecting Debtor or Collateral,
  - iv) any loss or damage to Collateral,
  - v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
  - vi) the return to or repossession by Debtor of Collateral;
- c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trademarks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;
- d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;
- e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

- f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;
- g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;
- h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;
- i) to deliver to RBC from time to time promptly upon request:
  - i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
  - ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
  - iii) all financial statements prepared by or for Debtor regarding Debtor's business,
  - iv) all policies and certificates of insurance relating to Collateral, and
  - v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

#### **5. USE AND VERIFICATION OF COLLATERAL**

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

#### **6. SECURITIES, INVESTMENT PROPERTY**

If Collateral at any time includes Securities, Debtor authorizes RBC to transfer the same or any part thereof into its own name or that of its nominee(s) so that RBC or its nominee(s) may appear of record as the sole owner thereof; provided that, until default, RBC shall deliver promptly to Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by RBC or its nominee(s) as such registered owner and agrees that no proxy issued by RBC to Debtor or its order as aforesaid shall thereafter be effective.

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

#### **7. COLLECTION OF DEBTS**

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement, shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

#### **8. INCOME FROM AND INTEREST ON COLLATERAL**

- a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.
- b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

#### **9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS**

- a) Whether or not default has occurred, Debtor authorizes RBC:
  - i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;



- ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided

#### 10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriated in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

#### 11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

- a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;
- b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;
- c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;
- d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;
- e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;
- f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;
- g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;
- h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

#### 12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

#### 13. REMEDIES

a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every

such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..

h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

#### 14. MISCELLANEOUS

a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect

✓

to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

j) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby:

- i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and
- ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the

laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

**15. COPY OF AGREEMENT**

- a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.
- b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces).

**16. Debtor represents and warrants that the following information is accurate:**

**BUSINESS DEBTOR**

NAME OF BUSINESS DEBTOR <b>PAYLESS TYRES CENTRE INC.</b>			
ADDRESS OF BUSINESS DEBTOR <b>191 WILLOW PARK DRIVE</b>	CITY <b>BRAMPTON</b>	PROVINCE <b>ON</b>	POSTAL CODE <b>L6R 2M9</b>

IN WITNESS WHEREOF executed this 27 day of July, 2020.

**PAYLESS TYRES CENTRE INC.**

Jayeshwar  
JAYESHWAR SRAN  
DIRECTOR

Seal

Seal

**SCHEDULE "A"**  
**(ENCUMBRANCES AFFECTING COLLATERAL)**

✓



**SCHEDULE "B"**

**1. Locations of Debtor's Business Operations**


191 WILLOW PARK DRIVE  
BRAMPTON  
ON  
CA  
L6R 2M9

**2. Locations of Records relating to Collateral (if different from 1. above)**

**3. Locations of Collateral (if different from 1. above)**



**SCHEDULE "C"**  
**(DESCRIPTION OF PROPERTY)**







**Royal Bank of Canada**  
**General Security Agreement**

SRF: 337282784  
Borrower: SARDARA TRANSPORT INC.

100 KING ST W-8TH FLR  
STELCO TOWER  
HAMILTON  
ONTARIO  
L8P 1A2  
CA

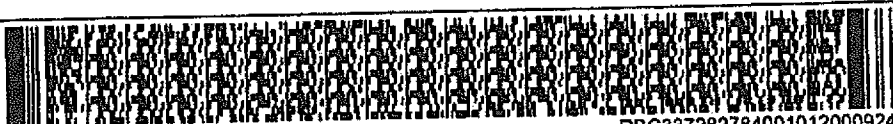
## 1. SECURITY INTEREST

(a) For value received, the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA** ("RBC"), a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (i) all Inventory of whatever kind and wherever situate;
- (ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- (iv) all lists, records and files relating to Debtor's customers, clients and patients;
- (v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (vi) all contractual rights and insurance claims;
- (vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and
- (viii) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

Please do not write in this area



RBC337282784001012000924

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment Property", "proceeds", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (Ontario). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

## 2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

## 3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations; and

(e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

## 4. COVENANTS OF THE DEBTOR

Please do not write in this area



RBC337282784002012000924

So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor:

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details of any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss or damage to Collateral,
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

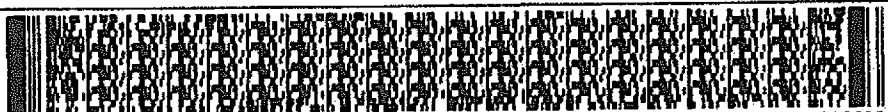
(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

(i) to deliver to RBC from time to time promptly upon request:

Please do not write in this area



RBC337282784003012000924

- (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
- (iv) all policies and certificates of insurance relating to Collateral, and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

## 5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

## 6. SECURITIES, INVESTMENT PROPERTY

If Collateral at any time includes Securities, Debtor authorizes RBC to transfer the same or any part thereof into its own name or that of its nominee(s) so that RBC or its nominee(s) may appear of record as the sole owner thereof; provided that, until default, RBC shall deliver promptly to Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by RBC or its nominee(s) as such registered owner and agrees that no proxy issued by RBC to Debtor or its order as aforesaid shall thereafter be effective.

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

## 7. COLLECTION OF DEBTS

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement, shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

## 8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if

Please do not write in this area



RBC337282784004012000924

Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

## 9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) Whether or not default has occurred, Debtor authorizes RBC:

- (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
- (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

(b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided.

## 10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriate in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

## 11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

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

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the

Please do not write in this area



RBC337282784005012000924



representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

## 12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

## 13. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any

Please do not write in this area



RBC337282784006012000924

Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

#### 14. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

Please do not write in this area



RBC337282784007012000924

(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby

(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and

(ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to

Please do not write in this area



RBC337282784008012000924

RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

**15. COPY OF AGREEMENT**

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces except Ontario).

**16.** Debtor represents and warrants that the following information is accurate:

**BUSINESS DEBTOR**

NAME OF BUSINESS DEBTOR SARDARA TRANSPORT INC.			
ADDRESS OF BUSINESS DEBTOR 191 WILLOW PARK DR	CITY BRAMPTON	PROVINCE ONTARIO	POSTAL CODE L6R2M9

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 21 day JUNE 2019

SARDARA TRANSPORT INC.

WITNESSES [Signature]  
(HARNEK BRAR)

[Signature]  
(JAGTESWAR BRAR)



WITNESSES \_\_\_\_\_



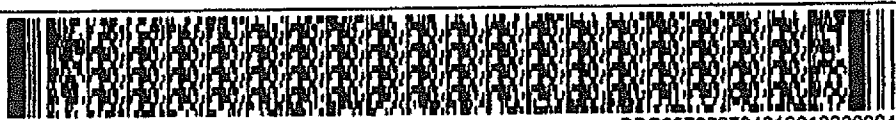
Please do not write in this area



RBC337282784009012000924

**SCHEDULE "A"**  
**(ENCUMBRANCES AFFECTING COLLATERAL)**

Please do not write in this area



RBC337282784010012000924

A handwritten mark, possibly a signature or initials, consisting of a vertical line and a diagonal stroke.

**SCHEDULE "B"****1. Locations of Debtor's Business Operations**

191 WILLOW PARK DR,  
BRAMPTON  
ONTARIO  
CA  
L6R2M9

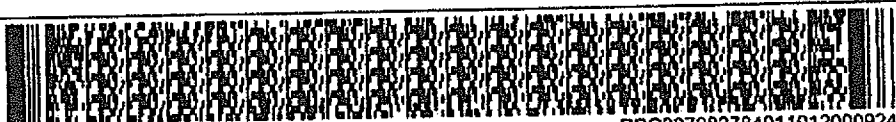
**2. Locations of Records relating to Collateral**

191 WILLOW PARK DR,  
BRAMPTON  
ONTARIO  
CA  
L6R2M9

**3. Locations of Collateral**

191 WILLOW PARK DR,  
BRAMPTON  
ONTARIO  
CA  
L6R2M9

Please do not write in this area



RBC337282784011012000924

**SCHEDULE "C"**  
**(DESCRIPTION OF PROPERTY)**

Please do not write in this area



RBC337282784012012000924

A handwritten signature in black ink, appearing to be a stylized 'A' or similar character.





**GENERAL SECURITY AGREEMENT****1. SECURITY INTEREST**

(a) For value received, the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA ("RBC")**, a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (i) all Inventory of whatever kind and wherever situate;
- (ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- (iv) all lists, records and files relating to Debtor's customers, clients and patients;
- (v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (vi) all contractual rights and insurance claims;
- (vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and
- (viii) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment Property", "proceeds", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (Ontario). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

**2. INDEBTEDNESS SECURED**

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

**3. REPRESENTATIONS AND WARRANTIES OF DEBTOR**

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situated at one of such locations; and

(e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

#### 4. COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details of any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss or damage to Collateral,
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

(i) to deliver to RBC from time to time promptly upon request:

- (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
- (iv) all policies and certificates of insurance relating to Collateral, and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

**5. USE AND VERIFICATION OF COLLATERAL**

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

**6. SECURITIES, INVESTMENT PROPERTY**

If Collateral at any time includes Securities, Debtor authorizes RBC to transfer the same or any part thereof into its own name or that of its nominee(s) so that RBC or its nominee(s) may appear of record as the sole owner thereof; provided that, until default, RBC shall deliver promptly to Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by RBC or its nominee(s) as such registered owner and agrees that no proxy issued by RBC to Debtor or its order as aforesaid shall thereafter be effective.

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

**7. COLLECTION OF DEBTS**

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement, shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

**8. INCOME FROM AND INTEREST ON COLLATERAL**

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

**9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS**

(a) Whether or not default has occurred, Debtor authorizes RBC:

(i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;

(ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

(b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided.

**10. DISPOSITION OF MONEY**

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriated in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

**11. EVENTS OF DEFAULT**

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

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

h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

## 12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

## 13. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

## 14. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to,

perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby

(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and

(ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

## 15. COPY OF AGREEMENT

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces).

16. Debtor represents and warrants that the following information is accurate:

**INDIVIDUAL DEBTOR**

SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY	
ADDRESS OF INDIVIDUAL DEBTOR	CITY		PROVINCE	POSTAL CODE
SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY	
ADDRESS OF INDIVIDUAL DEBTOR (IF DIFFERENT FROM ABOVE)	CITY		PROVINCE	POSTAL CODE

**BUSINESS DEBTOR**

NAME OF BUSINESS DEBTOR <b>2780785 ONTARIO INC.</b>			
ADDRESS OF BUSINESS DEBTOR <b>191 WILLOW PARK DRIVE</b>	CITY <b>BRAMPTON</b>	PROVINCE <b>ON</b>	POSTAL CODE <b>L6R 2M9</b>

**TRADE NAME (IF APPLICABLE)**

TRADE NAME OF DEBTOR			
PRINCIPAL ADDRESS (IF DIFFERENT FROM ABOVE)	CITY	PROVINCE	POSTAL CODE

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 15 day of OCTOBER, 2020

2780785 ONTARIO INC.

*[Signature]*  
WITNESS

*[Signature]* Seal

WITNESS

Seal

**BRANCH ADDRESS**

<b>GREATER HAMILTON COMMERCIAL 100 KING ST W-8TH FLR STELCO TOWER HAMILTON ON L8P 1A2</b>
---

**SCHEDULE "A"**

(ENCUMBRANCES AFFECTING COLLATERAL)

**SCHEDULE "B"****1. Locations of Debtor's Business Operations**

**191 WILLOW PARK DRIVE  
BRAMPTON ON L6R 2M9**

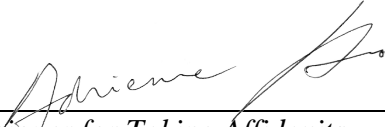
**2. Locations of Records relating to Collateral (if different from 1. above)****3. Locations of Collateral (if different from 1. above)**



**SCHEDULE "C"**  
(DESCRIPTION OF PROPERTY)



This is Exhibit "F" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*  
Adreinne Ho

**SECURITY AGREEMENT  
(CHATTEL MORTGAGE FOR OTHER THAN INVENTORY  
AND CONSUMER GOODS)**

E-FORM 927 (10/2017)  
RETENTION - M

**1. SECURITY INTEREST**

(a) For value received the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA** ("RBC"), a security interest ("Security Interest") in the following:

- the goods of Debtor described in Schedule "C" hereto and in any additional Schedules from time to time added hereto;

and in all proceeds thereof, accretions thereto and substitutions therefor and in all of the following now owned or hereafter owned or acquired by or on behalf of Debtor, namely:

- all lists, records and files relating to Debtor's customers, clients and patients,
- all deeds, documents, writings, papers and books relating to or being records of Goods or their proceeds or by which Goods or their proceeds are or may hereafter be secured, evidenced, acknowledged or made payable including Documents of Title, Chattel Paper, Securities and Instruments; and
- all contractual rights and insurance claims relating to Goods;

all of the foregoing being hereinafter collectively called "Collateral".

(b) Unless otherwise limited herein the terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Security", "proceeds", "accession", "Money", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in section 12(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" or "inventory" of Debtor as those terms are defined in the P.P.S.A. Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

**2. INDEBTEDNESS SECURED**

The Security Interest granted by Debtor to RBC secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon), present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

**3. REPRESENTATIONS AND WARRANTIES OF DEBTOR**

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "Encumbrances") save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC; prior to their creation or assumption;

(b) Debtor is authorized to enter into this Security Agreement;

(c) each debt, Chattel Paper and Instrument constituting proceeds of Goods is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"); and

(d) the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations.

**4. COVENANTS OF DEBTOR**

So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend Collateral against the claims and demands of all other parties claiming the same or an interest therein; to keep Collateral free from all Encumbrances, except for the Security Interest and those shown on Schedule "A" or hereafter approved in writing by RBC prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC and, in any event, to deposit with RBC all Money received from any disposition of Collateral;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details or any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss of or damage to Collateral,

- (v) any default by any Account Debtor in payment or other performance of his/her obligations with respect to Collateral; and
- (vi) the return to or repossession by debtor of Collateral;

(c) to keep the Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral from being or becoming an accession to other property not covered by this Security Agreement

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest; and

- (i) to deliver to RBC from time to time promptly upon request:
  - (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
  - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
  - (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
  - (iv) all policies and certificates of insurance relating to Collateral, and
  - (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

## 5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

## 6. SECURITIES

If Collateral at any time includes Securities, Debtor authorizes RBC to transfer the same or any part thereof into its own name or that of its nominee(s) so that RBC or its nominee(s) may appear on record as the sole owner thereof; provided that, until default, RBC shall deliver promptly to Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by RBC or its nominee(s) as such registered owner and agrees that no proxy issued by RBC to Debtor or its order as aforesaid shall thereafter be effective.

## 7. COLLECTION OF DEBTS

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement, shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

## 8. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, be held unappropriated in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

## 9. EVENTS OF DEFAULT

The happening of any one of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor; or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business, makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

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

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

## 10. ACCELERATION

RBC, in its sole discretion, may declare all or any part of the Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or, if RBC, considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

## 11. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver": which term when used herein shall include a receiver and manager) of Collateral and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence, or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper, whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made, as may be required by the P.P.S.A.

## 12. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral

or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right of setoff immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expenses incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 11 (g) hereof, notice of any other action taken by RBC.

(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim of defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clause 11 (g) and 12 (k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC, and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all the grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provision of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby (i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any

agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

**13. COPY OF AGREEMENT**

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC, or of any verification statement with respect to any financing statement registered by RBC. (Applies in all P.P.S.A. provinces)

**14. Debtor represents and warrants that the following information is accurate:**

**INDIVIDUAL DEBTOR**

SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY	
ADDRESS OF INDIVIDUAL DEBTOR	CITY		PROVINCE	POSTAL CODE
SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY	
ADDRESS OF INDIVIDUAL DEBTOR (IF DIFFERENT FROM ABOVE)	CITY		PROVINCE	POSTAL CODE

**BUSINESS DEBTOR**

NAME OF BUSINESS DEBTOR <b>SARDARA TRANSPORT INC.</b>				
ADDRESS OF BUSINESS DEBTOR 191 WILLOW PARK DR	CITY BRAMPTON	PROVINCE ON	POSTAL CODE L6R 2M9	


**TRADE NAME (IF APPLICABLE)**

TRADE NAME OF DEBTOR				
PRINCIPAL ADDRESS (IF DIFFERENT FROM ABOVE)	CITY	PROVINCE	POSTAL CODE	


IN WITNESS WHEREOF Debtor has executed this Security Agreement this 21 day of JUNE 2019

**SARDARA TRANSPORT INC.**

WITNESS [Signature]  
(HARNEK BARR)

[Signature]  
(JAGTESWAR BARR) 

WITNESS \_\_\_\_\_

\_\_\_\_\_ 

**BRANCH ADDRESS**

GREATER HAMILTON COMMERCIAL 100 KING ST W-8TH FLR STELCO TOWER HAMILTON ON L8P 1A2
---

**SCHEDULE "A"**

(ENCUMBRANCES AFFECTING COLLATERAL)





**SCHEDULE "B"****1. Locations of Debtor's Business Operations**

191 WILLOW PARK DR  
BRAMPTON, ON L6R2M9

**2. Locations of Records relating to Collateral (if different from 1. above)**

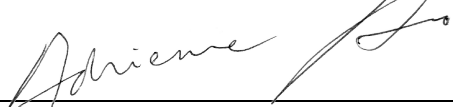
SAME AS ABOVE

**3. Locations of Collateral (if different from 1. above)**

SAME AS ABOVE

**SCHEDULE "C"**  
**(DESCRIPTION OF GOODS)**

This is Exhibit "G" referred to in the Affidavit of Evgeniya Jens sworn before me at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*

Adreinne Ho

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 2

**Properties**

*PIN* 25007 - 0188 LT *Interest/Estate* Fee Simple  
*Description* PT LT 29, CON 7 ESQ AS IN 470163 EXCEPT PT 1 ON 20R11397, EXCEPT PT 1 ON 20R11460; HALTON HILLS/ESQUESING  
*Address* 13760 TRAFALGAR ROAD  
 HALTON HILLS

**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* 2780785 ONTARIO INC.  
*Address for Service* 191 Willow Park Drive  
 Brampton, ON L6R2M9  
 I, JAGTESHWAR SINGH BRAR, 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* ROYAL BANK OF CANADA  
*Address for Service* ATTENTION: Collateral Security Team  
 BUSINESS LENDING ORIGINATION GROUP  
 36 York Mills Rd, 4th Floor,  
 Toronto, Ontario M2P 0A4

**Provisions**

*Principal* \$2,600,000.00 *Currency* CDN  
*Calculation Period*  
*Balance Due Date*  
*Interest Rate* Prime Rate plus 7.00%  
*Payments*  
*Interest Adjustment Date*  
*Payment Date*  
*First Payment Date*  
*Last Payment Date*  
*Standard Charge Terms* 20015  
*Insurance Amount* Full insurable value  
*Guarantor*

**Signed By**

Philip Robert Cumbo 21 King Street West, 11th Floor acting for Signed 2020 10 15  
 Hamilton  
 L8P 4W7 Chargor(s)

Tel 905-527-6877

Fax 905-527-6169

I have the authority to sign and register the document on behalf of the Chargor(s).

**Submitted By**

AGRO ZAFFIRO LLP 21 King Street West, 11th Floor 2020 10 16  
 Hamilton  
 L8P 4W7

Tel 905-527-6877

Fax 905-527-6169

**Fees/Taxes/Payment**

Statutory Registration Fee \$65.05

Total Paid \$65.05

*The applicant(s) hereby applies to the Land Registrar.*

**File Number**

Chargee Client File Number : 28412PRC



**LAND REGISTRATION REFORM ACT  
SET OF STANDARD CHARGE TERMS  
FOR ELECTRONIC DOCUMENTS  
(COLLATERAL CHARGES)**

**ROYAL BANK OF CANADA  
ROYAL TRUST CORPORATION OF CANADA**

TABLE OF CONTENTS

	PAGE #
1. CHARGE .....	1
2. COLLATERAL SECURITY .....	1
3. COVENANTS REGARDING LIABILITIES .....	1
4. INTEREST .....	2
5. DEFEASANCE .....	2
6. COMPOUND INTEREST .....	2
7. TAXES .....	2
8. DEEMED COVENANTS EXCLUDED .....	3
9. COVENANTS IN LIEU OF STATUTORY COVENANTS .....	3
10. RELEASE .....	4
11. ENTRY AFTER DEFAULT AND POWER OF SALE .....	5
12. DISTRESS .....	5
13. PRINCIPAL DUE ON DEFAULT OF PERFORMANCE OF COVENANTS .....	5
14. CHARGOR'S QUIET POSSESSION UNTIL DEFAULT .....	6
15. BUILDINGS, ADVANCES AND COST OF SEARCH .....	6
16. FIXTURES .....	6
17. PARTIAL RELEASE .....	6
18. DEFAULT IN PRIOR CHARGES .....	6
19. LIENS AND CONSTRUCTION .....	6
20. WASTE, VACANCY, REPAIR AND BUILDING COMPLETION .....	6
21. INSPECTION .....	7
22. ALTERATIONS .....	7
23. PROHIBITION AGAINST RENTAL .....	7
24. NON-MERGER .....	7
25. RIGHTS ON DEFAULT .....	7
26. OBLIGATIONS SURVIVE SALE .....	7
27. DUE ON SALE .....	8
28. PRIOR ENCUMBRANCES .....	8
29. ONTARIO NEW HOME WARRANTIES PLAN ACT .....	8
30. EXTENSIONS .....	8
31. DISCHARGE .....	8
32. OTHER SECURITY .....	8
33. PLACE OF PAYMENT AND WITHHOLDINGS FROM PAYMENTS .....	8
34. SPOUSE'S CONSENT .....	9
35. FAMILY LAW ACT .....	9
36. SEVERABILITY OF ANY INVALID PROVISIONS .....	9
37. NO PREJUDICE FROM FAILURE TO ENFORCE RIGHTS .....	9
38. FARM LANDS .....	9
39. CHANGE OF CORPORATE CONTROL .....	9
40. COMPLIANCE WITH THE LAW AND ENVIRONMENTAL COMPLIANCE .....	10
41. CONDOMINIUMS .....	10
42. RECEIVERSHIP .....	11
43. COMPLIANCE WITH THE LAW .....	12
44. CHARGE E EXPENSES .....	12
45. INTERPRETATION .....	12
46. PARAGRAPH HEADINGS .....	12
47. DATE CHARGE .....	12
48. EFFECT OF DELIVERY .....	12



CHARGE TERMS

**LAND REGISTRATION REFORM ACT**  
**SET OF STANDARD CHARGE TERMS**  
**FOR ELECTRONIC DOCUMENTS**  
**(COLLATERAL CHARGES)**  
**ROYAL BANK OF CANADA**  
**ROYAL TRUST CORPORATION OF CANADA**

191  
E-FORM 964 (03/2003)

Filed by:  
ROYAL BANK OF CANADA and  
ROYAL TRUST CORPORATION OF CANADA

Filing Date: June 28, 2001  
Filing Number: 20015

The following set of standard charge terms shall apply to electronic documents submitted for registration 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.

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". Whenever reference is made in this set of standard charge terms to the Charge it shall include this set of standard charge terms and all terms and provisions of this set of standard charge terms.

Any reference to the "Computer Field" in the Charge means a computer data entry field in a charge registered pursuant to Part III of the Land Registration Reform Act into which the terms and conditions of the Charge may be inserted.

**1. CHARGE**

The chargor or chargors indicated in the Computer Field of the Charge entitled "Chargor" (the "Chargor") charges the lands and premises indicated in the Computer Field of the Charge entitled "Description" (the "Charged Premises") with the payment to the chargee indicated in the Computer Field of the Charge entitled "Chargee" (the "Chargee") of the principal and interest and all other monies secured by the Charge upon the terms as set out in the Charge.

**2. COLLATERAL SECURITY**

The Chargor has at the request of the Chargee agreed to give the Charge as a continuing collateral security for payment and satisfaction to the Chargee of all obligations, debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, at any time owing by the Chargor to the Chargee incurred or arising either before or after the delivery for registration of the Charge and whether incurred by or arising from agreement or dealings between the Chargor and the Chargee or from any agreement or dealings with any third party by which the Chargee may be or become in any manner whatsoever a creditor of the Chargor or however otherwise incurred or arising anywhere within or outside Canada and whether the Chargor be bound alone or with another or others and whether as principal or surety and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again (such obligations, debts and liabilities being herein called the "Liabilities"). It is agreed by the Chargor and the Chargee that the Charge at any one time will secure only that portion of the aggregate principal component of the Liabilities outstanding at such time which does not exceed the sum set out in the Computer Field in the Charge entitled "Principal" (herein called the "Principal Amount"), together with any interest or compound interest accrued on the portion of the Principal Amount outstanding at such time at the Charge Rate, as hereinafter defined, plus such costs and expenses to which the Chargee is entitled pursuant to the Charge.

**3. COVENANTS REGARDING LIABILITIES**

The Chargor and the Chargee agree as follows:

(a) That the Chargor covenants to pay to the Chargee each and every amount, indebtedness, liability and obligation forming part of the Liabilities in the manner agreed to in respect of such amount, indebtedness, liability or obligation.

(b) That no part of the Liabilities existing at the date of the Charge or incurred or arising thereafter, shall be deemed to be unsecured by the Charge.

(c) That the Charge is and shall be a continuing collateral security to the Chargee for the amount of the Liabilities and interest and costs as provided in the Charge and shall be deemed to be taken as security for the ultimate balance of the Liabilities; and the Charge shall not, nor shall anything therein contained operate so as to create any merger or discharge of any debt owing to the Chargee or of any lien, bond, promissory note, bill of exchange or other security held by the Chargee either before or after registration of the Charge from the Chargor or from any other person or persons and the Charge shall not in any way prejudicially affect any security held either before or after the registration of the Charge by the Chargee for the Liabilities or any part thereof, or the liability of any endorser or any other person or persons upon any such lien, bond, bill of exchange, promissory note or other security or contract or any renewal or renewals thereof held by the Chargee for or on account of the Liabilities or any part or parts thereof, nor shall the remedies of the Chargee in respect thereof be prejudiced or delayed in any manner whatsoever by the taking of the Charge.

(d) That any and all payments made in respect of the Liabilities and interest and the monies or other proceeds realized from the sale of any securities held therefor, including the Charge, may be applied and reapplied notwithstanding any previous application on such part or parts of such Liabilities or interest as the Chargee may see fit or may be held unappropriated in a separate collateral account for such time as the Chargee may see fit.

(e) That the Chargee may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities and guarantees from and give the same and any and all existing securities and guarantees up to, may abstain from taking securities or guarantees from or from perfecting securities or guarantees of, may accept compositions from and may otherwise deal with the Chargor and all other persons, securities and guarantees as the Chargee may see fit without prejudicing the rights of the Chargee under the Charge.



(f) That the taking of judgement in respect of the Liabilities or any instrument or instruments now or hereafter representing or evidencing the Liabilities or under any of the covenants in the Charge or in any such instrument contained or implied shall not operate as a merger of the Liabilities or such instrument, instruments or covenants, nor affect the Chargee's right to interest at the rate and times provided in the Charge, nor affect nor prejudice any rights or remedies given to the Chargee by the terms of the Charge.

#### 4. INTEREST

##### (a) VARIABLE INTEREST RATE

If the interest rate indicated in the Computer Field of the Charge entitled "Rate" is based upon the Prime Rate, as hereinafter defined, the rate of interest chargeable on the Principal Amount is a rate equal to the Prime Rate per annum as the same will vary from time to time, plus the number of percentage points per annum, if any, indicated in the Computer Field of the Charge entitled "Rate" (the "Variable Interest Rate") and shall be payable monthly, and calculated monthly, not in advance, as well after as before maturity of the Charge, and both before and after default and judgment until paid.

The Variable Interest Rate will vary automatically, without notice to the Chargor, each time there is a change in the Prime Rate. The Variable Interest Rate will always be the Prime Rate plus the number of percentage points per annum, if any, indicated in the Computer Field of the Charge entitled "Rate", payable monthly and calculated monthly, not in advance, as well after as before maturity of the Charge and both before and after default and judgement until paid.

"Prime Rate" means the annual rate of interest announced from time to time by the Chargee being a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada. In the event that it may be necessary at any time for the Chargee to prove the Prime Rate applicable as at any time or times, it is agreed that the certificate in writing of the Chargee setting forth the Prime Rate as at any time or times shall be deemed to be conclusive evidence as to the Prime Rate as set forth in the said certificate.

##### (b) FIXED INTEREST RATE

If the interest rate indicated in the Computer Field of the Charge entitled "Rate" is a specified annual percentage not based on the Prime Rate (the "Fixed Interest Rate"), the rate of interest chargeable on the Principal Amount is that Fixed Interest Rate per annum, payable monthly, and calculated monthly, as well after as before maturity of the Charge, and both before and after default and judgment until paid.

(c) For the purposes of the Charge the Fixed Interest Rate or the Variable Interest Rate, as the case may be, are hereinafter referred to as the "Charge Rate". Whenever reference is made to the Charge Rate it shall mean the rate of interest indicated in the Computer Field of the Charge entitled "Rate", and interest shall be calculated and payable as set out in the Charge.

#### 5. DEFEASANCE

The provisions relating to defeasance contained in subsection 6(2) of the Land Registration Reform Act, shall be and are hereby expressly excluded from the terms of the Charge.

Provided the Charge shall be void upon the Chargor paying on demand to the Chargee the ultimate balance of the Liabilities, such balance not to exceed the Principal Amount, and all promissory notes, bills of exchange and any other instruments whatsoever from time to time representing the Liabilities or any part thereof, together with interest thereon either: a) where the Charge provides for a Variable Interest Rate, at the Variable Interest Rate per annum, calculated and payable monthly as well after as before maturity, default and judgment, with interest on overdue interest at the Charge Rate; or b) where the Charge provides for a Fixed Interest Rate, at the Fixed Interest Rate per annum, calculated and payable monthly as well after as before maturity, default and judgment, with interest on overdue interest at the same rate as on the Principal Amount and all other amounts payable by the Chargor under the Charge and paying any taxes, rates, levies, charges or assessments upon the Charged Premises no matter by whom or what authority imposed and observing and performing all covenants, provisos and conditions contained in the Charge.

#### 6. COMPOUND INTEREST

It is agreed that if default shall be made in payment of any sum to become due for interest at any time appointed for payment thereof, 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 Charge Rate, and in case the interest and compound interest are not paid on the next payment date after the date of default a rest shall be made, and compound interest at the rate aforesaid 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 Charged Premises and shall be secured by the Charge.

#### 7. TAXES

With respect to municipal taxes, school taxes and local improvement rates (hereinafter referred to as "taxes") chargeable against the Charged Premises, it is mutually agreed between the parties to the Charge that:

(a) The Chargee may deduct from any advance of monies to the Chargor an amount sufficient to pay the taxes which have become or will become due and payable at the date of such advance and are unpaid at the date of such advance.

(b) The Chargor shall pay to the Chargee in monthly instalments on the dates on which instalments of principal and interest are payable under the Charge, sums sufficient to enable the Chargee to pay the whole amount of taxes on or before the due date for payment thereof or, if such amount is payable in instalments, on or before the due date for payment of the first instalment of taxes.

(c) Where the period between the date of the advance and the end of the calendar year is less than one year the Chargor shall pay to the Chargee in equal monthly instalments, during such period and during the next succeeding 12 months period, an amount estimated by the Chargee to be sufficient to pay, on or before the expiration of the said 12 months period, all taxes which shall become due and payable during the said two periods and during the balance of the year in which the said 12 months period expires; and the Chargor shall also pay to the Chargee on demand the amount, if any, by which the actual taxes exceed such estimated amount.

(d) Except as provided in the last preceding clause, the Chargor shall, in each and every month, pay to the Chargee one-twelfth of the amount (as estimated by the Chargee) of the taxes next becoming due and payable; and the Chargor shall also pay to the Chargee on demand the amount, if any, by which the said actual taxes exceed such estimated amount.

(e) The Chargee shall allow the Chargor interest on the average monthly balances standing in the Charge account from time to time to the credit of the Chargor for payment of taxes at a rate per annum, and at such times, as the Chargee may determine in its sole discretion; and the Chargor shall be charged interest at the Charge Rate, on the debit balance, if any, in the Charge account outstanding after payment of taxes by the Chargee, until such debit balance is fully repaid.

(f) The Chargor shall reimburse the Chargee, on demand, for any fees paid or charges incurred by the Chargee to a municipality or other tax authority from time to time in connection with the administration of the tax account, including any fees or charges for the obtaining of information or searches or certificates in respect thereof, or the payment of taxes in any manner and the Chargor authorizes the Chargee to deduct the amount of such fees or charges from the tax account.

The Chargee agrees to apply the foregoing deductions and payments to the taxes chargeable against the Charged Premises so long as the Chargor is not in default under any covenant, proviso or agreement contained in the Charge, but nothing contained in the Charge shall obligate the Chargee to apply such payments on account of taxes more often than yearly. Provided, however, that if, before any sum or sums so paid to the Chargee shall have been so applied, there shall be default by the Chargor in respect of any payment of principal or interest as provided in the Charge, the Chargee may apply such sum or sums in or towards payment of the principal and or interest in default. The Chargor further covenants and agrees to transmit to the Chargee the assessment notices, tax bills and other notices affecting the imposition of taxes forthwith after the receipt of same by the Chargor.

Notwithstanding the provisions set out in this section, the Chargee may elect not to require payment of taxes to it in which case the Chargor will pay all taxes as they fall due and will provide the Chargee with receipts confirming payment of same as the Chargee may require.

## 8. DEEMED COVENANTS EXCLUDED

The covenants deemed to be included in a charge by subsection 7(l) of the Land Registration Reform Act, shall be and are hereby expressly excluded from the terms of the Charge.

## 9. COVENANTS IN LIEU OF STATUTORY COVENANTS

The Chargor does hereby covenant, promise and agree to and with the Chargee as follows:

### (a) To Pay and Observe Covenants

That the Chargor shall pay or cause to be paid to the Chargee, without deduction or abatement, the Principal Amount secured by the Charge with interest at the Charge Rate at the times and in the manner limited for payment thereof in the Charge, and shall do, observe, perform, fulfil and keep all the provisions, covenants, agreements and stipulations particularly set forth in the Charge, and, without limitation, shall pay any taxes, rates, levies, charges or assessments including, without limitation, utility charges, upon the Charged Premises or in respect thereof, no matter by whom or by what authority imposed, which the Chargee has paid or has been rendered liable to pay and shall also pay all other sums as the Chargee may be entitled to under the Charge.

### (b) For Good Title

That the Chargor, at the time of delivery for registration of the Charge, is, and stands solely, rightfully and lawfully seized of a good, sure, perfect, absolute and indefeasible title in fee simple to the Charged Premises free of any trusts, reservations, limitations, provisos or conditions (except those contained in the original grant thereof from the Crown) or any other matter or thing to alter, charge, change, encumber or defeat the same.

### (c) Right to Charge

That the Chargor has good right, full power and lawful and absolute authority to charge the Charged Premises with their appurtenances unto the Chargee in the manner set out in the Charge.

### (d) Quiet Possession on Default

That from and after default in the payment of the Principal Amount, or the interest thereon, or any part thereof, or in the doing, observing, performing, fulfilling or keeping of one or more of the provisions, agreements or stipulations contained in the Charge, contrary to the true intent and meaning thereof, then in every such case, it shall be lawful for the Chargee, peaceably and quietly to enter into, have, hold, use, occupy, possess and enjoy the Charged Premises or the lands and premises intended to be charged by the Charge, with their appurtenances, without the let, suit, hindrance, interruption or denial of the Chargor, or any other person or persons whomsoever, free and clear of all arrears of taxes and assessments whatsoever due or payable upon or in respect of the Charged Premises or any part thereof and of and from all former conveyances, mortgages, charges, rights, annuities, debts, executions and recognizance and of any other charges or encumbrances whatsoever.

### (e) Further Assurances

That from and after default shall happen to be made of or in the payment of the Principal Amount then outstanding, or the interest thereon, or any part of the Principal Amount or interest, as set forth in the Charge or of or in the doing, observing, performing, fulfilling or keeping of some one or more of the provisions, agreements or stipulations in the Charge contrary to the true intent and meaning thereof, then and in every such case the Chargor, and all and every person or persons whosoever having, or lawfully claiming, or who shall or may have or lawfully claim any estate, right, title, interest or trust of, in, to or out of the Charged Premises by, from, under or in trust for the Chargor, shall and will, from time to time, and at all times thereafter, make, do, suffer and 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, devices, conveyances and assurances in the law for the further, better and more perfectly and absolutely conveying, charging and assuring the Charged Premises unto the Chargee, as by the Chargee, or its solicitor shall or may be lawfully and reasonably devised, advised, or required.

## (f) Done No Act to Encumber

That the Chargor has not at any time heretofore made, done, committed, executed or wilfully or knowingly suffered any act, deed, matter or thing whatsoever whereby the Charged Premises or the premises intended to be charged by the Charge, or any part thereof, are, is or shall or may be in any way impeached, charged, affected or encumbered in title, estate, or otherwise howsoever.

## (g) Insurance

- i) That the Chargor will forthwith insure and during the continuance of the Charge keep insured in favour of the Chargee against loss or damage by fire, lightning, windstorm, hail, earthquake, explosion, impact, vandalism, malicious acts, civil disturbance or riot, smoke, falling objects and other risks, hazards and perils which the Chargee might require to the full extent of their replacement cost in lawful money of Canada, each and every building on the Charged Premises and which may hereafter be erected thereon, both during erection and thereafter, and all fixtures as hereinafter defined or referred to, and all other risks, hazards and perils of any nature or kind which the Chargee might require depending on the nature of the Charged Premises or the use thereof, with a company or companies approved by the Chargee and shall pay all premiums and sums of money necessary for such purpose as the same shall become due; each policy of insurance shall provide that loss, if any, shall be payable to the Chargee as its interest may appear, subject to a standard form of mortgage clause or other mortgage clause approved by the Chargee and the Chargor will forthwith assign, transfer and deliver over unto the Chargee the policy of insurance and receipts thereto appertaining; and if the Chargor shall neglect to keep the said buildings or any of them insured as aforesaid, or to deliver such policies and receipts or to produce to the Chargee at least fifteen days before the termination of any insurance, evidence of renewal thereof, the Chargee shall be entitled, but shall not be obliged, to insure the said buildings or any of them, and if the Chargee shall pay any premiums or sums of money for insurance for the Charged Premises or any part thereof the amount of such payment shall be added to the debt secured by the Charge and shall bear interest at the Charge Rate from the time of such payments and shall be payable at the time appointed for the next ensuing payment of interest on the said debt; and the Chargor shall forthwith on the happening of any loss or damage, furnish at the Chargor's own expense all necessary proofs and do all necessary acts to enable the Chargee to obtain payment of the insurance monies and the production of a printed copy of the Charge shall be sufficient authority for the said insurance company to pay any such loss to the Chargee, and the said insurance company is hereby directed thereupon to pay the same to the Chargee; 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 Charged Premises or be applied or paid partly in one way and partly in another, or it may be applied, in the sole discretion of the Chargee, in whole or in part on account of the amounts secured by the Charge or any part thereof whether due or not then due.
- (ii) If the Charged Premises are part of a Condominium the insurance provisions set out in paragraph (a) above will not apply and the following will apply to the Charge:

That the Chargor or the Condominium Corporation or both of them will forthwith insure and during the continuance of the Charge keep insured in favour of the Chargee against loss or damage by fire, lightning, windstorm, hail, explosion, impact, vandalism, malicious acts, earthquake, civil disturbance or riot, smoke, falling objects and other risks, hazards and perils which the Chargee might require to the full extent of their replacement cost in lawful money of Canada, each and every building on the said land and which may hereafter be erected thereon, both during erection and thereafter and all fixtures as hereinafter defined or referred to and all other risks, hazards and perils of any nature or kind which the Chargee might require depending on the nature of the Charged Premises or the use thereof, with a company or companies approved by the Chargee; and the Chargor will forthwith assign, transfer and deliver unto the Chargee the policy or policies of insurance and receipts thereof appertaining and if the Chargor or Condominium Corporation or both of them shall neglect to keep the said buildings or any of them insured as aforesaid, or to deliver such policies and receipts or produce to the Chargee at least fifteen days before the termination of any insurance, evidence of renewal thereof the Chargee shall be entitled but shall not be obligated to insure the said buildings or any of them; and

the Chargor or the Condominium Corporation or both of them shall forthwith on the happening of any loss or damage comply fully with the terms of the policies of insurance and, without limiting the generality of the obligation of the Chargor to observe and perform all the duties and obligations imposed on him by the Condominium Act, R.S.O 1990, c.C.26, as amended or replaced (the "Condominium Act") and by the Declaration and By-laws of the Condominium Corporation as hereinafter provided, shall comply with the insurance provisions of the Declaration; and the Chargor as a member of the Condominium Corporation shall seek the full compliance by the Condominium Corporation of the aforementioned covenants.

**10. RELEASE**

The Chargor has released, remised and forever quitted claim, and by these presents does release, remise, and forever quit claim unto the Chargee, all right, title, interest, claim and demand whatsoever of, in, unto and out of the Charged Premises and every part thereof, so as that the Chargor shall not or may not at any time hereafter have, claim, pretend to, challenge or demand the Charged Premises or any part thereof, in any manner howsoever, subject always to the proviso for defeasance.

**11. ENTRY AFTER DEFAULT AND POWER OF SALE**

Provided that the Chargee on default by the Chargor of payment of the portion of the Principal Amount then outstanding and interest or any part thereof required by the Charge or in the observing, performing, fulfilling or keeping of one or more of the covenants of the Chargor provided in the Charge may enter into possession of the Charged Premises or the lands and premises intended to be charged and take the rents, issues and profits and, whether in or out of possession, make such lease or leases as it shall think fit, and also on fifteen days' default as aforesaid and after giving at least thirty-five days' written notice to the persons and in the manner prescribed by Part III of the Mortgages Act, R.S.O. 1990, c. M.40, as amended (the "Mortgages Act"), may sell the Charged Premises or the lands and premises intended to be charged by the Charge or any part or parts thereof by public auction or private contract, or partly the one and partly the other, and may convey and assure the same when so sold to the purchaser or purchasers thereof as the purchaser shall direct and may do all such assurances, acts, matters and things as may be found necessary for the purposes aforesaid, and the Chargee shall not be responsible for any loss which may arise by reason of any such leasing or sale as aforesaid unless the same shall happen by reason of its wilful neglect or default. 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 Charged Premises, if occupied, or by placing it on some portion of the Charged Premises, if unoccupied, or at the option of the Chargee, by mailing it by registered mail addressed to the Chargor at the Chargor's last known address and such notice shall be sufficient although not addressed to any person or persons by name or designation and notwithstanding that any person or persons to be affected thereby may be unknown, unascertained or under disability. It is hereby further agreed that the proceeds of sale under the Charge may be applied in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the Charged Premises or by reason of non-payment or procuring payment of monies, secured hereby or otherwise, and that the Chargee may sell all or any part of the Charged Premises on such terms as to credit and otherwise as shall appear to it most advantageous and for such price as can reasonably be obtained therefor and may make any stipulation as to title or evidence or commencement of title or otherwise which it may deem proper, and may buy in or rescind or vary any contract for the sale of the whole or any part of the Charged Premises 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 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 under the Charge; and that the title of a purchaser or lessee upon a sale or lease made in professed exercise of the above power shall not be liable to be impeached on the ground that no case had arisen to authorize the exercise of such power or that such power had been improperly or irregularly exercised, or that such notice had not been given in compliance with the Mortgages Act, or had been given improperly, but any person damnified by an unauthorized, improper, or irregular exercise of the power shall have his remedy against the person exercising the power in damages only. The Chargee may sell fixtures, machinery, crops and standing or fallntrees apart from the lands, and the purchaser as well as the Chargee shall have all necessary access for securing, cutting and removal. It is agreed between the parties to the Charge that nothing in this section contained shall prejudice or diminish any other rights and remedies and powers of the Chargee in the Charge contained or existing at law by virtue thereof.

And it is further agreed between the parties to the Charge that until such sale or sales shall be made as aforesaid, the Chargee shall and will stand possessed of the rents and profits of the Charged Premises in case it shall take possession of them on default as aforesaid and after such sale or sales shall stand possessed of the monies to arise and be produced from such sales, or which might arise from any insurance upon the Charged Premises or any part thereof upon trust firstly in payment of all the expenses incident to the sales, leases, conveyances, or attempted sales, leases or conveyances, secondly in payment of all costs, charges, damages and expenses of the Chargee relating to taxes, rents, insurance, repairs, utilities and any other amounts which the Chargee may have paid relating to the Charged Premises,

thirdly in discharge of all interest and costs then due in respect of the Charge, fourthly in discharge of the portion of the Principal Amount then outstanding secured by the Charge, fifthly in payment of any subsequent encumbrancers according to their priorities and the residue shall be paid to the Chargor as the Chargor may direct and shall also, in such event, at the request, cost and expense of the Chargor, transfer, release and assure unto the Chargor or to such person or persons as the Chargor shall direct and appoint, all such parts of the Charged Premises as shall remain unsold for the purposes aforesaid, discharged from all the Charge, but no person who shall be required to make or execute any such assurances shall be compelled for the making thereof to go or travel from his usual place of abode. Provided always, and it is hereby further declared and agreed by and between the parties to the Charge, that notwithstanding the power of sale and the other powers and provisions contained in the Charge, the Chargee shall have and be entitled to its right of foreclosure of the fee interest or equity of redemption of the Chargor in the Charged Premises as fully and effectually as it might have exercised and enjoyed the same in case the power of sale, and the other former provisos and trusts incident thereto had not been contained in the Charge.

**12. DISTRESS**

Provided that and it is further stipulated, provided and agreed by and between the parties to the Charge that the Chargee may distrain for arrears of interest against the Charged Premises or any part thereof and recover by way of rent reserved as in the case of a demise the arrears of interest and all costs and expenses incurred in such levy or distress and may also distrain for arrears of principal and monthly payments of taxes, if required, in the same manner as if the same were arrears of interest.

**13. PRINCIPAL DUE ON DEFAULT OF PERFORMANCE OF COVENANTS**

It is agreed by the Chargor and the Chargee that if any default shall occur in the performance of any covenant, proviso or agreement contained in the Charge or if any waste be committed or suffered on the Charged Premises, then, at the option of the Chargee, the principal amount secured by the Charge shall forthwith become due and payable subject to any relief afforded to the Chargor at law. The Chargee may, however, waive its right to call in the Principal Amount or any portion thereof then outstanding and shall not be therefore debarred from asserting and exercising its right to call in the principal amount upon the happening of any future default or breach.

**14. CHARGOR'S QUIET POSSESSION UNTIL DEFAULT**

Provided and it is agreed that until default in the payment of principal or interest secured by the Charge or intended so to be, or any part of either of the same, or in the performance of any of the provisions set forth in the Charge contrary to the true intent and meaning thereof, it shall be lawful for the Chargor peaceably and quietly to have, hold, use, occupy, possess and enjoy the Charged Premises, and receive and take the rents and profits thereof to the Chargor's own use and benefit, without let, suit, hindrance, interruption, or denial by the Chargee, or of or by any other person or persons whomsoever lawfully claiming, or who shall, or may lawfully claim by, from, under or in trust for the Chargee.

**15. BUILDINGS, ADVANCES AND COST OF SEARCH**

It is the intention of the parties to the Charge that the building or buildings erected or to be erected on the Charged Premises form part of the security for the full amount of the monies secured by the Charge; and that all advances are to be made in such manner, at such times and in such amounts up to the full amount of said monies as the Chargee, in its sole discretion, may determine. The Chargor agrees that notwithstanding the Chargor's authorization of registration and the registration of the Charge or the advancement of any part of the monies, the Chargee is not bound to advance the monies or any unadvanced portion thereof and the advance of the monies and any part thereof from time to time shall be in the sole discretion of the Chargee, but nevertheless the Charge shall take effect forthwith upon the delivery for registration of the Charge and the expenses of the examination of the title and of the Charge and valuation are to be secured hereby, the same to be charged by the Charge upon the Charged Premises and shall be without demand thereof, payable forthwith with interest at the Charge Rate and in default the Chargee's power of sale hereby given, and all other remedies under the Charge or at law shall be exercisable.

**16. FIXTURES**

It is hereby mutually covenanted and agreed by and between the Chargor and the Chargee that all erections and improvements fixed or otherwise either on the date of delivery for registration of the Charge or thereafter put upon the Charged Premises, including but without limiting the generality of the foregoing, all fences, heating, piping, plumbing, aerials, air conditioning, ventilating, lighting and water heating equipment, cooking and refrigeration equipment, cleaning and drying equipment, window blinds, radiators and covers, fixed mirrors, fitted blinds, storm windows and storm doors, window screens and screen doors, shutters and awnings, floor coverings, and all apparatus and equipment appurtenant thereto, and all farm machinery and improvements, fixed or otherwise and even though not attached to the lands otherwise than by their own weight, are and shall, in addition to other fixtures thereon, be and become fixtures and form part of the Charged Premises and shall be a portion of the security for the amounts secured by the Charge.

**17. PARTIAL RELEASE**

Provided that the Chargee may at all times release any part or parts of the Charged Premises or any other security or any surety for payment of all or any part of the monies secured by the Charge or may release the Chargor or any other person from any covenant or other liability to pay the said monies or any part thereof, either with or without any consideration therefor, and without being accountable for the value thereof or for any monies except those actually received by the Chargee and without thereby releasing any other part of the Charged Premises, or any other securities or covenants contained in the Charge, it being especially agreed that notwithstanding any such release the Charged Premises, securities and covenants remaining unreleased shall stand charged with the whole of the monies secured by the Charge and all legal and other expenses incurred by the Chargee in connection with such release or releases.

**18. DEFAULT IN PRIOR CHARGES**

It is hereby agreed by and between the Chargor and the Chargee that should default be made by the Chargor in the observance or performance of any of the covenants, provisos, agreements or conditions contained in any mortgage, charge, lien or other encumbrance to which the Charge is subject or subordinate, then and in that event the monies secured by the Charge shall forthwith become due and be payable, at the option of the Chargee, and all the powers in and by the Charge conferred shall become exercisable, and the powers of sale contained in the Charge may be exercised as therein provided.

**19. LIENS AND CONSTRUCTION**

Provided also that upon the registration of any lien against the Charged Premises, or in the event of any buildings being erected thereon being allowed to remain unfinished or without any work being done on them for a period of ten (10) days, the portion of the Principal Amount then outstanding and interest and all other amounts secured by the Charge shall, at the option of the Chargee, forthwith become due and payable. In the event that a construction lien is registered against the Charged Premises, the Chargee shall have the right, but not the obligation to pay into court such amounts as may be required to remove the lien from title to the Charged Premises. Any amounts so paid by the Chargee, together with all expenses incurred by the Chargee in connection therewith, including all solicitor's charges or commissions, as between a solicitor and his client, shall be added to the debt secured by the Charge and shall bear interest at the Charge Rate and shall, with such interest, be a charge on the Charged Premises prior to all claims thereon subsequent to the Charge and shall be payable forthwith on demand.

**20. WASTE, VACANCY, REPAIR AND BUILDING COMPLETION**

The Chargor covenants and agrees with the Chargee that the Chargor will not permit waste to be committed or suffered on the Charged Premises and that the Chargor will maintain the buildings or other improvements on the Charged Premises in good order and repair to the satisfaction of the Chargee and will not permit or suffer them to become or remain vacant and the Chargee may, but shall not be obliged to, make such repairs, improvements and alterations as it may deem necessary or complete the construction or reconstruction of any building on the Charged Premises, and the cost of repair, construction or reconstruction shall be added to the debt secured by the Charge and shall bear interest at the Charge Rate and shall, with such interest, be a charge on the Charged Premises prior to all claims thereon subsequent to the Charge and shall be payable forthwith on demand.

**21. INSPECTION**

The Chargee, its agent, employees, and independent contractors may, at any time, enter upon the Charged Premises to fully inspect the Charged Premises and where deemed necessary and/or advisable by the Chargee, notwithstanding section 14 hereof, to conduct investigations including intrusive testing and sampling on the Charged Premises for the purpose of determining the presence of or the potential for environmental contamination and the reasonable cost of such inspection shall be added to the debt secured by the Charge and shall bear interest at the Charge Rate, and shall, with such interest, be a charge on the Charged Premises prior to all claims thereon subsequent to the Charge and shall be payable forthwith on demand.

**22. ALTERATIONS**

The Chargor covenants and agrees with the Chargee that the Chargor will not make or permit to be made any alterations or additions to the Charged Premises without the prior written consent of the Chargee.

**23. PROHIBITION AGAINST RENTAL**

If the Charged Premises are or are intended to be used as residential premises then the following provisions shall apply:

(a) The Chargor represents, warrants, covenants and agrees that no part of the Charged Premises are rented or occupied by a Tenant (as defined herein) and further covenants and agrees not to rent, lease, enter into a tenancy agreement or allow occupancy by a Tenant of the whole or any part of the Charged Premises (any of the aforesaid being hereinafter referred to as "Renting") without first obtaining the consent in writing of the Chargee which consent may be refused at the sole discretion of the Chargee; further the Chargor covenants and agrees not to enter into any negotiations with respect to Renting without the consent in writing of the Chargee, which consent may be refused, restricted or made conditional at the sole discretion of the Chargee; if a restricted or conditional consent to Renting or negotiations relating to Renting is given, the Chargor covenants and agrees to abide by such restrictions or conditions;

(b) The Renting of the whole or any part of the Charged Premises without the written consent of the Chargee shall be deemed to have been done with the object of discouraging the Chargee from taking possession of the Charged Premises on default or adversely affecting the value of the Chargee's interest in the Charged Premises within the meaning of Section 52(1) of the Mortgages Act.

(c) In the event that any of the covenants contained in this section shall be breached then, at the option of the Chargee, all monies hereby secured with accrued interest thereon shall forthwith become due and payable;

(d) If the whole or any part of the Charged Premises are rented to a Tenant with or without the consent of the Chargee, at such time as the Chargee is entitled to enforce its rights under the Charge by reason of default of the Chargor, the Chargee may, at its discretion, pay to any Tenant a sum of money, in such amount as it considers advisable, as consideration for obtaining the cooperation of such Tenant in selling the Charged Premises, showing the Charged Premises and obtaining possession from the Tenant or for any one or more of the above. It is recognized that the payment of such amount will be a cost of realization on this security and the amount so paid shall be added to the debt hereby secured and be a charge on the Charged Premises and shall bear interest at the Charge Rate and shall have priority over all encumbrances subsequent to the Charge and shall be payable forthwith by the Chargor to the Chargee; the Chargor appoints the Chargee to be its true and lawful attorney and agent to enforce all the terms of any tenancy agreement entered into by the Chargor with respect to all or any part of the Charged Premises and to cancel or terminate any such tenancy agreement and in this connection to make, sign and execute any and all documents in the name of the Chargor which it, as Chargee, may consider desirable;

(e) When used in this section Tenant shall have the meaning set out in Section 1 of the Tena Protection Act, 1997, S.O. 1997, c.24, as amended.

**24. NON-MERGER**

Provided and it is agreed, that the taking of a judgment or judgments on any of the covenants contained in the Charge shall not operate as a merger of the said covenant or affect the Chargee's right to interest at the rate and times provided in the Charge; and further that said judgement shall provide that interest thereon shall be computed at the Charge Rate and in the same manner as provided in the Charge until the said judgement shall have been fully paid and satisfied.

**25. RIGHTS ON DEFAULT**

And the Chargor covenants and agrees with the Chargee that in the event of default in the payment of any instalment of principal, interest or taxes secured by the Charge or any other monies payable under the Charge by the Chargor or on breach of any covenant, proviso or agreement contained in the Charge after all or any part of the monies secured by the Charge have been advanced, the Chargee may at such time or times as it may deem necessary and without the concurrence of any other person enter upon the Charged Premises and may make such arrangements for completing the construction of, repairing or putting in order any buildings or other improvements on the Charged Premises, or for inspecting, taking care of, leasing, collecting the rents of, and managing generally the Charged Premises, and for environmental remediation to bring the Charged Premises into compliance with recognized environmental standards, statutory or otherwise, as it may deem expedient, and all reasonable costs, charges and expenses including allowances for the time and service of any employee of the Chargee or other person appointed for the above purposes shall be forthwith payable by the Chargor to the Chargee, and shall be a charge upon the Charged Premises prior to all claims thereon subsequent to the Charge and shall bear interest at the Charge Rate until paid.

**26. OBLIGATIONS SURVIVE SALE**

Provided further that no sale or other dealing by the Chargor with the Charged Premises 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 the monies secured by the Charge.

## 27. DUE ON SALE

Provided that in the event of the Chargor selling, conveying, transferring, or entering into any agreement of sale or transfer of the title of the Charged Premises then, at the option of the Chargee, all monies secured by the Charge shall forthwith become due and payable.

## 28. PRIOR ENCUMBRANCES

It is further stipulated, provided and agreed, that the Chargee may pay the amount of any encumbrance, lien or charge existing now or existing after the date of the Charge, or to arise or to be claimed upon the Charged Premises having priority over the Charge, including, without limitation, any taxes, utility charges or other rates on the Charged Premises, any construction lien, or any amounts payable to a Condominium Corporation, and may pay all costs, charges and expenses and all solicitor's charges or commissions, as between a solicitor and his client, which may be incurred in taking, recovering and keeping possession of the Charged Premises and generally in any proceedings or steps of any nature whatever properly taken in connection with or to realize upon this security, or in respect of the collection of any overdue interest, principal, insurance premiums or any other monies whatsoever payable by the Chargor under the Charge whether any action or any judicial proceedings to enforce such payments has been taken or not, and the amount so paid and insurance premiums for fire or other risks or hazards and any other monies paid under the Charge by the Chargee shall be added to the debt secured by the Charge and be a charge on the Charged Premises and shall bear interest at the Charge Rate, and shall be payable forthwith by the Chargor to the Chargee, and the non-payment of such amount shall be a default of payment within the meaning of those words in the paragraph dealing with power of sale and shall entitle the Chargee to exercise the power of sale and all other remedies hereby given. In the event of the Chargee paying the amount of any such encumbrance, lien or charge, taxes or rates, either out of the monies advanced on the security or otherwise, it shall be entitled to all the rights, equities and securities of the person or persons, company, corporation, or government so paid off, and is hereby authorized to retain any discharge thereof, without registration, for a longer period than six months if it thinks proper to do so.

## 29. ONTARIO NEW HOME WARRANTIES PLAN ACT

If the Chargee incurs any cost or expense of any nature or kind in any way arising from or relating to the Ontario New Home Warranties Plan Act, R.S.O. 1990, c.O.31, as amended (the "ONHWPA"), including, without any limitation whatsoever, any cost or expense relating to registration as a vendor under the ONHWPA or enrolling the Charged Premises or entering into any agreement or agreements relating to performance of warranty obligations or performing any warranty obligations, all such cost and expense shall be added to the debt hereby secured and be a charge on the Charged Premises in priority to all other encumbrances registered or arising subsequent to the Charge and shall bear interest at the Charge Rate and shall be payable forthwith by the Chargor to the Chargee.

## 30. EXTENSIONS

Provided that no extension of time given by the Chargee to the Chargor, or anyone claiming under the Chargor or any other dealing with the owner of the Charged Premises, 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 monies hereby secured.

## 31. DISCHARGE

The Chargee shall have a reasonable time after payment in full of the monies secured by the Charge within which to prepare and register a discharge or, if requested, and if required by law to do so, an assignment of the Charge, and interest as aforesaid shall continue to run and accrue until actual payment in full has been received by the Chargee and all legal and other expenses for the preparation and registration of such discharge or assignment and any administrative charge or fee of the Chargee shall be borne by the Chargor.

## 32. OTHER SECURITY

The Charge is in addition to and not in substitution for any other security held by the Chargee including any promissory note or notes for all or any part of the monies secured under the Charge, and it is understood and agreed that the Chargee may pursue its remedies thereunder or under the Charge either concurrently or successively at its option. Any judgment or recovery under the Charge or under any other security held by the Chargee for the monies secured by the Charge shall not affect the right of the Chargee to realize upon this or any other such security.

Without limiting the generality of the foregoing, the Charge is in addition to, and not in substitution for, any other charges now or hereafter held by the Chargee over the Charged Premises as security for monies secured under the Charge or any other monies due to the Chargee.

It is understood and agreed that the aggregate of principal amounts secured by the Charge and any such other charges shall be the aggregate of the Principal Amount of the Charge and the principal amounts secured under any such other charges.

## 33. PLACE OF PAYMENT AND WITHHOLDINGS FROM PAYMENTS

(a) **Place of Payment.** Provided that all such payments secured by the Charge shall be made at the branch of the said Chargee designated in the Charge, or at such other place as the Chargee may designate in writing to the Chargor, in lawful money of Canada.

(b) **Withholdings from Payments.** If the Chargor is required by law to make any deduction or withholding from any sum payable by the Chargor to the Chargee under the Charge, then the sum payable by the Chargor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Chargee receives and retains (free from any liability in respect of such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or been required to be made; and the Chargor shall pay the full amount to be deducted or withheld to the relevant taxation or other authority within the time allowed for such payment under applicable law and shall deliver to the Chargee within thirty days after the Chargor has made such payment to the applicable authority a receipt issued by such authority evidencing such payment.

(c) **Tax on Loan.** The Chargor shall pay to the Chargee, on demand, the amount of any income, corporate, withholding or similar taxes (other than the Chargee's income taxes) (the "Income Taxes") that may be imposed upon or in respect of the Principal Amount from time to time outstanding, together with interest thereon that the Chargee may be called upon to pay, together with interest from the date on which such Income Taxes are paid by the Charge at the rate and compounded in the manner provided in the Charge.

#### 34. SPOUSE'S CONSENT

The spouse of the Chargor so named in the Charge hereby consents to the transaction evidenced by the Charge and releases all interest in the Charged Premises to the extent necessary to give effect to the rights of the Chargee under the Charge, and agrees that the Chargee may, without further notice, deal with the Charged Premises and the debt created by the Charge as the Chargee may see fit.

#### 35. FAMILY LAW ACT

The Chargor covenants and agrees that:

(a) the Chargor or the owner from time to time of the Charged Premises will advise and keep advised the Chargee as to whether the Chargor or the owner from time to time is a spouse as defined in the Family Law Act, R.S.O. 1990, c. F.3, as amended (the "Family Law Act"), and if so, the name of the Chargor's spouse, and of any change in the Chargor's spousal status or in the status of the Charged Premises as a matrimonial home within the meaning of the Family Law Act, and

(b) forthwith on request the Chargor will furnish the Chargee with such evidence in connection with any of the matters referred to in clause (a) above as the Chargee may from time to time require, including, without limitation, the Chargor's and the Chargor's spouse's name, address and birth date and the Chargor's and the Chargor's spouse's authorization to the Registrar under the Vital Statistics Act, R.S.O. 1990, c.V.4, as amended, to provide the Chargee from time to time on request all information in its possession relative to any marriage, divorce or death of the Chargor or the Chargor's spouse, and on default the Principal Amount, interest and all other monies secured by the Charge shall, at the option of the Chargee, forthwith become due and payable.

#### 36. SEVERABILITY OF ANY INVALID PROVISIONS

It is agreed that in the event that at any time any provision of the Charge is illegal or invalid under or inconsistent with the provisions of any applicable statute or regulation thereunder or any other applicable law, or would by reason of the provisions of any such statute or 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 advances secured by the Charge which it would otherwise be able to collect under such statute or 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.

#### 37. NO PREJUDICE FROM FAILURE TO ENFORCE RIGHTS

Provided that no failure to enforce at any time or from time to time any of the rights of the Chargee under the Charge shall prejudice such rights or any other rights of the Chargee; no performance or payment by the Chargee in respect of any breach or default under the Charge of the Chargor shall relieve the Chargor from any default thereunder; and no waiver at any time or from time to time of any such rights of the Chargee shall prejudice such rights in the event of any future default or breach.

#### 38. FARM LANDS

If the Charged Premises are farm lands, the Chargor will in each year during the currency of the Charge either put into crop or summer fallow in good, proper and husbandlike manner every portion of the Charged Premises which has been or may hereafter be brought under cultivation, and will keep the Charged Premises clean and free from all noxious weeds and generally see that the Charged Premises do not depreciate in any way.

#### 39. CHANGE OF CORPORATE CONTROL

Where the Chargor is a corporation the Chargor covenants and agrees that in the event that:

(a) the Chargor fails to supply to the Chargee, in a form satisfactory to the Chargee, such information relating to the ownership of its shares as the Chargee may from time to time require; or

(b) without the written consent of the Chargee first had and obtained,

(i) the Chargor issues or redeems any of its shares or transfers any of its shares,

(ii) there is a sale or sales of the shares of the Chargor which result in the transfer of the legal or beneficial interest of any of the shares of the Chargor, or

(iii) the Chargor amalgamates, merges or consolidates with any other corporation,

and the result of any of the foregoing is a change in the effective control of the majority of the voting shares of the Chargor, then all monies secured by the Charge together with accrued interest thereon shall forthwith become due and payable at the option of the Chargee and the Chargee's powers of sale hereby given and all other remedies for enforcement shall be exercisable.



**40. COMPLIANCE WITH THE LAW AND ENVIRONMENTAL COMPLIANCE**

The Chargor hereby represents and warrants to the Chargee that:

(a) there is not in, on or about the Charged Premises any product or substance or condition (including, without restriction, contaminants, wastes, moulds or hazardous or toxic materials), equipment or anything else which contravenes any statute, regulation, by-law, order, direction or equivalent relating to the protection of the environment or which is not being dealt with according to best recognized practices relating to the environment;

(b) to the best of the knowledge of the Chargor, no circumstance has existed on the Charged Premises or exists or has existed on any land adjacent to the Charged Premises which constitutes or could reasonably constitute contravention of any statute, regulation, order, by-law, direction or equivalent relating to the protection of the environment;

(c) no claim or notice of any action, investigation or proceeding of any kind has been threatened, made or issued or is pending relating to an environmental condition on the Charged Premises; and

(d) the Charged Premises are being used in compliance with all statutes, regulations, orders, by-laws, directions and equivalent relating to the protection of the environment.

The Chargor hereby covenants and agrees with the Chargee as follows:

(a) the Chargor shall give to the Chargee immediate notice of any material change in circumstances in respect of the Charged Premises or adjacent land which would cause any of the representations and warranties contained in the immediately preceding paragraphs (a) to (d) inclusive to become untrue; and

(b) the Chargor shall not permit or create, and shall not allow anyone else to permit or create, any circumstance on the Charged Premises which would constitute or could reasonably constitute a contravention of any statute, regulation, order, by-law, direction or equivalent relating to the protection of the environment.

The Chargor further covenants and agrees with the Chargee at all times promptly to observe, perform, execute and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders, regulations and equivalent of every government authority dealing with zoning, use, occupancy, subdivision, parking, historical designations, fire, access, loading facilities, landscaped area, pollution of the environment, contaminants, wastes, hazardous or toxic materials, building construction, public health and safety, and all private covenants and restrictions affecting the Charged Premises or any portion thereof and the Chargor shall from time to time, upon request of the Chargee, provide to the Chargee evidence of such observance and compliance and pay immediately when due the cost of removal of any such contaminants, wastes and materials, and shall at its own expense make any and all improvements thereon or alterations to the Charged Premises structural or otherwise and shall take all such other action as may be required at any time by any such present or future law, rule, requirement, order, direction, by-law, ordinance, work order, regulation, covenant or equivalent; and the Chargor shall cause its tenants, agents and invitees to comply with all the foregoing at their own expense.

The Chargor shall indemnify and hold harmless the Chargee (and its directors, officers, employees and agents) from and against all loss, cost, damage or expenses (including, without limitation, legal fees and costs incurred in the investigation, defence and settlement of any claim) due to the Chargor's failure to comply with any of the covenants and agreements in this clause, or due to the presence of any contaminant, waste, mould or hazardous or toxic material referred to in this clause, as well as any lien or priority asserted with respect thereto, and this indemnity shall survive the discharge of the Charge or the release from the Charge of part or all of the Charged Premises.

**41. CONDOMINIUMS**

If the Charge is of a unit or units within a Condominium the following provisions shall apply:

(a) The Chargor covenants and agrees at all times and from time to time to observe and perform all duties and obligations imposed on the Chargor by the Condominium Act and by the Declaration, the by-laws, and the rules as amended from time to time, of the Condominium Corporation, by virtue of the Chargor's ownership of the Charged Premises. Any breach of the said duties and obligations shall constitute a breach of covenant under the Charge.

(b) Without limiting the generality of the foregoing, the Chargor covenants and agrees that the Chargor will pay promptly when due any contributions to common expenses required of the Chargor as an owner of the Charged Premises and in the event of default in doing so the Chargee, at its option, may pay the same and the amount so paid shall be added to the debt secured by the Charge and shall be a charge on the Charged Premises and shall bear interest at the Charge Rate from the time of such payments and shall be payable forthwith by the Chargor to the Chargee whether or not any payment in default has priority to the Charge or any part of the monies secured thereby.

(c) The Chargor hereby irrevocably authorizes and empowers the Chargee to exercise the right of the Chargor as an owner of the Charged Premises to vote or to consent in all matters relating to the affairs of the Condominium Corporation provided that:

(i) the Chargee may at any time or from time to time give notice in writing to the Chargor and the said Condominium Corporation that the Chargee does not intend to exercise the said right to vote or consent and in that event until the Chargee revokes the said notice the Chargor may exercise the right to vote. Any such notice may be for an indeterminate period of time or for a limited period of time or for a specific meeting or matter;

(ii) the Chargee shall not by virtue of the assignment to the Chargee of the right to vote or consent be under any obligation to vote or consent or to protect the interests of the Chargor; and

(iii) the exercise of the right to vote or consent shall not constitute the Chargee a chargee in possession.

(d) The Chargor covenants and agrees to advise the Condominium Corporation to send all notices to the Chargee and to notify the Chargee of any breaches by the Condominium Corporation that come to the attention of the Chargor in order that the Chargee is kept fully informed.

**42. RECEIVERSHIP**

Notwithstanding anything contained in the Charge, it is declared and agreed that at any time and from time to time when there shall be default under the provisions of the Charge, the Chargee may, at such time and from time to time and with or without entry into possession of the Charged Premises, or any part thereof, by instrument in writing appoint any person, whether an officer or officers or an employee or employees of the Chargee or not, to be a receiver (which term as used herein includes a receiver manager and also includes the plural as well as the singular) of the Charged Premises, 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 such receiver's stead, and that, in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor, but no such appointment shall be revocable by the Chargor. Upon the appointment of any such receiver from time to time the following provisions shall apply:

(a) Every such receiver shall have unlimited access to the Charged Premises as agent and attorney for the Chargor (which right of access shall not be revocable by the Chargor) and shall have full power and unlimited authority (which power and authority shall not be revocable by the Chargor) to:

- (i) collect the rents and profits from tenancies whether created before or after these presents;
- (ii) rent any portion of the Charged Premises which may be or become vacant on such terms and conditions as the receiver considers advisable and enter into and execute leases, accept surrenders and terminate leases;
- (iii) complete the construction of any building or buildings or other erections or improvements on the Charged Premises left by the Chargor in an unfinished state or award the same to others to complete and purchase, repair and maintain any personal property including, without limitation, appliances and equipment, necessary or desirable to render the premises operable or rentable, and take possession of and use or permit others to use all or any part of the Chargor's materials, supplies, plans, tools, equipment (including appliances) and property of every kind and description; and
- (iv) manage, operate, repair, alter or extend the Charged Premises or any part thereof.

The Chargor undertakes to ratify and confirm whatever any such receiver may do in the Charged Premises.

(b) The Chargee may at its discretion vest the receiver with all or any of the rights and powers of the Chargee.

(c) The Chargee may fix the reasonable remuneration of the receiver who shall be entitled to deduct the same out of the revenue or the sale proceeds of the Charged Premises.

(d) Every such receiver shall be deemed to be the agent or attorney of the Chargor and, in no event, the agent of the Chargee and the Chargee shall not be responsible for the receiver's acts or omissions.

(e) The appointment of any such receiver by the Chargee shall not result in or create any liability or obligation on the part of the Chargee to the receiver or to the Chargor or to any other person and no appointment or removal of a receiver and no actions of a receiver shall constitute the Chargee a chargee in possession of the Charged Premises.

(f) No such receiver shall be liable to the Chargor to account for monies other than monies actually received by the receiver in respect of the Charged Premises, or any part thereof, and out of such monies so received every such receiver shall, in the following order, pay:

- (i) the remuneration of the receiver aforesaid;
- (ii) all costs and expenses of every nature and kind incurred by the receiver in connection with the exercise of the receiver's powers and authority hereby conferred;
- (iii) interest, principal and other money which may, from time to time, be or become charged upon the Charged Premises in priority to the Charge, including taxes;
- (iv) to the Chargee, all interest, principal and other monies due under the Charge to be paid in such order as the Chargee in its discretion shall determine;
- (v) and thereafter, every such receiver shall be accountable to the Chargor for any surplus.

The remuneration and expenses of the receiver shall be paid by the Chargor on demand and shall be a charge on the Charged Premises and shall bear interest from the date of demand at the Charge Rate

(g) Save as to claims for accounting under clause (f) of this paragraph, the Chargor hereby releases and discharges any such receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to the Chargor or any person claiming through or under the Chargor by reason or as a result of anything done by such receiver unless such claim be the direct and proximate result of dishonesty or fraud.

(h) The Chargee may, at any time and from time to time, terminate any such receivership by notice in writing to the Chargor and to any such receiver.

(i) The statutory declaration of an officer of the Chargee as to default under the provisions of the Charge and as to the due appointment of the receiver pursuant to the terms hereof shall be sufficient proof thereof for the purposes of any person dealing with a receiver who is ostensibly exercising powers provided for in the Charge and such dealing shall be deemed, as regards such person, to be valid and effectual.

(j) The rights and powers conferred in and by the Charge in respect of the receiver are supplemental to and not in substitution of any other rights and powers which the Chargee may have.

**43. COMPLIANCE WITH THE LAW**

The Chargor covenants and agrees at all times to promptly observe, perform, execute and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders and regulations of every governmental authority and agency whether federal, provincial, municipal or otherwise, including, without limiting the generality of the foregoing, those dealing with zoning, use, occupancy, subdivision, parking, historical designations, fire, access, loading facilities, landscaped area, pollution of the environment, toxic materials or other environmental hazards, building construction, public health and safety, and all private covenants and restrictions affecting the Charged Premises or any portion thereof and the Chargor will from time to time, upon request of the Chargee, provide to the Chargee evidence of such observance and compliance, and will at its own expense make any and all improvements thereon or alterations to the Charged Premises structural or otherwise and will take all such other action as may be required at any time by any such present or future law, rule, requirement, order, direction, by-law, ordinance, work order or regulation.

**44. CHARGE EXPENSES**

The Chargor agrees to pay the reasonable and necessary costs, charges and expenses of and incidental to the Charge, and to any and all other documents required in connection therewith, and of any amendment or renewal thereof, and of anything done in connection with the enforcement of the security granted thereby or the procuring of the payment of any monies payable under the Charge, including, without limiting the generality of the foregoing, all solicitors' fees, on a solicitor and client basis, costs and expenses of examination of title, and the obtaining of the opinion of counsel for the Chargee thereon and all costs and expenses valuing the Charged Premises in connection with the foregoing and of anything done in connection with defending the validity or priority of the Charge as against third parties. The Chargor further agrees that such amounts shall be paid forthwith upon demand and until paid shall bear interest at the Charge Rate and shall be a charge on the Charged Premises secured by the Charge prior to all claims thereon subsequent to the Charge.

**45. INTERPRETATION**

And it is hereby agreed and declared that the expression "the Chargor" used in these standard charge terms and the Charge shall include the heirs, executors, personal representatives, administrators, successors and assigns of each and every Chargor and the expression "the Chargee" shall include the successors and assigns of the Chargee and (if the Charge affects a Condominium) the expression "Condominium Corporation" shall mean the Condominium Corporation referred to in the description and the expression "Declaration" shall mean the declaration registered in connection with the Condominium Corporation, and the words in the singular include the plural, and words in the plural include the singular, and words importing the masculine gender include the feminine and neuter genders where the context so requires, and that all covenants, liabilities, and obligations entered into or imposed under the Charge upon each Chargor shall be equally binding upon his, her, its or their respective heirs, personal representatives, executors, administrators,

successors, and assigns and that all such covenants, liabilities and obligations shall be joint and several, and that all rights, advantages, privileges, immunities, powers and things hereby secured to the Chargee shall be equally secured to and exercisable by its successors and assigns; and if the Chargor is comprised of more than one person, all covenants by the Chargor herein contained or implied are and are to be construed as both joint and several.

**46. PARAGRAPH HEADINGS**

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.

**47. DATE OF CHARGE**

The Charge, unless otherwise specifically provided, shall be deemed to be dated as of the date of delivery for registration of the Charge.

**48. EFFECT OF DELIVERY**

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 a 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 any other party to the Charge, agrees not to raise in any proceedings 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.

**RECEIPT**

The Chargor(s) hereby acknowledges receipt of a true copy of the Charge and the foregoing Standard Charge Terms before signing the Charge.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

[Insert Name of Chargor(s)]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The Guarantor(s) hereby acknowledges receipt of a true copy of the Charge and the foregoing Standard Charge Terms before signing the Charge.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

[Insert Name of Guarantor (s)]

---

---

---

---

**ACKNOWLEDGMENT REGARDING  
STANDARD CHARGE TERMS**

**TO: ROYAL BANK OF CANADA**

**AND TO: AGRO ZAFFIRO LLP, Barristers & Solicitors  
(Philip R. Cumbo) Its Solicitor Herein**

**FROM: 2780785 ONTARIO INC.**

**RE: Royal Bank of Canada ("Lender") loan to 2780785 ONTARIO INC.  
("Borrower") secured by a 1<sup>st</sup> Charge/Mortgage of Land on 13760  
Trafalgar Rd, Halton Hills, ON ("Property") and other security as listed  
in the Credit Agreement between the Lender and Borrower dated  
October 14, 2020**

---

The undersigned, the Chargor(s) named in a Charge/Mortgage of land to the **ROYAL BANK OF CANADA** in which these Standard Charge Terms have been incorporated by reference to the filing number **20015** hereby acknowledges receipt of a copy thereof.

DATED at <sup>MISSISSAUGA</sup>~~Hamilton~~, Ontario, this 14<sup>th</sup> day of October, 2020.

**2780785 ONTARIO INC.**

**Per:**

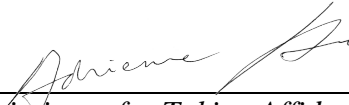


**Name: JAGTESHWAR SINGH BRAR**

**Title: President**

*With authority to bind the Corporation.*

This is Exhibit "H" referred to in the Affidavit of Evgeniya Jens sworn before me at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.

A handwritten signature in cursive script, appearing to read "Adreinne Ho", written in black ink.

---

*Commissioner for Taking Affidavits*

Adreinne Ho

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 6

**Properties**

**PIN** 25007 - 0188 LT  
**Description** PT LT 29, CON 7 ESQ AS IN 470163 EXCEPT PT 1 ON 20R11397, EXCEPT PT 1 ON 20R11460; HALTON HILLS/ESQUESING  
**Address** 13760 TRAFALGAR ROAD  
 HALTON HILLS

**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** 2780785 ONTARIO INC.  
**Address for Service** 191 Willow Park Drive  
 Brampton, ON L6R2M9

I, JAGTESHWAR SINGH BRAR, 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** ROYAL BANK OF CANADA  
**Address for Service** ATTENTION: Collateral Security Team  
 BUSINESS LENDING ORIGINATION GROUP  
 36 York Mills Rd, 4th Floor,  
 Toronto, Ontario M2P 0A4

**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, HR1736762 registered on 2020/10/16 to which this notice relates is deleted

Schedule: See Schedules

**Signed By**

Philip Robert Cumbo	21 King Street West, 11th Floor Hamilton L8P 4W7	acting for Applicant(s)	Signed	2020 10 15
---------------------	--	----------------------------	--------	------------

Tel 905-527-6877

Fax 905-527-6169

I have the authority to sign and register the document on behalf of all parties to the document.

Philip Robert Cumbo	21 King Street West, 11th Floor Hamilton L8P 4W7	acting for Party To(s)	Signed	2020 10 15
---------------------	--	---------------------------	--------	------------

Tel 905-527-6877

Fax 905-527-6169

I have the authority to sign and register the document on behalf of all parties to the document.

**Submitted By**

AGRO ZAFFIRO LLP	21 King Street West, 11th Floor Hamilton L8P 4W7			2020 10 16
------------------	--	--	--	------------

Tel 905-527-6877

Fax 905-527-6169

**Fees/Taxes/Payment**

<b>Statutory Registration Fee</b>	\$65.05
<b>Total Paid</b>	\$65.05

**File Number**

Applicant Client File Number : 28412PRC

## ASSIGNMENT OF RENTS

THIS INDENTURE made this 14<sup>th</sup> day of October, 2020.

BETWEEN:

**2780785 ONTARIO INC.**  
hereinafter called the "Assignor"

OF THE FIRST PART,

and

**ROYAL BANK OF CANADA,**  
hereinafter called the "Assignee"  
OF THE SECOND PART.

WHEREAS, by a Mortgage dated the 14<sup>th</sup> day of October, 2020, and registered in the Land Registry Office for the Land (Titles) Division of Halton (No. 20) at Burlington, Ontario, as Instrument No. ~~WEHR~~ \_\_\_\_\_, on the 15<sup>th</sup> day of October, 2020, the Assignor herein did grant and mortgage unto the Assignee herein the lands and premises more particularly described in Schedule "A" hereto annexed which Mortgage secures payment of the sum of **TWO MILLION SIX HUNDRED THOUSAND-----(\$2,600,000.00)-----DOLLARS**, and interest as therein mentioned and which Mortgage is hereinafter referred to as "the Mortgage". Whenever in this indenture reference is made to the Mortgage, it shall be deemed to include any renewals or extensions thereof and any Mortgage taken in substitution therefor either in whole or in part;

AND WHEREAS it is a condition of the lending of the monies secured or to be secured by the Mortgage, that the Assignor should assign to the Assignee, its successors and assigns, the rents reserved and payable and/or intended to be reserved and payable under, and all advantages and benefits to be derived from, leases of premises erected on the lands and premises more particularly described in Schedule "A" hereto (the "Leases") now or hereafter entered into by the Assignor as landlord with tenants thereof (Lessees) and including without limitation the specific leases referred to in Schedule "B" hereto annexed, as additional security for the payment of the money secured by the Mortgage, and for the performance of the covenants contained therein;

AND WHEREAS it is agreed that notwithstanding anything in this Indenture contained, the Assignee is not to be bound to advance the said mortgage monies or any unadvanced portion thereof;

NOW THEREFORE THIS INDENTURE WITNESSETH that the Assignor in consideration of the premises, the making of the said Mortgage, and the sum of One (\$1.00) Dollar now paid by the Assignee to the Assignor (the receipt whereof is hereby acknowledged), doth covenant and agree with the Assignee as follows:

1. The Assignor hereby irrevocably transfers, assigns, and sets over to the Assignee all rents reserved and payable under the Leases (including without limitation the specific leases referred to in Schedule "B" hereto annexed) and all benefits and advantages to be derived therefrom, to hold and receive the same unto the said Assignee, its successors and assigns.
2. The Assignor covenants and agrees with the Assignee that the Assignor will not, without the consent in writing of the Assignee, permit any prepayment of rents payable under any of the Leases that will result in more than two months' of such rents being prepaid under such Leases, or variation, cancellation or surrender of any of the Leases, or of the terms, covenants, provisos or conditions thereof.



3. The Assignor covenants with the Assignee to perform and observe all the covenants, conditions and obligations binding upon it under the Leases.

4. The Assignor covenants and agrees irrevocably with the Assignee that the Assignee shall have the right to sue for payment and/or for enforcing anything in this Indenture herein contained in any or all of the following ways:

(a) in its own name;

(b) in the name of the Assignor, and

(c) in the names of both the Assignor and the Assignee jointly.

5. The Assignor agrees to assign any of the said Leases to the Assignee upon request should the Assignee deem such assignment advisable for the protection of its security, such assignment to be on a form to be prepared by the Assignee's solicitors in such case.

6. PROVIDED, however, that until notified to the contrary in writing the Lessees shall pay the rent reserved under the Leases, (but only to the extent that the same may be due and payable under the Leases) to the said Assignor and any notice to the contrary required by this proviso may be effectively given by sending the same by registered mail to any Lessee at its premises on the lands and premises described in Schedule "A" hereto or by delivering the same personally to any Lessee, or an officer of such Lessee.

7. The Assignor does hereby declare that any direction or request from the Assignee to pay the rents reserved to the Assignee shall be sufficient warrant and authority to the said Lessee to make such payments, and the payments of the said rentals to the Assignee shall be and operate as a discharge of the said rents to the said Lessee.

8. The Assignor covenants and agrees with the Assignee not to renew nor extend any of the Leases at rentals reserved and payable of lesser amounts than are now reserved and payable under such Leases unless compelled to do so as the result of an Arbitration Award, or with the consent of the Assignee.

9. The Assignee covenants and agrees with the Assignor to release this Assignment of Rents upon payment in full of the Mortgage in accordance with the terms thereof and that the Assignee will, at the request and cost of the Assignor, reassign any unexpired rents to the Assignor. In the absence of such a request the delivery to the Assignor of a discharge or cessation of the Mortgage shall operate as a release and reassignment of such rents.

10. The Assignor hereby covenants and agrees to and with the Assignee that this Assignment and everything herein contained shall be irrevocable without the consent of the Assignee.

11. PROVIDED that nothing in this Indenture contained shall be deemed to have the effect of making the Assignee responsible for the collection of the said rents or any part thereof or for the performance of any covenants, terms or conditions either by the Assignor or by the Lessees contained in any of the said Leases, and that the Assignee shall not by virtue of these presents be deemed a mortgagee in possession of the lands and premises described in Schedule "A" hereto and the Assignee shall not be liable to account for any monies other than those actually received by it by virtue of these presents.

12. IT IS AGREED that waiver of or failure to enforce at any time or from time to time any of the rights of the Assignee under or by virtue of this Indenture shall not prejudice the Assignee's rights in the event of the breach, default or other occasion for the exercise of such rights again occurring.



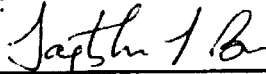
13. IT IS HEREBY DECLARED AND AGREED that these presents and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and each of their respective successors and assigns.

IN WITNESS WHEREOF the Assignor has hereunto affixed its corporate seal under the hands of its proper signing officers duly authorized in that behalf.

SIGNED, SEALED AND DELIVERED:

2780785 ONTARIO INC.

Per:



Name: JAGTESHWAR SINGH BRAR

Title: President

I/We have authority to bind the Corporation.

**SCHEDULE "A"****Description of Property**

**PT LT 29, CON 7 ESQ AS IN 470163 EXCEPT PT 1 ON 20R11397, EXCEPT  
PT 1 ON 20R11460; HALTON HILLS/ESQUESING BEING PIN 25007-0188  
(LT) and known municipally as: 13760 Trafalgar Rd, Halton Hills, ON**



**SCHEDULE "B"**

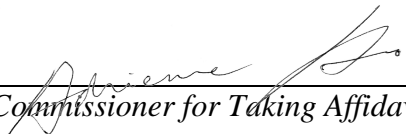
**LESSEE REGISTRATION NO.**

**LEASE DATE**  
**(MM/DD/YYYY)**

**EXPIRY DATE**  
**(MM/DD/YYYY)**



This is Exhibit "I" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*  
Adreinne Ho

**GUARANTEE AND POSTPONEMENT OF CLAIM****TO: ROYAL BANK OF CANADA**

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by 2780785 ONTARIO INC. (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of \$850,000.00 **Eight Hundred Fifty Thousand Dollars** together with interest thereon from the date of demand for payment at a rate equal to the **Prime Interest Rate of the Bank plus 5.000 Five percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

- (1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
- (2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.
- (3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.
- (4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.
- (5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the



whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the Province of Ontario ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(Applicable in all P.P.S.A. Provinces except Ontario.)

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this: Oct 14, 2020  
(MONTH) (DAY) (YEAR)

IN THE PRESENCE OF

Harek Singh Brar  
Witness Signature:

Harek Singh Brar  
Name:

Witness Signature :

Name:

Witness Signature :

Name:

Witness Signature :

Name:

Jagteshwar S Brar  
JAGTESHWAR S BRAR

Insert the full name and address of guarantor (Undersigned above).

Full name and address
JAGTESHWAR S BRAR
191 WILLOW PARK DRIVE, BRAMPTON ON L6R 2M9



(To be completed when the guarantee is stated to be governed by the laws of the Province of Alberta, the loan is repayable in Alberta, the guarantee is executed in Alberta, the Customer carries on business in Alberta, or the guarantor is resident or owns assets in Alberta.)

(To be completed only where the guarantor is not a corporation)

**THE GUARANTEES ACKNOWLEDGEMENT ACT (ALBERTA)  
CERTIFICATE OF BARRISTER AND SOLICITOR**

I HEREBY CERTIFY THAT:

(1) \_\_\_\_\_, the guarantor in the guarantee dated \_\_\_\_\_ made between ROYAL BANK OF CANADA and \_\_\_\_\_, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee;

(2) I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it.

CERTIFIED by \_\_\_\_\_, Barrister and Solicitor at the \_\_\_\_\_ of \_\_\_\_\_ in the Province of Alberta, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Signature

(Guarantor to sign in presence of Barrister and Solicitor)

**STATEMENT OF GUARANTOR**

I am the person named in the certificate \_\_\_\_\_

Signature of Guarantor

(To be completed when the guarantor is an individual and the guarantee is stated to be governed by the laws of Saskatchewan and the Customer is a farmer, farm corporation or farm partnership in Saskatchewan or engages in a farming operation or owns farm assets in Saskatchewan.)

**THE SASKATCHEWAN FARM SECURITY ACT ACKNOWLEDGEMENT OF GUARANTEE  
(SECTION 31)  
CERTIFICATE OF LAWYER OR NOTARY PUBLIC**

I HEREBY CERTIFY THAT:

(1) \_\_\_\_\_ of \_\_\_\_\_ in the Province of \_\_\_\_\_, the guarantor in the guarantee dated \_\_\_\_\_ made between ROYAL BANK OF CANADA and \_\_\_\_\_, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee;

(2) I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it.

(3) I have not prepared any documents on behalf of the creditor, Royal Bank of Canada, relating to the transaction and I am not otherwise interested in the transaction;

(4) I acknowledge that the guarantor signed the following "Statement of Guarantor" in my presence.

Given at \_\_\_\_\_ this \_\_\_\_\_ under my hand and seal of office

(SEAL REQUIRED WHERE NOTARY PUBLIC SIGNS CERTIFICATE)

\_\_\_\_\_  
A LAWYER OR A NOTARY PUBLIC IN AND FOR

**STATEMENT OF GUARANTOR**

I am the person named in the certificate \_\_\_\_\_

Signature of Guarantor





## Royal Bank of Canada Guarantee and Postponement of Claim

**SRF:**  
337282784

**BRANCH ADDRESS:**  
100 KING ST W-8TH FLR  
STELCO TOWER  
HAMILTON, ON  
L8P 1A2

**BORROWER:**  
SARDARA TRANSPORT INC.

**TO: ROYAL BANK OF CANADA**

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **SARDARA TRANSPORT INC.** (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$2,500,000.00 Two Million Five Hundred Thousand Dollars** together with interest thereon from the date of demand for payment at a rate equal to the **Prime Interest Rate of the Bank plus 5.000 Five percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of

one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the **Province of Ontario** ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may

bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(Applicable  
in all  
P.P.S.A  
Provinces.)

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this 27 day of Sept 2022

Sam Bhalla  
WITNESS

Jagteshwar S Brar  
JAGTESHWAR S BRAR  
(DIRECTOR)

Insert the full name and address of guarantor (Undersigned above).

Full name and address
JAGTESHWAR S BRAR
191 WILLOW PARK DRIVE, BRAMPTON, ON L6R 2M9





## Royal Bank of Canada Guarantee and Postponement of Claim

**SRF:**  
343022919

**BRANCH ADDRESS:**  
100 KING ST W-8TH FLR  
STELCO TOWER  
HAMILTON, ON  
L8P 1A2

**BORROWER:**  
PAYLESS TYRES CENTRE INC.

**TO: ROYAL BANK OF CANADA**

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **PAYLESS TYRES CENTRE INC.** (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$585,324.00 Five Hundred Eighty-Five Thousand Three Hundred Twenty-Four Dollars** together with interest thereon from the date of demand for payment at a rate equal to the **Prime Interest Rate of the Bank plus 5.000 Five percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfill any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the **Province of Ontario** ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in



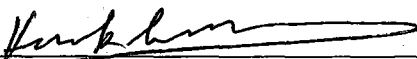
any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(Applicable  
in all  
P.P.S.A  
Provinces.)

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this 27 day of July, 2020

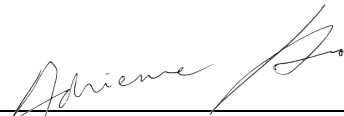
  
WITNESS

  
JAGTESHWAR S BRAR

Insert the full name and address of guarantor (Undersigned above).

Full name and address
JAGTESHWAR S BRAR
191 WILLOW PARK DRIVE, BRAMPTON, ON L6R 2M9

This is Exhibit "J" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*  
Adreinne Ho

RUN NUMBER : 362  
RUN DATE : 2023/12/29  
ID : 20231229093555.25

PROVINCE OF ONTARIO  
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PSSR060  
PAGE : 1  
( 1224)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE  
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

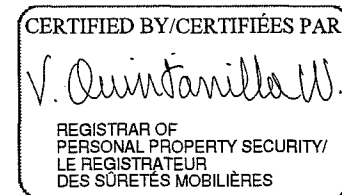
SEARCH CONDUCTED ON : 2780785 ONTARIO INC.

FILE CURRENCY : 28DEC 2023

ENQUIRY NUMBER 20231229093555.25 CONTAINS 4 PAGE(S), 2 FAMILY(IES).

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.

AIRD & BERLIS LLP  
ATTN: SHANNON MORRIS  
HOLD FOR PICK UP  
TORONTO ON M5J2T9



(crf6 05/2022)

CONTINUED...

2

RUN NUMBER : 362  
 RUN DATE : 2023/12/29  
 ID : 20231229093555.25

PROVINCE OF ONTARIO  
 MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

REPORT : PSSR060  
 PAGE : 2  
 ( 1225)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : 2780785 ONTARIO INC.  
 FILE CURRENCY : 28DEC 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
 766774836

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	001	1		20201015 1517 1590 3854	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
 03 NAME BUSINESS NAME 2780785 ONTARIO INC.  
 04 ADDRESS 191 WILLOW PARK DRIVE BRAMPTON ONTARIO CORPORATION NO. 2780785  
 ON L6R 2M9

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
 06 NAME BUSINESS NAME  
 07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT ROYAL BANK OF CANADA  
 09 ADDRESS 36 YORK MILLS ROAD, 4TH FLOOR TORONTO ON M2P 0A4

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED  
 GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE  
 X X 260000

11 MOTOR YEAR MAKE MODEL V.I.N.  
 12 VEHICLE

13 GENERAL THIS NOTICE OF ASSIGNMENT OF RENTS - GENERAL IN FAVOUR OF THE ROYAL  
 14 COLLATERAL BANK OF CANADA RELATES TO THE LANDS AND PREMISES KNOWN AS 13760  
 15 DESCRIPTION TRAFALGAR ROAD, HALTON HILLS, ONTARIO L7G 4S4.

16 REGISTERING AGENT AGRO ZAFFIRO LLP  
 17 ADDRESS 21 KING STREET WEST 11TH FLOOR HAMILTON ON L8P 4W7

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR  
*V. Quintanilla W.*  
 REGISTRAR OF  
 PERSONAL PROPERTY SECURITY/  
 LE REGISTRATEUR  
 DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 362  
RUN DATE : 2023/12/29  
ID : 20231229093555.25

PROVINCE OF ONTARIO  
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PSSR060  
PAGE : 3  
( 1226)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : 2780785 ONTARIO INC.  
FILE CURRENCY : 28DEC 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
766734624

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	01	001		20201014 1439 1530 0867	P PPSA	5

02 DEBTOR NAME  
03 NAME

DATE OF BIRTH  
BUSINESS NAME

FIRST GIVEN NAME  
2780785 ONTARIO INC.

INITIAL  
SURNAME

ADDRESS  
191 WILLOW PARK DRIVE

BRAMPTON

ONTARIO CORPORATION NO.  
ON L6R 2M9

05 DEBTOR NAME  
06 NAME

DATE OF BIRTH  
BUSINESS NAME

FIRST GIVEN NAME  
INITIAL  
SURNAME

ADDRESS  
ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT  
09

ROYAL BANK OF CANADA

ADDRESS  
36 YORK MILLS ROAD, 4TH FLOOR

TORONTO

ON M2P 0A4

10 COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
X	X	X	X	X			

11 MOTOR VEHICLE  
12

YEAR MAKE  
MODEL  
V.I.N.

13 GENERAL COLLATERAL DESCRIPTION

16 REGISTERING AGENT  
17

CANADIAN SECURITIES REGISTRATION SYSTEMS

ADDRESS  
4126 NORLAND AVENUE

BURNABY

BC V5G 3S8

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED... 4

CERTIFIED BY/CERTIFIÉES PAR

*V. Quintanilla W.*

REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES

(cj1fv 05/2022)



RUN NUMBER : 362  
 RUN DATE : 2023/12/29  
 ID : 20231229093555.25

PROVINCE OF ONTARIO  
 MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

REPORT : PSSR060  
 PAGE : 4  
 ( 1227)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : 2780785 ONTARIO INC.  
 FILE CURRENCY : 28DEC 2023

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
766774836	20201015 1517 1590 3854			
766734624	20201014 1439 1530 0867			

2 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.

CERTIFIED BY/CERTIFIÉES PAR  
*V. Quintanilla W.*  
 REGISTRAR OF  
 PERSONAL PROPERTY SECURITY/  
 LE REGISTRATEUR  
 DES SÛRETÉS MOBILIÈRES

(crj)6 05/2022



RUN NUMBER : 362  
RUN DATE : 2023/12/29  
ID : 20231229093553.32

PROVINCE OF ONTARIO  
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PSSR060  
PAGE : 1  
( 1217)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE  
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

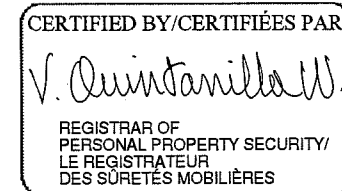
SEARCH CONDUCTED ON : SARDARA TRANSPORT INC.

FILE CURRENCY : 28DEC 2023

ENQUIRY NUMBER 20231229093553.32 CONTAINS 7 PAGE(S), 5 FAMILY(IES).

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.

AIRD & BERLIS LLP  
ATTN: SHANNON MORRIS  
HOLD FOR PICK UP  
TORONTO ON M5J2T9



(crf6 05/2022)

CONTINUED... 2





RUN NUMBER : 362  
 RUN DATE : 2023/12/29  
 ID : 20231229093553.32

PROVINCE OF ONTARIO  
 MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

REPORT : PSSR060  
 PAGE : 3  
 ( 1219)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : SARDARA TRANSPORT INC.  
 FILE CURRENCY : 28DEC 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
 762103746

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	001	1		20200526 0828 1532 3421	P PPSA	06

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02				

03 BUSINESS NAME : SARDARA TRANSPORT INC.

04 ADDRESS : 191 WILLOW PARK DR BRAMPTON ON L6R 2M9 ONTARIO CORPORATION NO.

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
05				

06 BUSINESS NAME

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT : VW CREDIT CANADA INC.

09 ADDRESS : 4865 MARC-BLAIN ST., SUITE 300 ST-LAURENT QC H4R 3B2 ONTARIO CORPORATION NO.

COLLATERAL CLASSIFICATION		MOTOR VEHICLE	AMOUNT	DATE OF MATURITY	NO FIXED MATURITY DATE
10	CONSUMER GOODS	INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED	62556.24	22MAY2026	

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.
11	2018 AUDI	SQ5 TECHNIK	WA1C4AFY2J2205047

13 GENERAL COLLATERAL DESCRIPTION

16 REGISTERING AGENT : D + H LIMITED PARTNERSHIP

17 ADDRESS : 2 ROBERT SPECK PARKWAY, 15TH FLOOR MISSISSAUGA ON L4Z 1H8

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED... 4

CERTIFIED BY/CERTIFIÉES PAR  
*V. Quintanilla W.*  
 REGISTRAR OF PERSONAL PROPERTY SECURITY /  
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 362  
 RUN DATE : 2023/12/29  
 ID : 20231229093553.32

PROVINCE OF ONTARIO  
 MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

REPORT : PSSR060  
 PAGE : 4  
 ( 1220)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : SARDARA TRANSPORT INC.  
 FILE CURRENCY : 28DEC 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LTEN

FILE NUMBER  
 752525109

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	01	001		20190620 1443 1530 5897	P PPSA	5

01

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME

02

BUSINESS NAME : SARDARA TRANSPORT INC.

03

ONTARIO CORPORATION NO.

04

ADDRESS : 191 WILLOW PARK DR BRAMPTON ON L6R 2M9

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME

05

BUSINESS NAME

06

ONTARIO CORPORATION NO.

07

ADDRESS

SECURED PARTY / LIEN CLAIMANT : ROYAL BANK OF CANADA

08

ADDRESS : 36 YORK MILLS ROAD, 4TH FLOOR TORONTO ON M2P 0A4

09

COLLATERAL CLASSIFICATION						MOTOR VEHICLE	AMOUNT	DATE OF	NO FIXED	
CONSUMER	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	INCLUDED		MATURITY	OR	MATURITY DATE
	X	X	X	X	X	X				

10

MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.

11

VEHICLE

12

GENERAL COLLATERAL DESCRIPTION

13

14

15

REGISTERING AGENT : CANADIAN SECURITIES REGISTRATION SYSTEMS  
 ADDRESS : 4126 NORLAND AVENUE BURNABY BC V5G 3S8

16

17

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED... 5

CERTIFIED BY/CERTIFIÉES PAR  
*V. Quintanilla W.*  
 REGISTRAR OF PERSONAL PROPERTY SECURITY/  
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 362  
 RUN DATE : 2023/12/29  
 ID : 20231229093553.32

PROVINCE OF ONTARIO  
 MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

REPORT : PSSR060  
 PAGE : 5  
 ( 1221)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : SARDARA TRANSPORT INC.  
 FILE CURRENCY : 28DEC 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
 752525118

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	01	001		20190620 1443 1530 5898	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME SARDARA TRANSPORT INC..

04 ADDRESS 191 WILLOW PARK DR BRAMPTON ONTARIO CORPORATION NO. ON L6R 2M9

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT ROYAL BANK OF CANADA

09 ADDRESS 36 YORK MILLS ROAD, 4TH FLOOR TORONTO ON M2P 0A4

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
		X		X			

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL

14 COLLATERAL DESCRIPTION

16 REGISTERING AGENT CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS 4126 NORLAND AVENUE BURNABY BC V5G 3S8

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED... 6

CERTIFIED BY/CERTIFIÉES PAR  
*V. Quintanilla W.*  
 REGISTRAR OF PERSONAL PROPERTY SECURITY/  
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 362  
 RUN DATE : 2023/12/29  
 ID : 20231229093553.32

PROVINCE OF ONTARIO  
 MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

REPORT : PSSR060  
 PAGE : 6  
 ( 1222)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : SARDARA TRANSPORT INC.  
 FILE CURRENCY : 28DEC 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
 749679651

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	001	1		20190402 1049 1219 1403	P PPSA	06

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02				

DEBTOR NAME	BUSINESS NAME	ADDRESS		ONTARIO CORPORATION NO.
03	SARDARA TRANSPORT INC	475 HARROP DR	MILTON	ON L9T 3H3

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
05				

DEBTOR NAME	BUSINESS NAME	ADDRESS		ONTARIO CORPORATION NO.
06				

SECURED PARTY / LIEN CLAIMANT	ADDRESS			
08	THE BANK OF NOVA SCOTIA	10 WRIGHT BOULEVARD	STRATFORD	ON N5A 7X9

COLLATERAL CLASSIFICATION		MOTOR VEHICLE	AMOUNT	DATE OF	NO FIXED
CONSUMER GOODS	INVENTORY EQUIPMENT	ACCOUNTS OTHER INCLUDED		MATURITY OR	MATURITY DATE
10	X	X	X	83701	

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.
11	2017 LAND ROVER	RANGE ROVER SPORT	SALWR2FK0HA126183

13 GENERAL COLLATERAL DESCRIPTION  
 14 OUR SECURITY INTEREST IS LIMITED TO THE MOTOR VEHICLES LISTED ABOVE  
 15 AND THE PROCEEDS OF THOSE VEHICLES

REGISTERING AGENT	ADDRESS			
16	D+H LIMITED PARTNERSHIP (BNS)	2 ROBERT SPECK PARKWAY, 15TH FL	MISSISSAUGA	ON L4Z 1H8

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED... 7

CERTIFIED BY/CERTIFIÉES PAR  
*V. Quintanilla W.*  
 REGISTRAR OF  
 PERSONAL PROPERTY SECURITY/  
 LE REGISTRATEUR  
 DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 362  
 RUN DATE : 2023/12/29  
 ID : 20231229093553.32

PROVINCE OF ONTARIO  
 MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

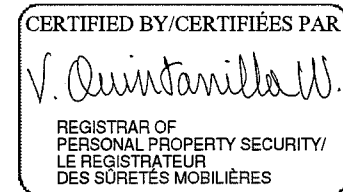
REPORT : PSSR060  
 PAGE : 7  
 ( 1223)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : SARDARA TRANSPORT INC.  
 FILE CURRENCY : 28DEC 2023

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
784507734	20220630 1656 1532 6808			
762103746	20200526 0828 1532 3421			
752525109	20190620 1443 1530 5897			
752525118	20190620 1443 1530 5898			
749679651	20190402 1049 1219 1403			

5 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.



(crfj6 05/2022)



RUN NUMBER : 362  
RUN DATE : 2023/12/29  
ID : 20231229093854.58

PROVINCE OF ONTARIO  
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PSSR060  
PAGE : 1  
( 1229)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE  
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

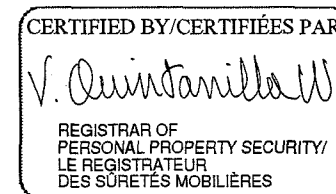
SEARCH CONDUCTED ON : PAYLESS TYRES CENTRE INC.

FILE CURRENCY : 28DEC 2023

ENQUIRY NUMBER 20231229093854.58 CONTAINS 3 PAGE(S), 1 FAMILY(IES).

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.

AIRD & BERLIS LLP  
ATTN: SHANNON MORRIS  
HOLD FOR PICK UP  
TORONTO ON M5J2T9



(crf6 05/2022)

CONTINUED... 2



RUN NUMBER : 362  
 RUN DATE : 2023/12/29  
 ID : 20231229093854.58

PROVINCE OF ONTARIO  
 MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY  
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
 ENQUIRY RESPONSE  
 CERTIFICATE

REPORT : PSSR060  
 PAGE : 2  
 ( 1230)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : PAYLESS TYRES CENTRE INC.  
 FILE CURRENCY : 28DEC 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
 764066781

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	01	001		20200724 1939 1531 7705	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME PAYLESS TYRES CENTRE INC.

04 ADDRESS 191 WILLOW PARK DRIVE BRAMPTON ONTARIO CORPORATION NO. ON L6R 2M9

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT ROYAL BANK OF CANADA

09 ADDRESS 36 YORK MILLS ROAD, 4TH FLOOR TORONTO ON M2P 0A4

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
X	X	X	X	X			

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL

14 COLLATERAL DESCRIPTION

16 REGISTERING AGENT CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS 4126 NORLAND AVENUE BURNABY BC V5G 3S8

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR  
*V. Quintanilla W.*  
 REGISTRAR OF PERSONAL PROPERTY SECURITY/  
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 362  
RUN DATE : 2023/12/29  
ID : 20231229093854.58

PROVINCE OF ONTARIO  
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PSSR060  
PAGE : 3  
( 1231)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : PAYLESS TYRES CENTRE INC.  
FILE CURRENCY : 28DEC 2023

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

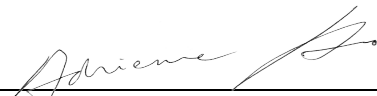
FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
764066781	20200724	1939	1531	7705

1 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.

CERTIFIED BY/CERTIFIÉES PAR  
*V. Quintanilla W.*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR  
DES SÛRETÉS MOBILIÈRES

(crfj6 05/2022)

This is Exhibit "K" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*  
Adreinne Ho

LAND  
REGISTRY  
OFFICE #20

25007-0188 (LT)

PREPARED FOR LR01fe01  
ON 2024/01/31 AT 09:24:44

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

PROPERTY DESCRIPTION: PT LT 29, CON 7 ESQ AS IN 470163 EXCEPT PT 1 ON 20R11397, EXCEPT PT 1 ON 20R11460; HALTON HILLS/ESQUESING

PROPERTY REMARKS: CORRECTION: INSTRUMENT NUMBER 744332 WAS OMITTED FROM THIS PROPERTY IN ERROR AND WAS ADDED AND CERTIFIED ON 1997/06/13 BY ANNA ROBLEY. CORRECTION: INSTRUMENT NUMBER 710748 WAS OMITTED FROM THIS PROPERTY IN ERROR AND WAS ADDED AND CERTIFIED ON 1997/06/13 BY ANNA ROBLEY.

ESTATE/QUALIFIER:  
FEE SIMPLE  
LT CONVERSION QUALIFIED

RECENTLY:  
CROWN PATENT

PIN CREATION DATE:  
1997/06/13

OWNERS' NAMES  
2780785 ONTARIO INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p><b>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1996/10/28 ON THIS PIN**</b></p> <p><b>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1997/06/13**</b></p> <p><b>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1997/06/13 **</b></p> <p><b>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</b></p> <p><b>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN. * * * * *</b></p> <p><b>** 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. * * * * *</b></p> <p><b>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES. * * * * *</b></p> <p><b>**DATE OF CONVERSION TO LAND TITLES: 1996/10/28 **</b></p>						
470163	1977/12/02	TRANSFER		*** COMPLETELY DELETED *** BENNETT, STEWART G.	ALLISON, D. MURTON	
		REMARKS: ENTERED JUNE 13, 97 A. ROBLEY				
710748	1989/01/20	CHARGE		*** DELETED AGAINST THIS PROPERTY *** ALLISON, D. MURTON	CIBC MORTGAGE CORPORATION	
		REMARKS: ENTERED JUNE 12, 97 A. ROBLEY				
20R9493	1989/08/15	PLAN REFERENCE				C
		REMARKS: ENTERED JUNE 13, 97 A. ROBLEY				
744332	1990/05/18	CHARGE		*** DELETED AGAINST THIS PROPERTY *** ALLISON, D. MURTON	CANADIAN IMPERIAL BANK OF COMMERCE	
		REMARKS: ENTERED JUNE 12, 97 A. ROBLEY				
		CORRECTIONS: 'CHARGOR' CHANGED FROM 'ALLISOM, D. MURTON' TO 'ALLISON, D. MURTON' ON 2001/07/18 BY CATHY JEFFERSON.				

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.

LAND  
REGISTRY  
OFFICE #20

25007-0188 (LT)

PREPARED FOR LR01fe01  
ON 2024/01/31 AT 09:24:44

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
HR7110	2000/08/15	DISCH OF CHARGE		*** COMPLETELY DELETED *** CIBC MORTGAGE CORPORATION		
	<i>REMARKS: RE: 710748</i>					
HR471056	2006/04/26	CHARGE		*** COMPLETELY DELETED *** ALLISON, D. MURTON	ROYAL BANK OF CANADA	
HR475116	2006/05/09	DISCH OF CHARGE		*** COMPLETELY DELETED *** CANADIAN IMPERIAL BANK OF COMMERCE		
	<i>REMARKS: RE: 744332</i>					
HR499099	2006/08/01	TRANSFER		*** COMPLETELY DELETED *** ALLISON, D. MURTON	MCFEE, ALLAN	
	<i>REMARKS: PLANNING ACT STATEMENTS</i>					
HR499100	2006/08/01	CHARGE		*** COMPLETELY DELETED *** MCFEE, ALLAN	MCFEE, WILBERT	
HR503854	2006/08/18	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROYAL BANK OF CANADA		
	<i>REMARKS: RE: HR471056</i>					
HR944640	2011/07/18	TRANSMISSION CHARGE		*** COMPLETELY DELETED *** MCFEE, WILBERT	MCFEE, ALLAN REID HOLMES, SHIRLEY ANN ELIZABETH MCFEE, WILBERT - ESTATE	
	<i>REMARKS: HR499100.</i>					
HR946966	2011/07/26	NOTICE		*** COMPLETELY DELETED *** MCFEE, ALLAN	MCFEE, ALLAN REID HOLMES, SHIRLEY ANN ELIZABETH	
	<i>REMARKS: HR499100</i>					
HR1356306	2016/05/11	DISCH OF CHARGE		*** COMPLETELY DELETED *** MCFEE, ALLAN REID HOLMES, SHIRLEY ANN ELIZABETH		
	<i>REMARKS: HR499100.</i>					
HR1356322	2016/05/11	TRANSFER		*** COMPLETELY DELETED *** MCFEE, ALLAN	KHEHRA, NARINDER KAUR SAINI, JATINDER KAUR	
	<i>REMARKS: PLANNING ACT STATEMENTS.</i>					

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.

LAND  
REGISTRY  
OFFICE #20

25007-0188 (LT)

PREPARED FOR LR01fe01  
ON 2024/01/31 AT 09:24:44

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
HR1356323	2016/05/11	CHARGE		*** COMPLETELY DELETED *** KHEHRA, NARINDER KAUR SAINI, JATINDER KAUR	2505151 ONTARIO INC.	
HR1364992	2016/06/15	CHARGE		*** COMPLETELY DELETED *** KHEHRA, NARINDER KAUR SAINI, JATINDER KAUR	THE BANK OF NOVA SCOTIA	
HR1364999	2016/06/15	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** KHEHRA, NARINDER KAUR SAINI, JATINDER KAUR	THE BANK OF NOVA SCOTIA	
	REMARKS: HR1364992. HR1364992					
HR1365029	2016/06/15	DISCH OF CHARGE		*** COMPLETELY DELETED *** 2505151 ONTARIO INC.		
	REMARKS: HR1356323.					
HR1518570	2018/01/16	TRANSFER		*** COMPLETELY DELETED *** KHEHRA, NARINDER KAUR SAINI, JATINDER KAUR	SAINI, JATINDER KAUR JHABELWALI, SURJIT SINGH	
HR1518571	2018/01/16	CHARGE		*** COMPLETELY DELETED *** JHABELWALI, SURJIT SINGH SAINI, JATINDER KAUR	2132226 ONTARIO INC.	
HR1519532	2018/01/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
	REMARKS: HR1364992.					
HR1580769	2018/10/23	CHARGE		*** COMPLETELY DELETED *** SAINI, JATINDER KAUR JHABELWALI, SURJIT SINGH	2643692 ONTARIO INC.	
HR1580770	2018/10/23	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** SAINI, JATIINDER KAUR JHABELWALI, SURJIT SINGH	2643692 ONTARIO INC.	
	REMARKS: HR1580769.					
HR1580919	2018/10/24	DISCH OF CHARGE		*** COMPLETELY DELETED *** 2132226 ONTARIO INC.		
	REMARKS: HR1518571.					

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.

LAND  
REGISTRY  
OFFICE #20

25007-0188 (LT)

PREPARED FOR LR01fe01  
ON 2024/01/31 AT 09:24:44

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
HR1674577	2019/12/23	CHARGE		*** COMPLETELY DELETED *** SAINI, JATINDER KAUR JHABELWALI, SURJIT SINGH	2643692 ONTARIO INC.	
HR1674578	2019/12/23	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** SAINI, JATINDER KAUR JHABELWALI, SURJIT SINGH	2643692 ONTARIO INC.	
		REMARKS: HR1674577				
HR1736754	2020/10/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** 2643692 ONTARIO INC.		
		REMARKS: HR1580769.				
HR1736755	2020/10/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** 2643692 ONTARIO INC.		
		REMARKS: HR1674577.				
HR1736761	2020/10/16	TRANSFER	\$2,525,000	JHABELWALI, SURJIT SINGH SAINI, JATINDER KAUR	2780785 ONTARIO INC.	C
		REMARKS: PLANNING ACT STATEMENTS.				
HR1736762	2020/10/16	CHARGE	\$2,600,000	2780785 ONTARIO INC.	ROYAL BANK OF CANADA	C
HR1736763	2020/10/16	NO ASSGN RENT GEN		2780785 ONTARIO INC.	ROYAL BANK OF CANADA	C
		REMARKS: HR1736762				
HR1742021	2020/11/05	CHARGE		*** COMPLETELY DELETED *** 2780785 ONTARIO INC.	SHAIKH, MALIHA BASHIR	
HR1742027	2020/11/05	CHARGE		*** COMPLETELY DELETED *** 2780785 ONTARIO INC.	PATEL, JITENDRA	
HR1764953	2021/02/08	DISCH OF CHARGE		*** COMPLETELY DELETED *** SHAIKH, MALIHA BASHIR		
		REMARKS: HR1742021.				
HR1765592	2021/02/10	CHARGE	\$800,000	2780785 ONTARIO INC.	2794963 ONTARIO INC. GREWAL, KAMALJIT KAUR	C
HR1765737	2021/02/10	DISCH OF CHARGE		*** COMPLETELY DELETED *** PATEL, JITENDRA		
		REMARKS: HR1742027.				

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.

LAND  
REGISTRY  
OFFICE #20

25007-0188 (LT)

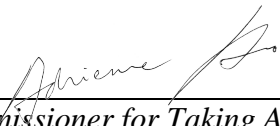
PREPARED FOR LR01fe01  
ON 2024/01/31 AT 09:24:44

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
HR1769875	2021/02/26	CHARGE	\$500,000	2780785 ONTARIO INC.	PATEL, JITENDRA	C
HR1948574	2023/02/09	CHARGE	\$1,200,000	2780785 ONTARIO INC.	2794395 ONTARIO CORP.	C
HR1948577	2023/02/09	POSTPONEMENT <i>REMARKS: HR1769875 TO HR1948574</i>		PATEL, JITENDRA	2794395 ONTARIO CORP.	C
HR1974797	2023/07/12	CERTIFICATE <i>REMARKS: TAX LIEN</i>	\$27,002	THE CORPORATION OF THE TOWN OF HALTON HILLS		C



This is Exhibit "L" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*  
Adreinne Ho

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 8

**Properties**

*PIN* 25007 - 0188 LT *Interest/Estate* Fee Simple  
*Description* PT LT 29, CON 7 ESQ AS IN 470163 EXCEPT PT 1 ON 20R11397, EXCEPT PT 1 ON 20R11460; HALTON HILLS/ESQUESING  
*Address* 13760 TRAFALGAR ROAD  
 HALTON HILLS

**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* 2780785 ONTARIO INC.  
*Address for Service* 191 Willow Park Drive Brampton, ON  
 L6R 2M9

I, Jagteshwar Singh Brar, President, have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

**Chargee(s)**

	<i>Capacity</i>	<i>Share</i>
<i>Name</i> 2794963 ONTARIO INC.		56.25%
<i>Address for Service</i> c/o 502-490 Bramalea Road, Brampton, ON L6T 0G1		
<i>Name</i> GREWAL, KAMALJIT KAUR		43.75%
<i>Address for Service</i> 1598 Queen Street W, Brampton, ON L6X 0B1		

**Provisions**

*Principal* \$800,000.00 *Currency* CDN  
*Calculation Period* Half-Yearly, Not in Advance  
*Balance Due Date* 2022/02/02  
*Interest Rate* 12% per annum  
*Payments* \$8,000.00  
*Interest Adjustment Date* 2021 02 02  
*Payment Date* 2nd day of each and every month  
*First Payment Date* 2021 03 02  
*Last Payment Date* 2022 02 02  
*Standard Charge Terms* 200033  
*Insurance Amount* Full insurable value  
*Guarantor* Jagteshwar Singh Brar

**Additional Provisions**

See Schedules

**Signed By**

Parul Rajeev Dua 502-490 Bramalea Road acting for Signed 2021 02 10  
 Brampton  
 L6T 0G1 Chargor(s)

Tel 905-456-2020

Fax 905-456-2025

I have the authority to sign and register the document on behalf of the Chargor(s).

**Submitted By**

AASARA LAWYERS PROFESSIONAL CORPORATION 502-490 Bramalea Road  
 Brampton  
 L6T 0G1

2021 02 10

Tel 905-456-2020

Fax 905-456-2025

The applicant(s) hereby applies to the Land Registrar.

**Fees/Taxes/Payment**

Statutory Registration Fee	\$65.30
Total Paid	\$65.30

**File Number**

Chargee Client File Number : 445921

**ADDITIONAL PROVISIONS (SCHEDULE "A")**

***The additional provisions are severable.***

**ADDITIONAL SECURITY**

**Raag B Homes Ltd., chargor herein**, acknowledges and agrees that **Raag B Homes Ltd.** granted to the Chargee additional security for the obligations of the **Borrower(2780785 ONTARIO INC.)** under the loan agreement with the Chargee/s': **2794963 Ontario Inc. (SHARE: 56.25%) + Grewal, Kamaljit Kaur (SHARE: 43.75%) (445921: Property: 13760 TRAFALGAR ROAD HALTON HILLS)**, including but not limited to collateral charge registered against the property municipally known as **7625 MIDDLESIRE DRIVE MISSISSAUGA.**

Any act or event of default by the **Borrower(2780785 ONTARIO INC)** under the main charge shall also be deemed an act or event of default under the above noted collateral charge(and vice-versa), which shall entitle the Chargee to enforce its security against the main Charge and the above noted collateral charges, (including but not limited to power of sale proceedings) either separately and concurrently, respecting either or both above-referenced charges.

The collateral mortgages will be discharged once the mortgage on property: **13760 TRAFALGAR ROAD HALTON HILLS** is paid out in full and discharged.

Further, **Jagteshwar Singh Brar and Harnek Singh Brar** are **personally guaranteeing** the above noted mortgages.

**PREPAYMENT:**

**PROVIDED** that the Chargor/Mortgagor, when not in default hereunder, shall have the privilege of prepaying the whole of the principal sum hereby secured, on any payment date, **upon payment to Chargee/Mortgagee of an amount equivalent to three (3) months interest on the amount so prepaid by the way of bonus.**

If repayment of any part of the principal sum is made prior to the maturity date by reason of payment after acceleration upon the occurrence of any event of default, the Chargor agrees to indemnify and save harmless the Chargee from all costs and losses resulting therefrom and to pay the Chargee a bonus equal to three (3) month`s interest.

**POSTDATED CHEQUES:**

**PROVIDED FURTHER** that the Chargor/Mortgagor does hereby covenant and agree to provide to the Chargee/Mortgagee upon the execution of this Charge/Mortgage, and annually thereafter on the anniversary date during the currency of this Charge/Mortgage a series of postdated cheques each in the amount of the monthly payment due hereunder.

**Failure to provide post-dated cheques will constitute default and the Chargee/Mortgagee will be entitled to commence default proceeding.**

**TENDER OF PAYMENT:**

Any payment (other than payment of the regular payment of interest) that is made after 1.00 p.m. on any date, shall deemed for the purpose of calculation of interest, to have been paid and received on the next bank business day. For the purpose of this paragraph, Saturday, Sunday, Provincial and Federal holidays shall be deemed to be non-business days.

**LATE OR DISHONOURNED PAYMENT:**

In the event that a Mortgage payment or any other payment due under this Charge/Mortgage is dishonored by the Chargee/Mortgagee`s bank or in the event of late payment or non-payment, the Chargee/Mortgagee shall immediately be entitled to an administration fee of Five Hundred (\$ 500.00) Dollars in addition to other remedies provided herein.

**NON-TRANSFERRABLE/NON-ASSUMABLE:**

**PROVIDED** that in the event of a transfer, sale or other change of ownership of the property secured by this Charge the full balance of principal and interest then owing hereunder together with three (3) months interest by way of bonus become due and payable immediately.

**FURTHER ENCUMBRANCES:**

The Chargor/Mortgagor shall not grant or permit any further mortgages, charges or encumbrances of any nature to be registered against the subject property without the prior written consent of the Chargee, and in the event of breach of this covenant, the Chargee/ Mortgagee shall be entitled to commence default proceedings.

**CAPITALIZATION OF ANY PAYMENTS ON PRIOR ENCUMBRANCES:**

If the Chargor/Mortgagor makes any agreement with any prior encumbrancers to satisfy any arrears of mortgage, property taxes, insurance or any other payments respecting the property by way of an increase in the principal balance of the mortgage account or any other increase in the mortgage account, without the prior written consent of the Chargee/Mortgagee, **such act shall be a default under this Charge/Mortgage.**

**DEFAULT ON PRIOR ENCUMBRANCES:**

In the event that the Chargor/Mortgagor is in default under a prior encumbrance on the Property hereby charged or in payment of the realty taxes for the said Property or in the event that the insurance policy covering the Property has been cancelled or has lapsed, such default shall constitute default under the provisions of this Charge/Mortgage and the principal amount hereby secured shall, at the sole option of the Chargee/Mortgagee, become immediately due and owing. If the mortgagee/s' solicitor sends a notification letter to the mortgagor/s' solicitor notifying him/her of impending cancellation of insurance, the mortgagee/s' solicitor will be entitled to a fee of \$ 500.00 plus H.S.T. and this fee will be added to the total payout amount.

The Chargee/Mortgagee shall have the right to make periodic enquiries, and to obtain statements from prior mortgagees and from the insurance company all at the Chargor/Mortgagor's expense, to confirm that the Chargor/Mortgagor is not in default hereunder. Should the prior mortgagee(s) or the insurance company not cooperate in providing such statement(s) directly to the Chargee/Mortgagee, Chargor(s) /Mortgagor(s) themselves are obligated to provide such statement(s) to the Chargee/Mortgagee within 5 business days of the Chargee(s)/Mortgagee(s) request to do so. **Failure to provide such statement(s) within the specified period shall constitute default under the provisions of this Charge/Mortgage and the principal amount hereby secured shall, at the sole option of the Chargee/Mortgagee, become immediately due and owing.**

**NON-PAYMENT OF PRINCIPAL:**

The Chargor/Mortgagor covenants with the Chargee/Mortgagee that in the event of non-payment of the principal monies at the time or times provided herein, he shall not require the Chargee/Mortgagee to accept payment of the principal monies without first giving three (3) months previous notice in writing or paying a bonus equal to three (3) months interest in advance on the principal monies, at the Chargee/s' or Mortgagee/s' option.

**REGISTRATION OF SUBSEQUENT EMCUMBRANCE:**

Registration of any subsequent encumbrance will result in default and default proceedings being initiated.

**REGISTRATION OF UNDISCLOSED PRIOR EMCUMBRANCE:**

Registration of any undisclosed prior encumbrance will result in default and default proceedings being initiated.

**GUARANTEE:**

All parties on the title (shareholders, corporate directors, others) and their spouses to guarantee the mortgage.

**INDEMNIFICATION OF CHARGE:**

In the event the Chargee/Mortgagee shall be made a party to any litigation commenced by or against the Chargor/Mortgagor, the Chargor/Mortgagor shall indemnify and hold the Chargee/Mortgagee harmless therefrom and shall pay all costs, expenses and solicitors and counsels fees on a solicitor and his/her own client basis. Such costs shall be a charge on the lands and may be added to the loan secured hereby.

**SERVICE OF DOCUMENTS:**

Mortgagor/s' hereby covenant and agree that the mortgagor/s' electronic mail address of service will be functional until the discharge of charge of the mortgage in subject.

Mortgagor/s' hereby further covenant and agree that if the mortgagor/s' electronic mail address is deactivated/inoperative for any reason, mortgagor shall within five working days provide the mortgagee/s' or mortgagor/s' solicitor with a replacement electronic mail address which will remain functional until the discharge of mortgage in subject.

Mortgagor/s' hereby covenant and agree that the mortgagee/s' or mortgagee/s' agent or mortgagor/s' solicitor may serve the mortgagor/s' with the Notice of Sale Under Mortgage, Statement of Claim or other statements through the mortgagor/s' electronic mail address for service for which the mortgagor/s' would have deemed to be served validly for all intents and purposes.

Mortgagor/s' covenant and agree that mortgagor/s' will monitor its/his/her electronic mail address of service for any electronic mails from the mortgagee/s' or mortgagor/s' solicitor at-least once in three working days.

Mortgagor/s' covenant and agree that if the mortgagor/s' are in default of the mortgage and if the mortgagee/s' or mortgagee/s' agent or mortgagee/s' solicitor serves the mortgagor/s' with the Notice of Sale Under Mortgage through the the electronic mail address which may be deactivated/inoperable at the moment of serving, the mortgagee/s' or mortgagee/s' agent or the mortgagee/s' solicitor would have done so validly and may continue with the power of sale proceedings and may serve the mortgagor/s' with the statement of claim once the redemption period of the Notice of Sale under Mortgage has concluded.

**SERVICE FEE:**

In the event that the Chargee/Mortgagee is required or deems it advisable to make any payment in order to protect his/her security position including but not limited to realty taxes, insurance premiums, condominium common expenses, principal interest or costs under a prior mortgage it is agreed that such payment that there shall be an administration fee of not less than \$ 1000.00 for making each such payment or payments.

**POSSESSION:**

Notwithstanding anything herein contained to the contrary, if default shall happen to be made of or in the payment of the principal amount or of in the doing, observing, performing, fulfilling or keeping of some one or more of the provisions, agreements or stipulations contained therein contrary to the true intent and meaning of this Charge, then and in every case it shall and may be lawful to and for the said Chargee/Mortgagee to peaceably and quietly enter into, have, hold, use, occupy, possess, and enjoy the land hereby charged free and clear and freely and clearly acquitted, exonerated and discharged of and from from all former conveyances, mortgages, charges, rights, annuities, debts, executions and recognizances and of and from all manner of other charges or encumbrances whatsoever without the let, suit, hindrance, interruption or denial of the Chargor/Mortgagor or any other person or persons whatsoever.

**DISCHARGE:**

Upon the balance due date of the principal and interest secured hereunder or any renewal thereof, the Chargor/Mortgagor shall be deemed to have requested the Chargee/Mortgagee's solicitor to prepare the discharge documents for this Charge/Mortgage and shall pay the following fees to the Chargee/Mortgagee's solicitor in addition to the legal fees and disbursements payable to the Chargee's/ Mortgagee's solicitor.

1. Statement Fee \$ 1,000.00;
2. Discharge preparation and execution fee \$ 2,260.00;
3. Registration Fee.

**PAYMENT TO DISCHARGE:**

The parties herein agree that payment to discharge the said Charge/Mortgage must be made by certified cheque or bank draft.

**RIGHT TO INSPECT PROPERTY**

You authorize me/us or my/our agent to enter you property at all reasonable times to inspect and repair your property. By entering your property to inspect it or to do repairs, I/we are not becoming a mortgagee in possession of your property.

**RENEWALS:**

At Lender/s' sole option, this Mortgage can be automatically renewed from time to time with the same terms. A Renewal Fee equivalent to the Lender Fee charged at time of funding will be capitalized into the owing Principal.

**TAX RECEIPTS:**

**PROVIDED** that tax receipts are to be provided to the Chargee/Mortgagee at its option on a half yearly basis.

**ADMINISTRATION FEES:**

The Chargor/Mortgagor will pay the following **Administrative Fees:**

- Mortgage Statement for payout if payment request is made in 5 days before payout date.
- Mortgage Statement for legal enforcement purposes (such as, but not limited to, Notice of Sale and Statement of Claim) \$500.00
- For ordering a Property Tax Certificate from the City: \$100.00

**PROVIDED** that in the event event of non-payment of the foregoing administration fees, the amount due shall be added to the principal balance outstanding and shall earn interest pursuant to the provision herein set out.

**MAKING MATERIAL CHANGES**

Any agreement whether verbal or in writing, to make material changes to the mortgage terms and conditions will apply not only to those who agree to the changes but also to any person who signed the original Charge/Mortgage of Land, including guarantors, but did not receive notices of changes or agree to the changes in writing. Examples of these changes include extensions of the time for payments, changes in the interest rate and renewals or extensions of the term of the mortgage.

**INTEREST RATE**

Interest is payable on the loan amount at the rate described in the charge/mortgage registered until the loan amount has been paid, before and after the balance due date, before and after default, and before and after we obtain any court judgement against you.

**PAYMENT DUE DATE**

The mortgagor/s' accepts and agrees that notwithstanding the payment date designated on provisions of the registered charge, the mortgagee/s' and/or his/her/its agent may deposit the monthly interest post-dated cheque on any day mortgage/s' and/or his/her/its agent choose to do so.

### **DEMAND TO REPAY THE LOAN AMOUNT IMMEDIATELY FOR MISREPRESENTATION**

I/We may require you to repay the total loan amount immediately if I/we discover that a claim, statement, certification, or representation you made to me/us or an agreement you made with me/us in this mortgage, or when you applied for the mortgage, is not true.

If I/we require you repay the total loan amount because you are not meeting your obligations, we may also require that you pay any prepayment charge that applies to this mortgage.

### **TELEPHONE CALLS**

The mortgagor/s' understands and agrees that the mortgagee/s' and/or his/her/its solicitor and and/or his/her/its agent may tape any telephone calls to ensure quality service and to confirm mortgagor/s' and/or his/her/its solicitor/s' and and/or his/her/its agent/s' discussions with the mortgagee/s' and/or his/her/its solicitor and and/or his/her/its agent.

The discussions will only be legally binding on the mortgagor/s' and/or mortgagor/s' solicitor/agent. The mortgagor/s' further understand and agrees that the mortgagee/s' and/or his/her/its solicitor and and/or his/her/its agent may NOT tape/ record any phone calls of mortgagee/s' and/or his/her/its solicitor/s' and and/or his/her/its agent/s' for any reason under any circumstances unless explicitly permitted to do so via written instructions by the mortgagee/s' or/and mortgagee/s' agent or/and mortgagee/s' solicitor.

### **ENFORCEMENT ON PERSONAL PROPERTY IN CASE OF DEFAULT OR NON-COMPLIANCE OF OBLIGATIONS**

In case of default or non-compliance of obligations by the mortgagors, the mortgagee may enter the house/property and distrain (i.e. seize and sell) any personal property owned by you to repay all or part of the debt.

### **ENTITIES BOUND BY THIS MORTGAGE**

The mortgage is binding on you, your legal and personal representatives, your heirs, your successors and your assigns.

### **PARTIAL INVALIDITY**

If any provisions of the mortgage is found to be invalid or unenforceable, the validity and enforceability of all other provisions in the Mortgage will not be affected.

### **MAXIMUM RATE OF INTEREST**

If the interest rate exceeds the maximum rate permitted under Applicable Law, then, notwithstanding the terms of any Loan Document, the Interest Rate shall be deemed to be such maximum rate.

### **CHANGE IN MARITAL STATUS**

If the Chargor is not married at the time of execution of this Charge, but marries thereafter with the result that the property becomes a principal family residence or if the property becomes a principal family residence under applicable laws or by reason of the registration of a declaration of family residence or of a judicial award, the chargor agrees that he will forthwith notify the chargee of



same and cause his spouse to subordinate to the rights of the Chargee all of such spouse's rights in the property as the principal family residence, by signing a written agreement in the form required by the chargee.

#### **ASSIGNMENT OF MORTGAGE**

Mortgagor hereby agrees, acknowledges and covenants that mortgagor/s' have been advised by my/our lawyers that the mortgagee/s' and its/his/her solicitor may at any time after registration of this charge, may transfer or assign this charge to another party and for such assignment or transfer, mortgagor/s' may be required to provide payment by way of post-dated cheques or pre-authorized debit to the Assignee/ Transferee of this charge.

Mortgagor/s' further acknowledge that any such assignment or transfer of this charge does not require my/our (The Mortgagor/s') prior written consent.

#### **LEGAL FEES FOR MORTGAGE/ CHARGE**

Lender's solicitor legal fees for mortgage transaction to be paid by the borrower.

Borrower's solicitor legal fees for mortgage transaction to be paid by the borrower.

#### **HEADINGS:**

The headings herein are not to be considered part of this Charge/Mortgage and are included solely for the convenience of reference to be full or accurate descriptions of the contents of the paragraphs to which they relate.



The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 9

**Properties**

*PIN* 25007 - 0188 LT *Interest/Estate* Fee Simple  
*Description* PT LT 29, CON 7 ESQ AS IN 470163 EXCEPT PT 1 ON 20R11397, EXCEPT PT 1 ON 20R11460; HALTON HILLS/ESQUESING  
*Address* 13760 TRAFALGAR ROAD  
 HALTON HILLS

**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* 2780785 ONTARIO INC.  
*Address for Service* 191 Willow Park Dr, Brampton, ON L6R  
 2M9

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.

**Chargee(s)***Capacity**Share*

*Name* 2794395 ONTARIO CORP.  
*Address for Service* c/o 502-490 Bramalea Road, Brampton ON L6T 0G1

**Statements**

Schedule: See Schedules

**Provisions**

*Principal* \$1,200,000.00 *Currency* CDN  
*Calculation Period* semi-annually not in advance  
*Balance Due Date* 2023/08/09  
*Interest Rate* 15% per annum  
*Payments*  
*Interest Adjustment Date*  
*Payment Date* 9th of each and every month  
*First Payment Date*  
*Last Payment Date* 2023 08 09  
*Standard Charge Terms* 200033  
*Insurance Amount* Full insurable value  
*Guarantor* Jagteshwar Singh Brar

**Signed By**

Amandeep Kapila 502-490 Bramalea Road acting for Signed 2023 02 09  
 Brampton  
 L6T 0G1  
 Chargor(s)

Tel 905-456-2020

Fax 905-456-2025

I have the authority to sign and register the document on behalf of the Chargor(s).

**Submitted By**

AASARA LAWYERS PROFESSIONAL CORPORATION 502-490 Bramalea Road 2023 02 09  
 Brampton  
 L6T 0G1

Tel 905-456-2020

Fax 905-456-2025

**Fees/Taxes/Payment**

*Statutory Registration Fee* \$69.00  
*Total Paid* \$69.00

*The applicant(s) hereby applies to the Land Registrar.*

**File Number**

Chargee Client File Number : 501823

## **MORTGAGE COMMITMENT**

### **ADDITIONAL PROVISIONS (SCHEDULE "A")**

***The additional provisions are severable.***

#### **POSTDATED CHEQUES:**

PROVIDED FURTHER that the Chargor/Mortgagor does hereby covenant and agree to provide to the Chargee/Mortgagee upon the execution of this Charge/Mortgage, and annually thereafter on the anniversary date during the currency of this Charge/Mortgage a series of postdated cheques each in the amount of the monthly payment due hereunder.

**Failure to provide post-dated cheques will constitute default and the Chargee/Mortgagee will be entitled to commence default proceeding.**

#### **TENDER OF PAYMENT:**

Any payment (other than payment of the regular payment of interest) that is made after 1.00 p.m. on any date, shall deemed for the purpose of calculation of interest, to have been paid and received on the next bank business day. For the purpose of this paragraph, Saturday, Sunday, Provincial and Federal holidays shall be deemed to be non-business days.

#### **LATE OR DISHONOURNED PAYMENT:**

In the event that a Mortgage payment or any other payment due under this Charge/Mortgage is dishonored by the Chargee/Mortgagee`s bank or in the event of late payment or non-payment, the Chargee/Mortgagee shall immediately be entitled to an administration fee of Five Hundred (\$ 500.00) Dollars in addition to other remedies provided herein.

#### **FURTHER ENCUMBRANCES:**

The Chargor/Mortgagor shall not grant or permit any further mortgages, charges or encumbrances of any nature to be registered against the subject property without the prior written consent of the Chargee, and in the event of breach of this covenant, the Chargee/ Mortgagee shall be entitled to commence default proceedings.

#### **CAPITALIZATION OF ANY PAYMENTS ON PRIOR ENCUMBRANCES:**

If the Chargor/Mortgagor makes any agreement with any prior encumbrancers to satisfy any arrears of mortgage, property taxes, insurance or any other payments respecting the property by way of an increase in the principal balance of the mortgage account or any other increase in the mortgage account, without the prior written consent of the Chargee/Mortgagee, **such act shall be a default under this Charge/Mortgage.**

## **MORTGAGE COMMITMENT**

### **DEFAULT ON PRIOR ENCUMBRANCES:**

In the event that the Chargor/Mortgagor is in default under a prior encumbrance on the Property hereby charged or in payment of the realty taxes for the said Property or in the event that the insurance policy covering the Property has been cancelled or has lapsed, such default shall constitute default under the provisions of this Charge/Mortgage and the principal amount hereby secured shall, at the sole option of the Chargee/Mortgagee, become immediately due and owing. If the mortgagee/s' solicitor sends a notification letter to the mortgagor/s' solicitor notifying him/her of impending cancellation of insurance, the mortgagee/s' solicitor will be entitled to a fee of \$ 500.00 plus H.S.T. and this fee will be added to the total payout amount.

The Chargee/Mortgagee shall have the right to make periodic enquiries, and to obtain statements from prior mortgagees and from the insurance company all at the Chargor/Mortgagor's expense, to confirm that the Chargor/Mortgagor is not in default hereunder. Should the prior mortgagee(s) or the insurance company not cooperate in providing such statement(s) directly to the Chargee/Mortgagee, Chargor(s) /Mortgagor(s) themselves are obligated to provide such statement(s) to the Chargee/Mortgagee within 5 business days of the Chargee(s)/Mortgagee(s) request to do so. **Failure to provide such statement(s) within the specified period shall constitute default under the provisions of this Charge/Mortgage and the principal amount hereby secured shall, at the sole option of the Chargee/Mortgagee, become immediately due and owing.**

### **NON-PAYMENT OF PRINCIPAL:**

The Chargor/Mortgagor covenants with the Chargee/Mortgagee that in the event of non-payment of the principal monies at the time or times provided herein, he shall not require the Chargee/Mortgagee to accept payment of the principal monies without first giving three (3) months previous notice in writing or paying a bonus equal to three (3) months interest in advance on the principal monies, at the Chargee/s' or Mortgagee/s' option.

### **REGISTRATION OF SUBSEQUENT EMCUMBRANCE:**

Registration of any subsequent encumbrance will result in default and default proceedings being initiated.

### **REGISTRATION OF UNDISCLOSED PRIOR EMCUMBRANCE:**

Registration of any undisclosed prior encumbrance will result in default and default proceedings being initiated.

### **GUARANTEE:**

## **MORTGAGE COMMITMENT**

All parties on the title (shareholders, corporate directors, others) and their spouses to guarantee the mortgage.

### **INDEMNIFICATION OF CHARGE:**

In the event the Chargee/Mortgagee shall be made a party to any litigation commenced by or against the Chargor/Mortgagor, the Chargor/Mortgagor shall indemnify and hold the Chargee/Mortgagee harmless therefrom and shall pay all costs, expenses and solicitors and counsels fees on a solicitor and his/her own client basis. Such costs shall be a charge on the lands and may be added to the loan secured hereby.

### **SERVICE OF DOCUMENTS:**

Mortgagor/s' hereby covenant and agree that the mortgagor/s' electronic mail address of service will be functional until the discharge of charge of the mortgage in subject.

Mortgagor/s' hereby further covenant and agree that if the mortgagor/s' electronic mail address is deactivated/inoperative for any reason, mortgagor shall within five working days provide the mortgagee/s' or mortgagee/s' solicitor with a replacement electronic mail address which will remain functional until the discharge of mortgage in subject.

Mortgagor/s' hereby covenant and agree that the mortgagee/s' or mortgagee/s' agent or mortgagee/s' solicitor may serve the mortgagor/s' with the Notice of Sale Under Mortgage, Statement of Claim or other statements through the mortgagor/s' electronic mail address for service for which the mortgagor/s' would have deemed to be served validly for all intents and purposes.

Mortgagor/s' covenant and agree that mortgagor/s' will monitor its/his/her electronic mail address of service for any electronic mails from the mortgagee/s' or mortgagee/s' solicitor at-least once in three working days.

Mortgagor/s' covenant and agree that if the mortgagor/s' are in default of the mortgage and if the mortgagee/s' or mortgagee/s' agent or mortgagee/s' solicitor serves the mortgagor/s' with the Notice of Sale Under Mortgage through the the electronic mail address which may be deactivated/inoperable at the moment of serving, the mortgagee/s' or mortgagee/s' agent or the mortgagee/s' solicitor would have done so validly and may continue with the power of sale proceedings and may serve the mortgagor/s' with the statement of claim once the redemption period of the Notice of Sale under Mortgage has concluded.

### **SERVICE FEE:**

In the event that the Chargee/Mortgagee is required or deems it advisable to make any payment in order to protect his/her security position including but not limited to realty taxes, insurance

## **MORTGAGE COMMITMENT**

premiums, condominium common expenses, principal interest or costs under a prior mortgage it is agreed that such payment that there shall be an administration fee of not less than \$ 1000.00 for making each such payment or payments.

### **POSSESSION:**

Notwithstanding anything herein contained to the contrary, if default shall happen to be made of or in the payment of the principal amount or of in the doing, observing, performing, fulfilling or keeping of some one or more of the provisions, agreements or stipulations contained therein contrary to the true intent and meaning of this Charge, then and in every case it shall and may be lawful to and for the said Chargee/Mortgagee to peaceably and quietly enter into, have, hold, use, occupy, possess, and enjoy the land hereby charged free and clear and freely and clearly acquitted, exonerated and discharged of and from from all former conveyances, mortgages, charges, rights, annuities, debts, executions and recognizances and of and from all manner of other charges or encumbrances whatsoever without the let, suit, hindrance, interruption or denial of the Chargor/Mortgagor or any other person or persons whatsoever.

### **DISCHARGE:**

Upon the balance due date of the principal and interest secured hereunder or any renewal thereof, the Chargor/Mortgagor shall be deemed to have requested the Chargee/Mortgagee's solicitor to prepare the discharge documents for this Charge/Mortgage and shall pay the following fees to the Chargee/Mortgagee's solicitor in addition to the legal fees and disbursements payable to the Chargee's/ Mortgagee's solicitor.

1. Statement Fee \$ 1,000.00;
2. Discharge preparation and execution fee \$ 2,260.00;
3. Registration Fee.

### **PAYMENT TO DISCHARGE:**

The parties herein agree that payment to discharge the said Charge/Mortgage must be made by certified cheque or bank draft.

### **RIGHT TO INSPECT PROPERTY**

You authorize me/us or my/our agent to enter you property at all reasonable times to inspect and repair your property. By entering your property to inspect it or to do repairs, I/we are not becoming a mortgagee in possession of your property.

### **TAX RECEIPTS:**

**PROVIDED** that tax receipts are to be provided to the Chargee/Mortgagee at its option on a half yearly basis.



## **MORTGAGE COMMITMENT**

### **ADMINISTRATION FEES:**

The Chargor/Mortgagor will pay the following **Administrative Fees:**

- Mortgage Statement for payout if payment request is made in 5 days before payout date.
- Mortgage Statement for legal enforcement purposes (such as, but not limited to, Notice of Sale and Statement of Claim) \$500.00
- For ordering a Property Tax Certificate from the City: \$100.00

**PROVIDED** that in the event event of non-payment of the foregoing administration fees, the amount due shall be added to the principal balance outstanding and shall earn interest pursuant to the provision herein set out.

### **MAKING MATERIAL CHANGES**

Any agreement whether verbal or in writing, to make material changes to the mortgage terms and conditions will apply not only to those who agree to the changes but also to any person who signed the original Charge/Mortgage of Land, including guarantors, but did not receive notices of changes or agree to the changes in writing. Examples of these changes include extensions of the time for payments, changes in the interest rate and renewals or extensions of the term of the mortgage.

### **INTEREST RATE**

Interest is payable on the loan amount at the rate described in the charge/mortgage registered until the loan amount has been paid, before and after the balance due date, before and after default, and before and after we obtain any court judgement against you.

### **PAYMENT DUE DATE**

The mortgagor/s' accepts and agrees that notwithstanding the payment date designated on provisions of the registered charge, the mortgagee/s' and/or his/her/its agent may deposit the monthly interest post-dated cheque on any day mortgage/s' and/or his/her/its agent choose to do so.

### **DEMAND TO REPAY THE LOAN AMOUNT IMMEDIATELY FOR MISREPRESENTATION**

I/We may require you to repay the total loan amount immediately if I/we discover that a claim, statement, certification , or representation you made to me/us or an agreement you made with me/us in this mortgage, or when you applied for the mortgage, is not true.

If I/we require you repay the total loan amount because you are not meeting your obligations, we may also require that you pay any prepayment charge that applies to this mortgage.

## **MORTGAGE COMMITMENT**

### **TELEPHONE CALLS**

The mortgagor/s' understands and agrees that the mortgagee/s' and/or his/her/its solicitor and and/or his/her/its agent may tape any telephone calls to ensure quality service and to confirm mortgagor/s' and/or his/her/its solicitor/s' and and/or his/her/its agent/s' discussions with the mortgagee/s' and/or his/her/its solicitor and and/or his/her/its agent.

The discussions will only be legally binding on the mortgagor/s' and/or mortgagor/s' solicitor/agent. The mortgagor/s' further understand and agrees that the mortgagor/s' and/or his/her/its solicitor and and/or his/her/its agent may NOT tape/ record any phone calls of mortgagee/s' and/or his/her/its solicitor/s' and and/or his/her/its agent/s' for any reason under any circumstances unless explicitly permitted to do so via written instructions by the mortgagee/s' or/and mortgagor/s' agent or/and mortgagee/s' solicitor.

### **ENFORCEMENT ON PERSONAL PROPERTY IN CASE OF DEFAULT OR NON-COMPLIANCE OF OBLIGATIONS**

In case of default or non-compliance of obligations by the mortgagors, the mortgagee may enter the house/property and distrain(i.e. seize and sell) any personal property owned by you to repay all or part of the debt.

### **ENTITIES BOUND BY THIS MORTGAGE**

The mortgage is binding on you, your legal and personal representatives, your heirs, your successors and your assigns.

### **PARTIAL INVALIDITY**

If any provisions of the mortgage is found to be invalid or unenforceable, the validity and enforceability of all other provisions in the Mortgage will not be affected.

### **MAXIMUM RATE OF INTEREST**

If the interest rate exceeds the maximum rate permitted under Applicable Law, then, notwithstanding the terms of any Loan Document, the Interest Rate shall be deemed to be such maximum rate.

### **CHANGE IN MARITAL STATUS**

## **MORTGAGE COMMITMENT**

If the Chargor is not married at the time of execution of this Charge, but marries thereafter with the result that the property becomes a principal family residence or if the property becomes a principal family residence under applicable laws or by reason of the registration of a declaration of family residence or of a judicial award, the chargor agrees that he will forthwith notify the chargee of same and cause his spouse to subordinate to the rights of the Chargee all of such spouse's rights in the property as the principal family residence, by signing a written agreement in the form required by the chargee.

### **ASSIGNMENT OF MORTGAGE**

Mortgagor hereby agrees, acknowledges and covenants that mortgagor/s' have been advised by my/our lawyers that the mortgagee/s' and its/his/her solicitor may at any time after registration of this charge, may transfer or assign this charge to another party and for such assignment or transfer, mortgagor/s' may be required to provide payment by way of post-dated cheques or pre-authorized debit to the Assignee/ Transferee of this charge.

Mortgagor/s' further acknowledge that any such assignment or transfer of this charge does not require my/our (The Mortgagor/s') prior written consent.

### **LEGAL FEES FOR MORTGAGE/ CHARGE**

Lender's solicitor legal fees for mortgage transaction to be paid by the borrower.

Borrower's solicitor legal fees for mortgage transaction to be paid by the borrower.

### **HEADINGS:**

The headings herein are not to be considered part of this Charge/Mortgage and are included solely for the convenience of reference to be full or accurate descriptions of the contents of the paragraphs to which they relate.



The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 2

**Properties**

PIN 25007 - 0188 LT Interest/Estate Fee Simple  
 Description PT LT 29, CON 7 ESQ AS IN 470163 EXCEPT PT 1 ON 20R11397, EXCEPT PT 1 ON 20R11460; HALTON HILLS/ESQUESING  
 Address 13760 TRAFALGAR ROAD  
 HALTON HILLS

**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 2780785 ONTARIO INC.  
 Address for Service 191 WILLOW PARK DRIVE,  
 BRAMPTON, ON L6R 2M9  
 I, JAGTESHWAR SINGH BRAR, 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 PATEL, JITENDRA  
 Address for Service 35 ZIMMER ST, BRAMPTON, ON

**Provisions**

Principal \$500,000.00 Currency CDN  
 Calculation Period  
 Balance Due Date 2021/08/10  
 Interest Rate 12%  
 Payments \$5,000.00  
 Interest Adjustment Date 2021 02 10  
 Payment Date 10th of every month  
 First Payment Date 2021 03 10  
 Last Payment Date 2021 08 10  
 Standard Charge Terms 200033  
 Insurance Amount Full insurable value  
 Guarantor

**Additional Provisions**

The lender and borrower are known to each other and funds already been disbursed before the execution of the documents on feb.10, 2021. All the terms and conditions are subject to the signed commitment by the borrowers and lender. The borrowers and lender have refused to take independent LEGAL ADVICE as they acknowledge the pros and cons involved in the subject mortgage. Moreover, all the stakeholders in the subject property have relieved the registering person from unforeseen disputes and conflicts whatever and whenever occur in the subject transaction. Borrowers and lender acknowledge that the person registering the mortgage is not a lawyer but provide the title registration services under govt of ontario act c.34.

**Signed By**

Kapil Joshi 214-53 St. Regis Crescent acting for Signed 2021 02 26  
 North York Chargor(s)  
 M3J 1Y6  
 Tel 416-633-1400  
 Fax 416-633-1401

I have the authority to sign and register the document on behalf of the Chargor(s).

**Submitted By**

KAPIL JOSHI 214-53 St. Regis Crescent 2021 02 26  
 North York  
 M3J 1Y6  
 Tel 416-633-1400  
 Fax 416-633-1401

The applicant(s) hereby applies to the Land Registrar.

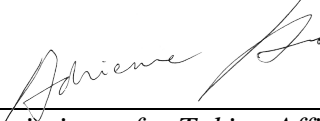
**Fees/Taxes/Payment**

Statutory Registration Fee	\$65.30
Total Paid	\$65.30

**File Number**

Chargor Client File Number :	REL-21-74
Chargee Client File Number :	REL-21-74

This is Exhibit "M" referred to in the Affidavit of Evgeniya Jens sworn before me at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.

A handwritten signature in black ink, appearing to read "Adreinne Ho", written in a cursive style.

---

*Commissioner for Taking Affidavits*

Adreinne Ho

The applicant(s) hereby applies to the Land Registrar.

**Properties**

*PIN* 25007 - 0188 LT  
*Description* PT LT 29, CON 7 ESQ AS IN 470163 EXCEPT PT 1 ON 20R11397, EXCEPT PT 1 ON 20R11460; HALTON HILLS/ESQUESING  
*Address* 13760 TRAFALGAR ROAD  
GEORGETOWN

**Party From(s)**

*Name* THE CORPORATION OF THE TOWN OF HALTON HILLS  
*Address for Service* 1 Halton Hills Drive  
Halton Hills ON L7G 5G2

This document is not authorized under Power of Attorney by this party.

This document is being authorized by a municipal corporation Joseph Vandermeer, CPA, CGA, Deputy Treasurer and Senior Manager of Accounting and Taxation..

**Statements**

Schedule: Tax Arrears Certificate, Municipal Act, 2001

On July 10, 2023, Joseph Vandermeer, CPA, CGA, the Deputy Treasurer and Senior Manager of Accounting and Taxation of The Corporation of the Town of Halton Hills hereby verifies that all or part of tax arrears in the amount of \$27,002.43 were owing on the 31st day of December, 2022 and at least part of such amount plus any additional real property taxes and costs are still owing to the municipality or board named above and that the land described in this certificate will be sold by public sale if the cancellation price is not paid within one-year following the date of the registration of the certificate.

Notice:

A.that the time period for paying the cancellation price may be extended if, before the expiry of the one-year period, the municipality or board enters into an extension agreement with any owner of the land, the spouse of any owner, any mortgagee, any tenant in occupation of the land or any person the treasurer is satisfied has an interest in the land.

B.that the cancellation price will be calculated as of the date that the amount of the tax arrears are paid to the municipality or board and may be higher than the amount set out in this certificate.

C.if there is no successful purchaser at the public sale, the land, upon registration of a notice of vesting, will vest in the municipality or board.

D.any inquiries relating to this matter may be directed to the municipality or board at the address shown above.

**Signed By**

Theresa Annette Piechatzek 350 Davis Drive, PO Box 95501 acting for Signed 2023 07 12  
Newmarket Party From(s)  
L3Y 2N6

Tel

Fax 905-853-5885

I have the authority to sign and register the document on behalf of the Party From(s).

**Submitted By**

REALTAX INC. 350 Davis Drive, PO Box 95501 2023 07 12  
Newmarket  
L3Y 2N6

Tel

Fax 905-853-5885

**Fees/Taxes/Payment**

*Statutory Registration Fee* \$69.00

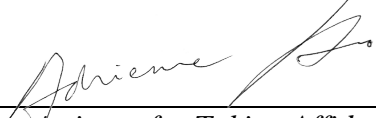
*Total Paid* \$69.00

**File Number**

*Party From Client File Number :* 24 15 070 005 22401 0000 HNHS23-31



This is Exhibit "N" referred to in the Affidavit of Evgeniya Jens sworn before me at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*  
Adreinne Ho



THE CORPORATION OF THE TOWN OF HALTON HILLS  
REVENUE AND TAXATION DEPARTMENT

Certificate No. 112152  
Date of Certificate Jan 10, 2024

TAX  
CERTIFICATE

1 Halton Hills Drive  
Georgetown (Halton Hills) ON L7G 5G2  
Phone: 905-873-2600 ext. 2622  
Fax: 905-873-2347  
Taxdepartment@haltonhills.ca

Issued To

Aird Berlis LLP  
181 BAY STREET,  
SUITE 1800,  
TORONTO, ON, M5J 2T9

Roll Number 2415 070 005 22401 0000  
Owners 2780785 ONTARIO INC  
13760 TRAFALGAR RD,  
GEORGETOWN, ON, L7G 4S4  
Civic Address 13760 TRAFALGAR RD  
HALTON HILLS  
Legal Description CON 7 PT LOT 29

Reference 315338  
Interest 1.25%

2024 Assessed Value

Property Class	Property Class Description	Value
E	Exempt	65,900.00
R-T	Residential - Taxable Full	1,208,100.00

Property is in the Tax Sale process.

Taxes Levied and Owning by Year as of the Date of This Certificate

Tax Year	Taxes Levied	Taxes Owning	Other Fees and Charges	Penalty/Interest	Total Owning
2024	\$0.00	\$0.00	\$6.00	\$0.00	\$6.00
2023	\$10,529.92	\$10,529.92	\$1,985.84	\$1,007.97	\$13,523.73
2022	\$10,098.55	\$10,098.55	\$60.00	\$2,485.34	\$12,643.89
2021	\$9,824.52	\$9,824.52	\$50.00	\$3,892.12	\$13,766.64
Prior Owning		\$2,447.90	\$35.00	\$1,175.04	\$3,657.94
<b>Total</b>	<b>\$30,452.99</b>	<b>\$32,900.89</b>	<b>\$2,136.84</b>	<b>\$8,560.47</b>	<b>\$43,598.20</b>

Local Improvements Assessed to This Property

Bylaw	Annual Amount	Expiry	Description	Status
None				

Billed in 2024 - Included Above

Bill Type	Bill Date	Tax Year	Effective Date	Installment Due Date	Amount
-----------	-----------	----------	----------------	----------------------	--------

Please note that other fees may apply as follows: Past Due Notice: \$5.00, Ownership Change \$35.00

Additional Information

I hereby certify this statement shows all arrears of taxes against the above lands as of the date of this certificate.

FOR TREASURER AND TAX COLLECTOR



**THE CORPORATION OF THE TOWN OF HALTON HILLS  
REVENUE AND TAXATION DEPARTMENT**

**Certificate No.** 112152  
**Date of Certificate** Jan 10, 2024

**TAX  
CERTIFICATE**

**Page 2 of 2**

1 Halton Hills Drive  
Georgetown (Halton Hills) ON L7G 5G2  
Phone: 905-873-2600 ext. 2622  
Fax: 905-873-2347  
Taxdepartment@haltonhills.ca

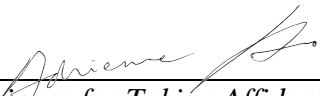
**TAX CLEARANCE CERTIFICATE - DISCLAIMER**

This statement is issued pursuant to Section 352 of the Municipal Act and is intended to show only the taxes levied for the current year and any unpaid taxes. After the date of this Certificate, the information shown may be affected by:

1. Tax Levy to date does not include subsequent supplementary taxes that may be levied and added under Section 33 and 34 of the Assessment Act, R.S.O. 1990, as amended, nor does it include adjustments that may be made under Section 357 and 358 of the Municipal Act, nor does it include adjustments that may be made under Section 39.1 and 40 of the Assessment Act.
2. This Certificate does not include any Arrears of Water or Hydro services to the property not added to the tax roll at this date.
3. Nor does it include any direct services to the property not added to the Tax Roll at this date, such as work orders involving weed-cutting charges, pump-outs, demolitions, clean-ups, snow removal etc.
4. Interest or penalty charges are calculated to the date of issue of this certificate. Payment after this date may be subject to further charges.
5. Application of tax payment if in arrears: where part payments of taxes due for any year are received after crediting the payment first on account of interest and penalty charges, the remainder is to be credited against those installments longest overdue.
6. These charges do not include Local Improvements which are proposed for which construction has not commenced or local improvements which have been constructed but not levied.
7. The information on this certificate is based on cheques tendered being honored at the bank.

Town of Halton Hills  
1 Halton Hills Drive  
Halton Hills (Georgetown) ON L7G 5G2

This is Exhibit "O" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*  
Adreinne Ho

**RBC Royal Bank**

**RBC Royal Bank**  
P.O. Box 4525 Station A  
Toronto, ON M5W 1A2

April 14 2023

**PERSONAL AND CONFIDENTIAL**

Sardara Transport Inc.  
191 Willow Park Dr  
Brampton Ontario  
L6R 2M9

Attention: Jagteshwar S Brar

Dear Mr. J. Brar

**Re: Termination of Banking Relationship**

As a federally regulated financial institution, RBC is required by law to comply with applicable legislation. These laws require that we implement certain processes and procedures which directly support the formulation of RBC's positions with respect to risk. After careful consideration, we regretfully advise you that the recent activity in your accounts is outside of RBC's client risk appetite, and consequently we are no longer in a position to continue our banking relationship with you.

We recognize that you will need to seek an alternate financial institution to support your banking needs and we ask you to do so no later than **July 13 2023** (the "Termination Date").

In order to assist you with the transition, we have prepared a helpful Summary of Accounts (attached) and Appendix A (attached), which can be referred to, as well as applicable product, service and cardholder agreements, and disclosures for details specific to the products referenced in this letter. **If any of your accounts are subject to a legal demand or restraint**, RBC will close those accounts at the earliest opportunity it is legally permitted to do so, on or after the Termination Date.

Upon termination of your activities with the Royal Bank of Canada, the CEBA VISA you currently hold # **4514050000365094** will remain active until paid in full, once paid the CEBA VISA will be closed. The statements for this account will be converted to paper. We will continue to honor the CRA agreement you currently hold.

*If you have electronic recordkeeping, please print and / or save to your hard-drive, the archived statement copies you will need going forward. Once your client card is cancelled, you will no longer have electronic access to our archived recordkeeping. Should you require statement reprints in the future, there will be a service charge to have them produced and sent out to you.*

Should you have any questions, you may address your concerns to RBC Royal Bank's Advice Centre. They can be contacted by calling 1-800-769-2511 or visiting the RBC Branch nearest you.

Account Services  
RBC Royal Bank


**RBC Royal Bank**
**RBC Royal Bank**  
 P.O. Box 4525 Station A  
 Toronto, ON M5W 1A2

## Summary of Accounts

### Chequing / Savings Account(s)

Product	Account #	Restricted Access
Deposit Account	01822 1034941	No

### Investment(s)

Product	Account #	Account Balance*	Maturity Date
Investment Account	-	\$-	
Guaranteed Investment Certificate	-	\$-	-

### Credit Product(s)

Product	Account #	Restricted Access	Account Balance*	Maturity Date
RBC Royal Bank® Credit Card	4514050000365094 4516070014554820	No	\$ 60,000.00 \$ 0.00	
Royal Credit Line®	07512 38262284 002	No	\$ 2,509,357.09	
Royal Bank Mortgage	-		\$-	-
Business Loan	07512 38262284 001		\$ 85,147.77	Jun 27, 2024

### Additional Service

Product	Account #
Safe Deposit Box	-

**\*Note:** The above balances are as of **April 14 2023** and are subject to change.



**RBC Royal Bank**

**RBC Royal Bank**  
P.O. Box 4525 Station A  
Toronto, ON M5W 1A2

## **APPENDIX A**

### **Chequing/Savings Accounts:**

#### **Deposit Account(s) (your “Accounts”):**

On the Termination Date your Accounts will be closed. If at that time, you have a negative balance in your accounts, then you will be contacted to make repayment arrangements. If you have remaining balances, it will be sent to you in the form of bank drafts. However, there are instances when the remaining balances will not be forwarded to you upon Termination Date. Instances such as, but are not limited to an undeliverable address, an address outside of Canada, or a combined balance that exceeds \$5,000 CAD/USD. Please contact your home branch in order to make arrangements.

Between the date of this letter and the Termination Date, your Accounts will accept bank drafts, certified cheques, cash or any deposits to the Accounts that represent cleared funds. Items presented to us for payment or preauthorized credits or debits will only be processed up to the Termination Date or the account closure date, should you request that the Accounts be closed prior to the Termination Date. You are responsible to provide your new account details to the parties that process preauthorized credits or debits for you. Please note that any deviation or non-compliance with the foregoing may trigger the immediate closure of the Accounts.

#### **Restricted Access - Deposit Accounts (effective immediately):**

- Any authorized overdraft protection on your accounts has been removed
- We will not process any items presented to us for payment or allow pre-authorized debits
- Deposit instruments (other than bank drafts, certified cheques, cash or any deposits to the Accounts that represent cleared funds) will not be accepted, nor will any instructions to transfer funds from the Accounts (except in the context of a full transfer to another financial institution, as mentioned above)
- Your RBC Client Card may already/will be cancelled

### **Investments:**

Any Investment Account that has a zero balance will be closed as of today's date.

#### i) **Non-Registered Investment(s) (your “Accounts”):**

Your Accounts will remain with RBC until you close your Accounts or transfer your Accounts to your new financial institution. You must make arrangements with your new carrier who will initiate the transfer on your behalf. Further, please be advised that you will not be able to make additional investments to your investment portfolios in the Accounts.

#### ii) **Guaranteed Investment Certificate(s) (your “GICs”):**

We require you to redeem your GICs or transfer your GICs to another financial institution. Any offers you may have received to renew the GICs are hereby revoked. Similarly, any offers to renew the GICs received after the date of this letter should also be disregarded.



**RBC Royal Bank**

**RBC Royal Bank**  
P.O. Box 4525 Station A  
Toronto, ON M5W 1A2

**(a) Non-redeemable GICs:**

At maturity, we require you to redeem your GICs or transfer your GICs to another financial institution.

**Credit Products:**

**Payments**

If your pre-authorized payments for the Royal Bank Credit Products are coming from a RBC account that will be closed as mentioned under “Summary of Accounts”, please attend a RBC Branch to make appropriate arrangements to ensure your continued payments.

Note that any Royal Bank Credit Products that have Interest-Only Payments must transition into a payment schedule such as Blended/Principal plus Interest Payments.

i) **RBC Royal Bank® Credit Cards (your “Credit Card Accounts”):**

As of the Termination Date, no further credit will be extended on your Credit Card Accounts and we will no longer process any pre-authorized debits/credits on your cards. If there are outstanding balances (including any accrued interest) on your Credit Card Accounts that are not paid by the Termination Date, your payment obligations will remain unchanged to keep the Credit Card Accounts in good standing.

If you have outstanding RBC Rewards Points from your Credit Cards we recommend you make arrangements to redeem them as soon as possible. As per the terms and conditions of the RBC Rewards Program; Points that have not been redeemed as of three hundred and sixty five (365) days after the Account is closed will automatically be cancelled and may not subsequently be redeemed, consolidated, converted, exchanged, combined, transferred or rolled-up.

**RBC Cash Back**

If you have outstanding RBC Cash Back from your Credit Cards:

**a) For Business Accounts (Defined as: RBC Business Cash Back Mastercard account.)**

Upon the closure of a Business Account for any other reason, voluntarily or involuntarily, the Business Applicant’s participation in the Program terminates and the Cash Back Reward, representing the New Cash Back Balance at the time of Account closure, is credited to your Account prior to the Account closure, provided the Business Account is in Good Standing and the New Cash Back Balance is \$25.00 or greater at the time of the Account’s closure.

**b) For Commercial Accounts (Defined as: RBC Commercial Cash Back Visa account)**

Upon the closure of a Commercial Account for any reason, voluntarily or involuntarily, the Commercial Applicant’s participation in the Program terminates and the Cash Back Reward, representing the New Cash Back Balance at the time of Account closure, is credited to your Account or your Business Deposit Account,





**RBC Royal Bank**

**RBC Royal Bank**  
P.O. Box 4525 Station A  
Toronto, ON M5W 1A2

as the case may be, prior to the Account closure, provided the Commercial Account is in Good Standing and the New Cash Back Balance is \$25.00 or greater at the time of Account closure.

**Restricted Access - RBC Royal Bank® Credit Cards (effective immediately):**

- No further credit will be extended on your Credit Card accounts
- We will no longer process any pre-authorized debits/credits on your cards

ii) **Royal Credit Line(s)® (your “Credit Line Accounts”):**

Five days from the date of this letter, you will no longer have access to credit under the Credit Line Accounts. If all amounts due and owing under the Credit Line Accounts are not paid in full by the Termination Date, your payment obligations will remain unchanged to keep the credit lines in good standing.

**Restricted Access - Royal Credit Lines® (effective immediately):**

- No further credit will be extended on your Credit Line accounts

iii) **Royal Bank Mortgage(s) (your “Loans”):**

Your Loans will remain with RBC until their respective Maturity Dates provided that you are not in default under the Loans. Until the Maturity Dates, all of your payment obligations and all other terms and conditions of the Loans will be governed in accordance with the credit agreements entered into between you and RBC as same may be further amended, restated or otherwise modified from time to time.

Please note that RBC will not be in a position to renew your Loans after the Maturity Date. Any offers you may have received from RBC to renew the Loans are hereby revoked and similarly any offers to renew the Mortgages received after the date of this letter should also be disregarded.

iv) **Business Loan(s) (your “Loans”):**

**(a) Business Loan(s) with Maturity Date(s):**

Your Loans will remain with RBC until their respective Maturity Dates provided that you are not in default under the Loans. Until the Maturity Dates, all of your payment obligations and all other terms and conditions of the Loans will be governed in accordance with the credit agreements entered into between you and RBC as same may be further amended, restated or otherwise modified from time to time.

Please note that RBC will not be in a position to renew your Loans after the Maturity Date. Any offers you may have received from RBC to renew the Loans are hereby revoked and similarly any offers to renew the Mortgages received after the date of this letter should also be disregarded.



**RBC Royal Bank**

**RBC Royal Bank**  
P.O. Box 4525 Station A  
Toronto, ON M5W 1A2

**(b) Business Loan(s) without Maturity Date(s):**

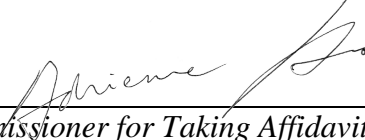
If all amounts due and owing under the Loan are not paid in full by the Termination Date, your payment obligations will remain unchanged to keep the loan in good standing.

**Additional Service**

**Safe Deposit Box(es) (your “Safe Deposit Boxes”):**

We ask that you attend your branch prior to the Termination Date to remove your items from the Safe Deposit Boxes, and return the two keys in your possession. Please note that if the contents of the Safe Deposit Boxes are not removed and the keys are not returned by the Termination Date, under section 4 of the Safe Deposit Box Lease Agreement, your branch is authorized to open your Safe Deposit boxes and hold its contents.

This is Exhibit "P" referred to in the Affidavit of Evgeniya Jens sworn before me at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.

A handwritten signature in cursive script, appearing to read "Adreinne Ho", is written above a horizontal line.

*Commissioner for Taking Affidavits*

Adreinne Ho

---

**From:** Christine Doyle on behalf of Sanjeev Mitra  
**Sent:** January 5, 2024 5:06 PM  
**To:** brarcpa@gmail.com  
**Cc:** Sanjeev Mitra; Jeremy Nemers; Cristian Delfino  
**Subject:** Royal Bank of Canada Loans to Sardara Transport Inc., 2780785 Ontario Inc. and Payless Tyres Centre Inc.  
**Attachments:** Demand Package - 278 (Borrower\_Guarantor).pdf; Demand Package - Payless (Borrower).pdf; Demand Package - Sardara (Borrower\_Guarantor).pdf; Demand Letter - Brar (Guarantor).pdf

Good afternoon,

Please see the attached letters as of today's date.

Thank you,

**Sanjeev Mitra**, B.Sc., LL.B.

T 416.865.3085  
F 416.863.1515  
E [smitra@airdberlis.com](mailto:smitra@airdberlis.com)

**Aird & Berlis LLP** | Lawyers  
Brookfield Place, 181 Bay Street, Suite 1800  
Toronto, Canada M5J 2T9 | [airdberlis.com](http://airdberlis.com)



This email is intended only for the individual or entity named in the message. Please let us know if you have received this email in error. If you did receive this email in error, the information in this email may be confidential and must not be disclosed to anyone.



Sanjeev P.R. Mitra  
 Direct: 416.865.3085  
 E-mail: [smitra@airdberlis.com](mailto:smitra@airdberlis.com)

January 5, 2024

DELIVERED BY REGULAR MAIL, REGISTERED MAIL AND EMAIL ([brarcpa@gmail.com](mailto:brarcpa@gmail.com))

**Jagteshwar Singh Brar**  
 191 Willow Park Drive  
 Brampton, ON L6R 2M9

**Re: Certain indebtedness of Sardara Transport Inc. (“Sardara”), 2780785 Ontario Inc. (“278”) and Payless Tyres Centre Inc. (“Payless”) to Royal Bank of Canada (“RBC”)**

---

We are the lawyers for RBC in connection with its lending arrangements with Sardara, 278 and Payless.

Sardara is indebted to RBC with respect to certain credit facilities (the “**Sardara Credit Facilities**”), including, without limitation, those made available by RBC to Sardara pursuant to and under the terms of the credit agreement between RBC and Sardara dated June 10, 2021 and amended September 22, 2022 (the “**Sardara Credit Agreement**”). You personally guaranteed Sardara’s obligations to RBC, including, without limitation, those under the Sardara Credit Agreement, pursuant to the written guarantee and postponement of claim dated September 27, 2022 (the “**Sardara Guarantee**”). The Sardara Guarantee is limited to the principal amount of \$2,500,000 plus interest from the date of demand.

278 is indebted to RBC with respect to certain credit facilities (the “**278 Credit Facilities**”) made available by RBC to 278 pursuant to and under the terms of the credit agreement between RBC and 278 dated September 13, 2022 (the “**278 Credit Agreement**”). You personally guaranteed 278’s obligations to RBC, including, without limitation, those under the 278 Credit Agreement, pursuant to the written guarantee and postponement of claim dated October 14, 2020 (the “**278 Guarantee**”). The 278 Guarantee is limited to the principal amount of \$850,000 plus interest from the date of demand.

Payless is indebted to RBC with respect to certain credit facilities (the “**Payless Credit Facilities**”) and, together with the Sardara Credit Facilities and the 278 Credit Facilities, the “**Credit Facilities**”), including, without limitation, those made available by RBC to Payless pursuant to and under the terms of the credit agreement between RBC and Payless dated October 1, 2021 (the “**Payless Credit Agreement**” and, together with the Sardara Credit Agreement and the 278 Credit Agreement, the “**Credit Agreements**”). You personally guaranteed Payless’ obligations to RBC, including, without limitation, those under the Payless Credit Agreement, pursuant to the written guarantee and postponement of claim dated July 27, 2020 (the “**Payless Guarantee**” and, together with the Sardara Guarantee and the 278 Guarantee, the “**Personal Guarantees**”). The Payless Guarantee is limited to the principal amount of \$585,324 plus interest from the date of demand.

Certain of the Credit Facilities are payable on demand. One or more Event of Default (as defined in the Credit Agreements) has also occurred.

As of January 5, 2024, the following amounts are due and owing to RBC for principal and interest pursuant to the Credit Facilities made available under the Credit Agreements:

Facilities under the Sardara Credit Agreement (guaranteed by you up to the limited principal amount referenced above plus interest from the date of demand)

Demand facility \$2,596,517.86

Term facility 58,074.57

Facility under the 278 Credit Agreement (guaranteed by you up to the limited principal amount referenced above plus interest from the date of demand)

1,782,169.85

Facilities under the Payless Credit Agreement (guaranteed by you)

Demand facility 200,434.47

Term facility 64,888.27

\$4,702,085.02

On behalf of RBC, and without in any way prejudicing RBC from demanding any other amount properly owing to it, we hereby make formal demand for payment of **\$3,615,322.74** plus accruing interest and any and all costs and expenses (including, without limitation, any legal and other professional fees) incurred by RBC to the date of indefeasible repayment of all amounts owed to RBC pursuant to the Personal Guarantees (collectively, the "**Indebtedness**"). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rates established by the Credit Agreements, the Personal Guarantees and any other agreement, as applicable.

If payment of the Indebtedness is not received immediately, RBC shall take whatever steps it may consider necessary or appropriate to collect and recover the amounts owing to it, including, without limitation, the commencement of civil legal proceedings against you personally, in which case RBC will also be seeking all costs incurred in doing so.

Please govern yourself accordingly.

Yours truly,

**AIRD & BERLIS LLP**

Per

Sanjeev P.R. Mitra  
SPRM/jn





Sanjeev P.R. Mitra  
 Direct: 416.865.3085  
 E-mail: [smitra@airdberlis.com](mailto:smitra@airdberlis.com)

January 5, 2024

DELIVERED BY REGULAR MAIL, REGISTERED MAIL AND EMAIL ([brarcpa@gmail.com](mailto:brarcpa@gmail.com))

**2780785 Ontario Inc.**  
 191 Willow Park Drive  
 Brampton, ON L6R 2M9

**Attention:** Jagteshwar Singh Brar, Director

**Re: Certain indebtedness of 2780785 Ontario Inc. (the “Debtor”) to Royal Bank of Canada (“RBC”)**

---

We are the lawyers for RBC in connection with its lending arrangements with the Debtor and Sardara Transport Inc. (“**Sardara**”).

The Debtor is indebted to RBC with respect to certain credit facilities (the “**278 Credit Facilities**”) made available by RBC to the Debtor pursuant to and under the terms of the credit agreement between RBC and the Debtor dated September 13, 2022 (the “**278 Credit Agreement**”).

Sardara is also indebted to RBC with respect to certain additional credit facilities, including, without limitation, those made available by RBC to Sardara pursuant to and under the terms of the credit agreement between RBC and Sardara dated June 10, 2021 and amended September 22, 2022 (the “**Sardara Credit Agreement**” and, together with the 278 Credit Agreement, the “**Credit Agreements**”). The Debtor guaranteed Sardara’s obligations to RBC, including, without limitation, those under the Sardara Credit Agreement (together with the 278 Credit Facilities, the “**Credit Facilities**”), pursuant to the written guarantee and postponement of claim dated September 27, 2022 (the “**Guarantee**”). The Guarantee is limited to the principal amount of \$2,500,000 plus interest from the date of demand.

Certain of the Credit Facilities are payable on demand. One or more Event of Default (as defined in the Credit Agreements) has also occurred.

As of January 5, 2024, the following amounts are due and owing to RBC for principal and interest pursuant to the Credit Facilities made available under the Credit Agreements:

Facility under the 278 Credit Agreement	1,782,169.85
Facilities under the Sardara Credit Agreement (guaranteed by 278 up to the limited principal amount referenced above plus interest from the date of demand)	
Demand facility	\$2,596,517.86
Term facility	58,074.57
	<b>\$4,436,762.28</b>

On behalf of RBC, and without in any way prejudicing RBC from demanding any other amount properly owing to it, we hereby make formal demand for payment of **\$4,282,169.85** plus accruing interest and any and all costs and expenses (including, without limitation, any legal and other professional fees) incurred by RBC to the date of indefeasible repayment of all amounts owed to



RBC pursuant to the 278 Credit Agreement and the Guarantee (collectively, the “**Indebtedness**”). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rates established by the Credit Agreements, the Guarantee and any other agreement, as applicable.

The Indebtedness is secured by, *inter alia*: (i) the general security agreement October 15, 2020; and (ii) the charge/mortgage in respect of the real property known municipally as 13760 Trafalgar Road, Halton Hills, ON and legally described in PIN 25007-0188 (LT) (the “**Real Property**”), both granted by the Debtor in favour of RBC, which grants RBC, amongst other things, a security interest in any and all of the Debtor’s property, assets and undertakings.

If payment of the Indebtedness is not received immediately, RBC shall take whatever steps it may consider necessary or appropriate to collect and recover the amounts owing to it, including, without limitation: (i) the commencement of civil legal proceedings against the Debtor; and/or (ii) the appointment of an interim receiver, receiver and/or receiver and manager of the Debtor and/or the Real Property, in which case RBC will also be seeking all costs incurred in doing so.

On behalf of RBC, we hereby enclose a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA Notice**”).

RBC hereby reserves its rights to initiate proceedings within the ten (10) day period set out in the BIA Notice, if circumstances warrant such proceedings.

Please govern yourself accordingly.

Yours truly,

**AIRD & BERLIS LLP**

Per 

Sanjeev P.R. Mitra  
SPRM/jn

Encl.

**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**(Bankruptcy and Insolvency Act, Subsection 244(1))**

DELIVERED BY REGULAR MAIL, REGISTERED MAIL AND EMAIL  
[brarcpa@gmail.com](mailto:brarcpa@gmail.com)

TO: **2780785 Ontario Inc.**  
 191 Willow Park Drive  
 Brampton, ON L6R 2M9

*insolvent company / person*

**TAKE NOTICE** that:

1. Royal Bank of Canada (“**RBC**”), a secured creditor, intends to enforce its security on the property, assets and undertakings of 2780785 Ontario Inc. (the “**Debtor**”), including, without limiting the generality of the foregoing, all the equipment, accounts, proceeds, books and records, inventory and all other personal property and real property of the Debtor.
2. The security that is to be enforced (the “**Security**”) is in the form of, *inter alia*: (i) the general security agreement October 15, 2020; and (ii) the charge/mortgage in respect of the real property known municipally as 13760 Trafalgar Road, Halton Hills, ON and legally described in PIN 25007-0188 (LT), both granted by the Debtor in favour of RBC, which grants RBC, amongst other things, a security interest in any and all of the Debtor’s property, assets and undertakings.
3. As at January 5, 2024, the total amount of the indebtedness secured by the Security is the sum of **\$4,282,169.85** in principal and interest, plus accruing interest and recovery costs and fees of RBC (including, without limitation, RBC’s legal and other professional fees).
4. RBC will not have the right to enforce the Security until after the expiry of the ten (10) day period after this notice is sent, unless the Debtor consents to an earlier enforcement.

**DATED** at Toronto this 5th day of January, 2024.

**ROYAL BANK OF CANADA**  
 by its lawyers, **Aird & Berlis LLP**



Per: \_\_\_\_\_

Sanjeev P.R. Mitra  
 Brookfield Place, Suite 1800  
 181 Bay Street, Box 754  
 Toronto, ON M5J 2T9  
 Tel: 416-863-1500  
 Fax: 416-863-1515

**Note:** This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.





Sanjeev P.R. Mitra  
 Direct: 416.865.3085  
 E-mail: [smitra@airdberlis.com](mailto:smitra@airdberlis.com)

January 5, 2024

DELIVERED BY REGULAR MAIL, REGISTERED MAIL AND EMAIL ([brarcpa@gmail.com](mailto:brarcpa@gmail.com))

**Payless Tyres Centre Inc.**

191 Willow Park Drive  
 Brampton, ON L6R 2M9

**Attention:** Jagteshwar Singh Brar, Director

**Re: Certain indebtedness of Payless Tyres Centre Inc. (the “Debtor”) to Royal Bank of Canada (“RBC”)**

---

We are the lawyers for RBC in connection with its lending arrangements with the Debtor.

The Debtor is indebted to RBC with respect to certain credit facilities (the “**Credit Facilities**”) made available by RBC to the Debtor pursuant to and under the terms of the credit agreement between RBC and the Debtor dated October 1, 2021 (the “**Credit Agreement**”).

Certain of the Credit Facilities are payable on demand. One or more Event of Default (as defined in the Credit Agreements) has also occurred.

As of January 5, 2024, the following amounts are due and owing to RBC for principal and interest pursuant to the Credit Facilities made available under the Credit Agreement:

Demand facility under the Credit Agreement	\$200,434.47
Term facility under the Credit Agreement	64,888.27
	<u>\$265,322.74</u>

On behalf of RBC, and without in any way prejudicing RBC from demanding any other amount properly owing to it, we hereby make formal demand for payment of **\$265,322.74** plus accruing interest and any and all costs and expenses (including, without limitation, any legal and other professional fees) incurred by RBC to the date of indefeasible repayment of all amounts owed to RBC pursuant to the Credit Agreement (collectively, the “**Indebtedness**”). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rates established by the Credit Agreement and any other agreement, as applicable.

The Indebtedness is secured by, *inter alia*, the general security agreement dated July 27, 2020, granted by the Debtor in favour of RBC, which grants RBC, amongst other things, a security interest in any and all of the Debtor’s property, assets and undertakings.

If payment of the Indebtedness is not received immediately, RBC shall take whatever steps it may consider necessary or appropriate to collect and recover the amounts owing to it, including, without limitation: (i) the commencement of civil legal proceedings against the Debtor; and/or (ii) the appointment of an interim receiver, receiver and/or receiver and manager of the Debtor, in which case RBC will also be seeking all costs incurred in doing so.

On behalf of RBC, we hereby enclose a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA Notice**”).

RBC hereby reserves its rights to initiate proceedings within the ten (10) day period set out in the BIA Notice, if circumstances warrant such proceedings.

Please govern yourself accordingly.

Yours truly,

**AIRD & BERLIS LLP**

Per 

Sanjeev P.R. Mitra  
SPRM/jn

Encl.

**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**(Bankruptcy and Insolvency Act, Subsection 244(1))**

DELIVERED BY REGULAR MAIL, REGISTERED MAIL AND EMAIL  
[brarcpa@gmail.com](mailto:brarcpa@gmail.com)

TO: **Payless Tyres Centre Inc.**  
 191 Willow Park Drive  
 Brampton, ON L6R 2M9

*insolvent company / person*

**TAKE NOTICE** that:

1. Royal Bank of Canada (“**RBC**”), a secured creditor, intends to enforce its security on the property, assets and undertakings of Payless Tyres Centre Inc. (the “**Debtor**”), including, without limiting the generality of the foregoing, all the equipment, accounts, proceeds, books and records, inventory and all other personal property of the Debtor.
2. The security that is to be enforced (the “**Security**”) is in the form of, *inter alia*, the general security agreement dated July 27, 2020, granted by the Debtor in favour of RBC, which grants RBC, amongst other things, a security interest in any and all of the Debtor’s property, assets and undertakings.
3. As at January 5, 2024, the total amount of the indebtedness secured by the Security is the sum of **\$265,322.74** in principal and interest, plus accruing interest and recovery costs and fees of RBC (including, without limitation, RBC’s legal and other professional fees).
4. RBC will not have the right to enforce the Security until after the expiry of the ten (10) day period after this notice is sent, unless the Debtor consents to an earlier enforcement.

**DATED** at Toronto this 5th day of January, 2024.

**ROYAL BANK OF CANADA**  
 by its lawyers, **Aird & Berlis LLP**



Per: \_\_\_\_\_

Sanjeev P.R. Mitra  
 Brookfield Place, Suite 1800  
 181 Bay Street, Box 754  
 Toronto, ON M5J 2T9  
 Tel: 416-863-1500  
 Fax: 416-863-1515

**Note:** This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.





Sanjeev P.R. Mitra  
 Direct: 416.865.3085  
 E-mail: [smitra@airdberlis.com](mailto:smitra@airdberlis.com)

January 5, 2024

DELIVERED BY REGULAR MAIL, REGISTERED MAIL AND EMAIL ([brarcpa@gmail.com](mailto:brarcpa@gmail.com))

**Sardara Transport Inc.**  
 191 Willow Park Drive  
 Brampton, ON L6R 2M9

**Attention:** Jagteshwar Singh Brar, Director & President

**Re: Certain indebtedness of Sardara Transport Inc. (the “Debtor”) to Royal Bank of Canada (“RBC”)**

---

We are the lawyers for RBC in connection with its lending arrangements with the Debtor and 2780785 Ontario Inc. (“278”).

The Debtor is indebted to RBC with respect to certain credit facilities (the “**Sardara Credit Facilities**”) made available by RBC to the Debtor pursuant to and under the terms of the credit agreement between RBC and the Debtor dated June 10, 2021 and amended September 22, 2022 (the “**Sardara Credit Agreement**”).

278 is also indebted to RBC with respect to certain additional credit facilities, including, without limitation, those made available by RBC to 278 pursuant to and under the terms of the credit agreement between RBC and 278 dated September 13, 2022 (the “**278 Credit Agreement**” and, together with the Sardara Credit Agreement, the “**Credit Agreements**”). The Debtor guaranteed 278’s obligations to RBC, including, without limitation, those under the 278 Credit Agreement (together with the Sardara Credit Facilities, the “**Credit Facilities**”), pursuant to the written guarantee and postponement of claim dated October 14, 2020 (the “**Guarantee**”). The Guarantee is limited to the principal amount of \$1,900,000 plus interest from the date of demand.

Certain of the Credit Facilities are payable on demand. One or more Event of Default (as defined in the Credit Agreements) has also occurred.

As of January 5, 2024, the following amounts are due and owing to RBC for principal and interest pursuant to the Credit Facilities made available under the Credit Agreements:

Demand facility under the Sardara Credit Agreement	\$2,596,517.86
Term facility under the Sardara Credit Agreement	58,074.57
Facility under the 278 Credit Agreement (guaranteed by the Debtor)	1,782,169.85
	<b>\$4,436,762.28</b>

On behalf of RBC, and without in any way prejudicing RBC from demanding any other amount properly owing to it, we hereby make formal demand for payment of **\$4,436,762.28** plus accruing interest and any and all costs and expenses (including, without limitation, any legal and other professional fees) incurred by RBC to the date of indefeasible repayment of all amounts owed to RBC pursuant to the Sardara Credit Agreement and the Guarantee (collectively, the “**Indebtedness**”). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rates established by the Credit Agreements, the Guarantee and any other agreement, as applicable.



The Indebtedness is secured by, *inter alia*: (i) the general security agreement dated June 21, 2019; and (ii) the security agreement (chattel mortgage) dated June 21, 2019, both granted by the Debtor in favour of RBC, which grants RBC, amongst other things, a security interest in any and all of the Debtor's property, assets and undertakings.

If payment of the Indebtedness is not received immediately, RBC shall take whatever steps it may consider necessary or appropriate to collect and recover the amounts owing to it, including, without limitation: (i) the commencement of civil legal proceedings against the Debtor; and/or (ii) the appointment of an interim receiver, receiver and/or receiver and manager of the Debtor, in which case RBC will also be seeking all costs incurred in doing so.

On behalf of RBC, we hereby enclose a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA Notice**").

RBC hereby reserves its rights to initiate proceedings within the ten (10) day period set out in the BIA Notice, if circumstances warrant such proceedings.

Please govern yourself accordingly.

Yours truly,

**AIRD & BERLIS LLP**

Per 

Sanjeev P.R. Mitra  
SPRM/jn

Encl.

**NOTICE OF INTENTION TO ENFORCE SECURITY**  
**(Bankruptcy and Insolvency Act, Subsection 244(1))**

DELIVERED BY REGULAR MAIL, REGISTERED MAIL AND EMAIL  
[brarcpa@gmail.com](mailto:brarcpa@gmail.com)

TO: **Sardara Transport Inc.**  
 191 Willow Park Drive  
 Brampton, ON L6R 2M9

*insolvent company / person*

**TAKE NOTICE** that:

1. Royal Bank of Canada (“**RBC**”), a secured creditor, intends to enforce its security on the property, assets and undertakings of Sardara Transport Inc. (the “**Debtor**”), including, without limiting the generality of the foregoing, all the equipment, accounts, proceeds, books and records, inventory and all other personal property of the Debtor.
2. The security that is to be enforced (the “**Security**”) is in the form of, *inter alia*: (i) the general security agreement dated June 21, 2019; and (ii) the security agreement (chattel mortgage) dated June 21, 2019, both granted by the Debtor in favour of RBC, which grant RBC, amongst other things, a security interest in any and all of the Debtor’s property, assets and undertakings.
3. As at January 5, 2024, the total amount of the indebtedness secured by the Security is the sum of **\$4,436,762.28** in principal and interest, plus accruing interest and recovery costs and fees of RBC (including, without limitation, RBC’s legal and other professional fees).
4. RBC will not have the right to enforce the Security until after the expiry of the ten (10) day period after this notice is sent, unless the Debtor consents to an earlier enforcement.

**DATED** at Toronto this 5th day of January, 2024.

**ROYAL BANK OF CANADA**  
 by its lawyers, **Aird & Berlis LLP**

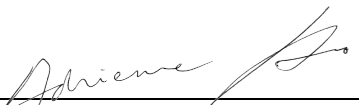


Per: \_\_\_\_\_

Sanjeev P.R. Mitra  
 Brookfield Place, Suite 1800  
 181 Bay Street, Box 754  
 Toronto, ON M5J 2T9  
 Tel: 416-863-1500  
 Fax: 416-863-1515

**Note:** This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.

This is Exhibit "Q" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*  
Adreinne Ho

---

**From:** Khaneja Law <Info@khanejalaw.ca>  
**Sent:** January 26, 2024 1:02 PM  
**To:** Jeremy Nemers  
**Cc:** Jens, Zhenya; brarcpa@gmail.com; Sanjeev Mitra; Adrienne Ho  
**Subject:** RE: 13760 Trafalgar Rd, Halton Hills

**This message needs your attention**

• You've never replied to this person.

Report this Email or Mark as Safe

Good After Noon,

Your email has been forwarded to our client and we will reply once information is received from client .

Thanks

Please note our new email address [info@khanejalaw.ca](mailto:info@khanejalaw.ca)

Vijay Khaneja  
Barrister,Solicitor&Notary Public  
1315 Derry Road East, Unit 3,  
Mississauga,ON L5T 1B6  
Tel : 905-565-1714  
Fax: 905-565-1715, 905-799-1428

This e-mail, and any attachments it may contain, may be protected by the solicitor/client privilege and contains confidential information intended only for the person(s) to whom it is addressed. Any unauthorized disclosure, copying, other distribution of this communication or taking any action on its contents is strictly prohibited. If you have received this message in error, please notify me immediately at: [info@khanejalaw.ca](mailto:info@khanejalaw.ca) or by fax to +1 (905)-565-1715 or +1(905) 799-1428 and delete this message without reading, copying or forwarding it to anyone. Thank you for your cooperation.

---

**From:** Jeremy Nemers <jnemers@airdberlis.com>  
**Sent:** Friday, January 26, 2024 11:09 AM  
**To:** Khaneja Law <Info@khanejalaw.ca>  
**Cc:** Jens, Zhenya <zhenya.jens@rbc.com>; brarcpa@gmail.com; Sanjeev Mitra <smitra@airdberlis.com>; Adrienne Ho <aho@airdberlis.com>  
**Subject:** Re: 13760 Trafalgar Rd, Halton Hills

Counsel, we have not heard from you. Once again, can you please advise of the reason for the two week closing delay and provide satisfactory evidence supporting same? Can you please also advise, and provide evidence supporting, where the closing funds are presently located (and that they are sufficient to satisfy all the obligations owing to RBC and any other applicable encumbrances, if any, ranking in priority thereto)?

Absent a satisfactory response by the close of business today, we have instructions to proceed with enforcement steps.

Thank you,

Jeremy

**Jeremy Nemers** (he/him)

T 416.865.7724

E [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

**Aird & Berlis LLP**

This email is intended only for the individual or entity named in the message. Please let us know if you have received this email in error. If you did receive this email in error, the information in this email may be confidential and must not be disclosed to anyone.

---

**From:** Jeremy Nemers <[jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)>  
**Sent:** Thursday, January 25, 2024 10:38 AM  
**To:** Khaneja Law  
**Cc:** Jens, Zhenya; [brarcpa@gmail.com](mailto:brarcpa@gmail.com); Sanjeev Mitra; Adrienne Ho  
**Subject:** Re: 13760 Trafalgar Rd, Halton Hills

Can you please advise of, and provide evidence for, the reason for the delay?

**Jeremy Nemers** (he/him)

T 416.865.7724

E [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

**Aird & Berlis LLP**

This email is intended only for the individual or entity named in the message. Please let us know if you have received this email in error. If you did receive this email in error, the information in this email may be confidential and must not be disclosed to anyone.

---

**From:** Khaneja Law <[Info@khanejalaw.ca](mailto:Info@khanejalaw.ca)>  
**Sent:** Thursday, January 25, 2024 10:26 AM  
**To:** Jeremy Nemers  
**Cc:** Jens, Zhenya; [brarcpa@gmail.com](mailto:brarcpa@gmail.com); Sanjeev Mitra; Adrienne Ho  
**Subject:** RE: 13760 Trafalgar Rd, Halton Hills

Please be advised that transaction is being extended for 2 weeks and once I receive formal request along with requisition/searches, I will advise you in a timely manner.

My apologies for delay reply as I was waiting for response from client.

Thanks

Please note our new email address [info@khanejalaw.ca](mailto:info@khanejalaw.ca)

Vijay Khaneja

Barrister, Solicitor & Notary Public

1315 Derry Road East, Unit 3,

Mississauga, ON L5T 1B6

Tel : 905-565-1714

Fax: 905-565-1715, 905-799-1428

This e-mail, and any attachments it may contain, may be protected by the solicitor/client privilege and contains confidential information intended only for the person(s) to whom it is addressed. Any unauthorized disclosure, copying, other distribution of this

communication or taking any action on its contents is strictly prohibited. If you have received this message in error, please notify me immediately at: [info@khanejalaw.ca](mailto:info@khanejalaw.ca) or by fax to +1 (905)-565-1715 or +1(905) 799-1428 and delete this message without reading, copying or forwarding it to anyone. Thank you for your cooperation.

---

**From:** Jeremy Nemers <[jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)>

**Sent:** Thursday, January 25, 2024 10:20 AM

**To:** Khaneja Law <[Info@khanejalaw.ca](mailto:Info@khanejalaw.ca)>

**Cc:** Jens, Zhenya <[zhenya.jens@rbc.com](mailto:zhenya.jens@rbc.com)>; [brarcpa@gmail.com](mailto:brarcpa@gmail.com); Sanjeev Mitra <[smitra@airdberlis.com](mailto:smitra@airdberlis.com)>; Adrienne Ho <[aho@airdberlis.com](mailto:aho@airdberlis.com)>

**Subject:** Re: 13760 Trafalgar Rd, Halton Hills

Counsel,

We are following-up with you again. May we please have the courtesy of a response? Please also see the attached draft payout letter (subject to finalization of the payout amount), and please also advise if you have any comments in respect of the draft payout letter.

A reminder that the demands and section 244 notices issued by RBC have seasoned. We urge the Credit Parties to give this matter their full attention.

Thank you,

Jeremy

**Jeremy Nemers** (he/him)

T 416.865.7724

F 416.863.1515

E [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

**Aird & Berlis LLP** | Lawyers

Brookfield Place, 181 Bay Street, Suite 1800

Toronto, Canada M5J 2T9 | [airdberlis.com](http://airdberlis.com)



This email is intended only for the individual or entity named in the message. Please let us know if you have received this email in error. If you did receive this email in error, the information in this email may be confidential and must not be disclosed to anyone.

---

**From:** Jeremy Nemers <[jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)>

**Sent:** Wednesday, January 24, 2024 2:50 PM

**To:** [Info@khanejalaw.ca](mailto:Info@khanejalaw.ca)

**Cc:** Jens, Zhenya; [brarcpa@gmail.com](mailto:brarcpa@gmail.com); Sanjeev Mitra; Adrienne Ho

**Subject:** RE: 13760 Trafalgar Rd, Halton Hills

Counsel,

May we please hear from you regarding the below.

Thanks,

Jeremy

**Jeremy Nemers** (he/him)

T 416.865.7724  
E [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

## Aird & Berlis LLP

This email is intended only for the individual or entity named in the message. Please let us know if you have received this email in error. If you did receive this email in error, the information in this email may be confidential and must not be disclosed to anyone.

---

**From:** Jeremy Nemers <[jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)>  
**Sent:** Monday, January 22, 2024 6:12 PM  
**To:** [Info@khanejalaw.ca](mailto:Info@khanejalaw.ca)  
**Cc:** Jens, Zhenya <[zhenya.jens@rbc.com](mailto:zhenya.jens@rbc.com)>; [brarcpa@gmail.com](mailto:brarcpa@gmail.com); Sanjeev Mitra <[smitra@airdberlis.com](mailto:smitra@airdberlis.com)>; Adrienne Ho <[aho@airdberlis.com](mailto:aho@airdberlis.com)>  
**Subject:** FW: 13760 Trafalgar Rd, Halton Hills

Good afternoon Counsel,

We are the lawyers for Royal Bank of Canada (“RBC”) in connection with its lending arrangements with 2780785 Ontario Inc. (“278”), Sardara Transport (“Sardara”) and Payless Tyres Centre Inc. (together with 278 and Sardara, the “Debtors”).

We understand from your below email, which was forwarded to us by our client, that you are representing 278, as vendor, in connection with the below and attached agreement of purchase and sale (the “Sale Transaction”). As you know, RBC has a registered charge on title to the property that is the subject matter of the Sale Transaction, and RBC will therefore need to be indefeasibly paid out if this charge is to be removed (as appears to be contemplated by paragraph 10 of the Sale Transaction). We will therefore be providing you with our form of payout letter, which is in the process of being drafted.

In the interim, please:

1. provide us with evidence that none of the Debtors has any outstanding liabilities that would rank in priority to the Debtors’ obligations to RBC (including, without limitation, property taxes and screenshots from the Debtors’ CRA accounts in respect of employee source deductions and HST filings); and
2. confirm that the Transaction is in fact closing on January 31.

Thank you,

**Jeremy Nemers** (he/him)

T 416.865.7724  
E [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

## Aird & Berlis LLP

This email is intended only for the individual or entity named in the message. Please let us know if you have received this email in error. If you did receive this email in error, the information in this email may be confidential and must not be disclosed to anyone.

---

**From:** Khaneja Law <[Info@khanejalaw.ca](mailto:Info@khanejalaw.ca)>  
**Sent:** Wednesday, January 17, 2024 4:20 PM  
**To:** Jens, Zhenya <[zhenya.jens@rbc.com](mailto:zhenya.jens@rbc.com)>  
**Cc:** jagteshwar brar <[brarcpa@gmail.com](mailto:brarcpa@gmail.com)>  
**Subject:** 13760 Trafalgar Rd, Halton Hills

[External]/[Externe]

Please find attached as advised and provided by client.

Thanks

Please note our new email address [info@khanejalaw.ca](mailto:info@khanejalaw.ca)

Vijay Khaneja

Barrister, Solicitor & Notary Public

1315 Derry Road East, Unit 3,

Mississauga, ON L5T 1B6

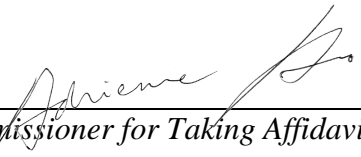
Tel : 905-565-1714

Fax: 905-565-1715, 905-799-1428

This e-mail, and any attachments it may contain, may be protected by the solicitor/client privilege and contains confidential information intended only for the person(s) to whom it is addressed. Any unauthorized disclosure, copying, other distribution of this communication or taking any action on its contents is strictly prohibited. If you have received this message in error, please notify me immediately at: [info@khanejalaw.ca](mailto:info@khanejalaw.ca) or by fax to +1 (905)-565-1715 or +1(905) 799-1428 and delete this message without reading, copying or forwarding it to anyone. Thank you for your cooperation.



This is Exhibit "R" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*  
Adreinne Ho

---

**From:** jagteshwar brar [<mailto:brarcpa@gmail.com>]  
**Sent:** Thursday, January 25, 2024 10:14 AM  
**To:** Jens, Zhenya <[zhenya.jens@rbc.com](mailto:zhenya.jens@rbc.com)>  
**Subject:** Re: PAYLESS TYRES CENTRE INC. account excess

[External]/[Externe]

Hi Jens

It has been covered.

Regarding Trafalgar Road closing they were requesting 2 weeks extension as their Funds delayed by week but I requested them some supporting documents.

I talked with their RBC representative and going to meet her today @ 2:00 pm .

They told me that we will be provided the additional support documents from RBC by Jan 29.

Their lawyers sending us official request extension today, which we will forward to your lawyers.

Rest I will update you today afternoon, after my meeting with their RBC Representative.

Best Regards,

Jagteshwar Brar

CPA, CGA, CLU, CHS, CEA

Dir: 416-508-6468

Sent from my iPhone

On Jan 25, 2024, at 9:53 AM, Jens, Zhenya <[zhenya.jens@rbc.com](mailto:zhenya.jens@rbc.com)> wrote:

Hi Jag.

Account 01822-1063304 under PAYLESS TYRES CENTRE INC. is overdrawn by \$3,310.97 as of this morning due to the term loan payment went through.

Please cover the overdraft ASAP and confirm by returned email.

Zhenya

**Zhenya Jens** | Senior Manager | Special Loans & Advisory Services | **Royal Bank of Canada** |  
20 King Street West, 2nd Floor, Toronto, ON, Canada, M5H 1C4 | T.416-587-0314 | E-mail:  
[zhenya.jens@rbc.com](mailto:zhenya.jens@rbc.com)



Please consider the environment before printing this e-mail.

---

If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference.

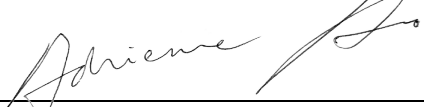
Si vous recevez ce courriel par erreur, veuillez en aviser l'expéditeur immédiatement, par retour de courriel ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de référence future.

---

If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference.

Si vous recevez ce courriel par erreur, veuillez en aviser l'expéditeur immédiatement, par retour de courriel ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de référence future.

This is Exhibit "S" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*  
Adreinne Ho

**Adrienne Ho**

---

**From:** Jeremy Nemers  
**Sent:** January 30, 2024 5:30 PM  
**To:** Khaneja Law  
**Cc:** Sanjeev Mitra; Adrienne Ho  
**Subject:** Re: 13760 Trafalgar Rd, Halton Hills

Thank you for your email. What Mr. Brar is now advising is inconsistent with what he had previously advised (both in terms of timelines and otherwise). It is also still unclear where the closing funds are presently located (amongst other things), evidence of which we have asked on several occasions now.

Our instructions at this juncture remain to proceed with the receivership application. You will have seen that the Commercial List has availability for the scheduling attendance every day next week. Given your advice that you are only engaged for real estate matters and that your clients will be engaging separate litigation counsel, we will select a date for the scheduling hearing that works for us. Please ensure that your clients' litigation counsel reaches out to us as soon as possible, and, in any event, prior to next week.

Thank you,

Jeremy

**Jeremy Nemers** (he/him)

T 416.865.7724  
E [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

**Aird & Berlis LLP**

This email is intended only for the individual or entity named in the message. Please let us know if you have received this email in error. If you did receive this email in error, the information in this email may be confidential and must not be disclosed to anyone.

---

**From:** Khaneja Law <[Info@khanejalaw.ca](mailto:Info@khanejalaw.ca)>  
**Sent:** Tuesday, January 30, 2024 3:12 PM  
**To:** Jeremy Nemers  
**Cc:** Sanjeev Mitra; Adrienne Ho  
**Subject:** RE: 13760 Trafalgar Rd, Halton Hills

Good After Noon,

Please be advised that as per email below from the client, we request time till 22 March 2024 to be on safer side, though we will try to close as soon as possible..

Also note we only represent client in their real estate matters and client will engage their litigation lawyer if required for litigation purpose and litigation lawyer will contact you.

Thanks

Dear Mr. KHANEJA,

Please find enclosed the confirmation from Scotiabank that buyer has sufficient resources to close the deal.

As per RBC query , the extension is requested because buyer investments are Maturing on March 19, 2024.

The client is applying for financing with security of 13760 Trafalgar Road, Georgetown with additional collateral of her investments, for which they were seeking extension for 2-3 weeks.

Though client is saying 2-3 weeks, if possible & RBC agreed, Please request the extension till March 22, 2024 so that we will ensure 100% that closing will be done.

This will not slow my efforts & intention to pay early. I will try to pay early either buyer gets funding or I will be able to arrange temporary funding from my personal sources. Thus extension of March 22, 2023 doesn't mean we will wait till March 22, 2024 as I will try to close early do that I can concentrate on other matters.

This extension will help me to avoid extra litigation costs, help me to concentrate on my work and help me to avoid ruining my personal profile with RBC.

Best Regards,

Jagteshwar Brar

CPA, CGA

Dir: 416-508-6468

Sent from my iPhone

Begin forwarded message:

**From:** Jordan Sandhu <[jovinsandhu79@gmail.com](mailto:jovinsandhu79@gmail.com)>  
**Date:** January 30, 2024 at 2:16:06 PM EST  
**To:** Accountant <[brarcpa@gmail.com](mailto:brarcpa@gmail.com)>  
**Subject:** Fwd: Funds to be used for Purchase of Property

Sent from my iPhone

Begin forwarded message:

**From:** "Arora, Anshul" <[anshul.arora@scotiabank.com](mailto:anshul.arora@scotiabank.com)>  
**Date:** January 30, 2024 at 1:53:52 PM EST  
**To:** [Jovinsandhu79@gmail.com](mailto:jovinsandhu79@gmail.com)  
**Cc:** "Chadha, Mansimran" <[mansimran.chadha@scotiabank.com](mailto:mansimran.chadha@scotiabank.com)>  
**Subject:** Funds to be used for Purchase of Property

Hi Baljit,

Please refer to our discussion about the transfer of funds to Scotiabank and you purchasing the property from those funds.

As you discussed in todays meeting about purchasing of property of 13760 Trafalgar Road Georgetown from Shamsher Bhullar in the name of trust of Baljit Sandhu from the funds you will be receiving from RBC.

We confirm once the funds are at Scotiabank you can use the funds for closing of the property.

We will be moving over the funds from other Financial Institute approx. \$33,000,000 to Scotiabank on the date of maturity which is 19 March 2024

**Anshul Arora** |Financial Advisor- Investment & Retirement Planning/ Mutual Funds Representative



Scotiabank | Cottrelle & McVean Branch

1985 Cottrelle Boulevard, Brampton, ON L6P 2Z8

T 1.905.794-7092 EXT 4201 F 1.905.794.8110

[anshul.arora@scotiabank.com](mailto:anshul.arora@scotiabank.com)

[Scotiabank.com](http://Scotiabank.com)

Scotiabank is a business name used by The Bank of Nova Scotia.

\*Mutual Funds Representatives with Scotia Securities Inc. distribute mutual funds at Scotiabank branches

This e-mail, including any attachments, is confidential and may be privileged and is for the intended recipient(s) only. If received in error, please immediately delete this email and any attachments and contact the sender. Unauthorized copying, use or disclosure of this email or its content or attachments is prohibited. View our [full email disclaimer](#).

If you would like to stop receiving commercial electronic messages from The Bank of Nova Scotia, you can [unsubscribe](#).

[Consultez la traduction en français](#)

[Ver la traducción al español](#)

Please note our new email address [info@khanejalaw.ca](mailto:info@khanejalaw.ca)

Vijay Khaneja

Barrister, Solicitor & Notary Public

1315 Derry Road East, Unit 3,

Mississauga, ON L5T 1B6

Tel : 905-565-1714

Fax: 905-565-1715, 905-799-1428

This e-mail, and any attachments it may contain, may be protected by the solicitor/client privilege and contains confidential information intended only for the person(s) to whom it is addressed. Any unauthorized disclosure, copying, other distribution of this communication or taking any action on its contents is strictly prohibited. If you have received this message in error, please notify me immediately at: [info@khanejalaw.ca](mailto:info@khanejalaw.ca) or by fax to +1 (905)-565-1715 or +1(905) 799-1428 and delete this message without reading, copying or forwarding it to anyone. Thank you for your cooperation.



---

**From:** Jens, Zhenya <zhenya.jens@rbc.com>  
**Sent:** January 30, 2024 3:40 PM  
**To:** 'jagteshwar brar'  
**Subject:** RE: Funds to be used for Purchase of Property

**This message needs your attention**

- You've never replied to this person.

Report this Email or Mark as Safe

Hi Jag,

The best way to move things forward in a productive manner at this point is for your lawyer to reach out to the Bank's counsel and address our outstanding questions regarding the nature of the delay.

Regards,

Zhenya

**Zhenya Jens** | Senior Manager | Special Loans & Advisory Services | **Royal Bank of Canada** |  
20 King Street West, 2nd Floor, Toronto, ON, Canada, M5H 1C4 | T.416-587-0314 | E-mail: [zhenya.jens@rbc.com](mailto:zhenya.jens@rbc.com)



Please consider the environment before printing this e-mail.

---

**From:** jagteshwar brar [mailto:brarcpa@gmail.com]  
**Sent:** Tuesday, January 30, 2024 2:47 PM  
**To:** Jens, Zhenya <zhenya.jens@rbc.com>  
**Subject:** Fwd: Funds to be used for Purchase of Property

[External]/[Externe]

Dear Jens,

Please find attached email I sent to my lawyer, which he will be sending to your lawyers.

I am forwarding you too, as you are the ultimate decision maker.

I request to sincerely consider my intention so that I can avoid litigation costs, extra hassle & save my relationship with RBC for future business.

I am willing to attend personal meetings with your managers too, if required so that they understand my concerns & intentions.

I really appreciate your consideration in this matter.

Best Regards,

Jagteshwar Brar

CPA, CGA

Dir: 416-508-6468

Sent from my iPhone

Begin forwarded message:

**From:** jagteshwar brar <[brarcpa@gmail.com](mailto:brarcpa@gmail.com)>  
**Date:** January 30, 2024 at 2:38:49 PM EST  
**To:** Khaneja Law <[Info@khanejalaw.ca](mailto:Info@khanejalaw.ca)>  
**Subject:** Fwd: Funds to be used for Purchase of Property

Dear Mr. KHANEJA,

Please find enclosed the confirmation from Scotiabank that buyer has sufficient resources to close the deal.

As per RBC query , the extension is requested because buyer investments are Maturing on March 19, 2024.

The client is applying for financing with security of 13760 Trafalgar Road, Georgetown with additional collateral of her investments, for which they were seeking extension for 2-3 weeks.

Though client is saying 2-3 weeks, if possible & RBC agreed, Please request the extension till March 22, 2023 so that we will ensure 100% that closing will be done.

This will not slow my efforts & intention to pay early. I will try yo pay early either buyer gets funding or I will be able to arrange temporary funding from my personal sources. Thus extension of March 22, 2023 doesn't mean we will wait till March 22, 2023 as I will try to close early do that I can concentrate on other matters.

This extension will help me to avoid extra litigation costs, help me to concentrate on my work and help me yo avoid ruining my personal profile with RBC.

Best Regards,

Jagteshwar Brar

CPA, CGA

Dir: 416-508-6468

Sent from my iPhone

Begin forwarded message:

**From:** Jordan Sandhu <[jovinsandhu79@gmail.com](mailto:jovinsandhu79@gmail.com)>  
**Date:** January 30, 2024 at 2:16:06 PM EST  
**To:** Accountant <[brarcpa@gmail.com](mailto:brarcpa@gmail.com)>  
**Subject:** Fwd: Funds to be used for Purchase of Property

Sent from my iPhone

Begin forwarded message:

**From:** "Arora, Anshul" <[anshul.arora@scotiabank.com](mailto:anshul.arora@scotiabank.com)>  
**Date:** January 30, 2024 at 1:53:52 PM EST  
**To:** [Jovinsandhu79@gmail.com](mailto:Jovinsandhu79@gmail.com)

Cc: "Chadha, Mansimran" <[mansimran.chadha@scotiabank.com](mailto:mansimran.chadha@scotiabank.com)>  
**Subject: Funds to be used for Purchase of Property**

Hi Baljit,

Please refer to our discussion about the transfer of funds to Scotiabank and you purchasing the property from those funds.

As you discussed in today's meeting about purchasing of property of 13760 Trafalgar Road Georgetown from Shamsheer Bhullar in the name of trust of Baljit Sandhu from the funds you will be receiving from RBC.

We confirm once the funds are at Scotiabank you can use the funds for closing of the property.

We will be moving over the funds from other Financial Institute approx. \$33,000,000 to Scotiabank on the date of maturity which is 19 March 2024

**Anshul Arora** | Financial Advisor- Investment & Retirement Planning/  
Mutual Funds Representative

---

**Scotiabank** | Cottrelle & McVean Branch

1985 Cottrelle Boulevard, Brampton, ON L6P 2Z8

T 1.905.794-7092 EXT 4201 F 1.905.794.8110

[anshul.arora@scotiabank.com](mailto:anshul.arora@scotiabank.com)

[Scotiabank.com](https://www.scotiabank.com)

Scotiabank is a business name used by The Bank of Nova Scotia.

\*Mutual Funds Representatives with Scotia Securities Inc. distribute mutual funds at Scotiabank branches

This e-mail, including any attachments, is confidential and may be privileged and is for the intended recipient(s) only. If received in error, please immediately delete this email and any attachments and contact the sender. Unauthorized copying, use or disclosure of this email or its content or attachments is prohibited. View our [full email disclaimer](#).

If you would like to stop receiving commercial electronic messages from The Bank of Nova Scotia, you can [unsubscribe](#).

[Consultez la traduction en français](#)

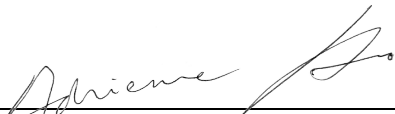
[Ver la traducción al español](#)

---

If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference.

Si vous recevez ce courriel par erreur, veuillez en aviser l'expéditeur immédiatement, par retour de courriel ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de référence future.

This is Exhibit "T" referred to in the Affidavit of Evgeniya Jens sworn before me  
at Toronto, Ontario, this 1<sup>st</sup> day of February, 2024.



---

*Commissioner for Taking Affidavits*  
Adreinne Ho



Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

B E T W E E N :

**ROYAL BANK OF CANADA**

Applicant

- and -

**SARDARA TRANSPORT INC., 2780785 ONTARIO INC.  
and PAYLESS TYRES CENTRE INC.**

Respondents

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

**CONSENT TO ACT AS  
COURT-APPOINTED RECEIVER**

**msi Spergel inc.** hereby consents to act as the court-appointed receiver, without security, over all of the assets, undertakings and properties of Sardara Transport Inc., 2780785 Ontario Inc., and Payless Tyres Centre Inc. pursuant to terms of an order substantially in the form filed in the above proceeding.

Dated at Toronto, Ontario this 31st day of January, 2024.

**msi Spergel inc.**

Per: 

Name: Mukul Manchanda

Title: Managing Partner, Corporate  
Restructuring & Insolvency

I have authority to bind the Corporation.

---

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**Proceedings commenced at Toronto**

---

**AFFIDAVIT OF EVGENIYA JENS  
(sworn February 1, 2024)**

---

**AIRD & BERLIS LLP**  
Barristers and Solicitors  
Brookfield Place  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9

**Sanjeev P.R. Mitra (LSO # 37934U)**

Tel: (416) 865-3085

Fax: (416) 863-1515

Email: [smitra@airdberlis.com](mailto:smitra@airdberlis.com)

**Jeremy Nemers (LSO # 66410Q)**

Tel: (416) 865-7724

Fax: (416) 863-1515

Email: [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

**Adrienne Ho (LSO # 68439N)**

Tel: (416) 637-7980

Fax: (416) 863-1515

Email: [aho@airdberlis.com](mailto:aho@airdberlis.com)

*Lawyers for Royal Bank of Canada.*

# TAB 5

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

B E T W E E N:

**ROYAL BANK OF CANADA**

Applicant

- and -

**SARDARA TRANSPORT INC., 2780785 ONTARIO INC.  
and PAYLESS TYRES CENTRE INC.**

Respondents

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

**SERVICE LIST**

(current as of February 1, 2024)

<b>TO:</b>	<p><b>AIRD &amp; BERLIS LLP</b> Brookfield Place 181 Bay Street, Suite 1800 Toronto, ON M5J 2T9</p> <p><b>Sanjeev Mitra</b> Tel: (416)865-3085 Email: <a href="mailto:smitra@airdberlis.com">smitra@airdberlis.com</a></p> <p><b>Jeremy Nemers</b> Tel: (416) 865-7724 Email: <a href="mailto:jnemers@airdberlis.com">jnemers@airdberlis.com</a></p> <p><b>Adrienne Ho</b> Tel: (416) 637-7980 Email: <a href="mailto:aho@airdberlis.com">aho@airdberlis.com</a></p> <p>Lawyers for the Applicant, Royal Bank of Canada</p>
------------	---

<b>AND TO:</b>	<p>msi Spergel inc.  200 Yorkland Blvd., Suite 1100  Toronto, ON  M2J 5C1  Attention: Mukul Manchanda</p> <p>Email: <a href="mailto:mmanchanda@spergel.ca">mmanchanda@spergel.ca</a></p> <p>Proposed Receiver</p>
<b>AND TO:</b>	<p><b>PAYLESS TYRES CENTRE INC.</b>  191 Willow Park Drive  Brampton, ON L6R 2M9</p> <p>Debtor</p>
<b>AND TO:</b>	<p><b>2780785 ONTARIO INC.</b>  191 Willow Park Drive  Brampton, ON L6R 2M9</p> <p>Debtor</p>
<b>AND TO:</b>	<p><b>SARDARA TRANSPORT INC.</b>  191 Willow Park Drive  Brampton, ON L6R 2M9</p> <p>Debtor</p>
<b>AND TO:</b>	<p><b>KHANEJA LAW</b>  1315 Derry Road East, Unit 3  Mississauga, ON L5T 1B6</p> <p><b>Vijay Khaneja</b>  Tel: 905-565-1714  Email: <a href="mailto:info@khanejalaw.ca">info@khanejalaw.ca</a></p>
<b>AND TO:</b>	<p><b>JAGTESHWAR SINGH BRAR</b>  191 Willow Park Drive  Brampton, ON L6R 2M9</p> <p>Email: <a href="mailto:brarcap@gmail.com">brarcap@gmail.com</a></p> <p>Guarantor</p>

<b>AND TO:</b>	<b>DEPARTMENT OF JUSTICE CANADA</b> Ontario Regional Office 120 Adelaide Street West, Suite 400 Toronto, ON M5H 1T1  Email: <a href="mailto:AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca">AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca</a>
<b>AND TO:</b>	<b>HIS MAJESTY THE KING IN RIGHT OF CANADA</b> as represented by Ministry of Finance Legal Services Branch Revenue Collections Branch – Insolvency Unit 33 King Street West, P.O. Box 627 Oshawa, ON L1H 8H5  Email: <a href="mailto:insolvency.unit@ontario.ca">insolvency.unit@ontario.ca</a>

*PPSA Registrants:*

<b>AND TO:</b>	<b>FORD CREDIT CANADA COMPANY</b> Box 1800 RPO Lakeshore West Oakville, ON L6K 0J8
<b>AND TO:</b>	<b>VW CREDIT CANADA INC.</b> 4865 Marc-Blain St., Suite 300 St.-Laurent, QC H4R 3B2
<b>AND TO:</b>	<b>THE BANK OF NOVA SCOTIA</b> 10 Wright Boulevard Stratford, ON N5A 7X9

*Real Property Charges and Tax Lien*

<b>AND TO:</b>	<b>THE CORPORATION OF THE TOWN OF HALTON HILLS</b> 1 Halton Hills Drive Halton Hills, ON L7G 5G2
<b>AND TO:</b>	<b>2794963 ONTARIO INC.</b> c/o 502-490 Bramalea Road Brampton, ON L6T 0G1

<b>AND TO:</b>	<b>2794395 ONTARIO CORP.</b> c/o 502-490 Bramalea Road Brampton, ON L6T 0G1
<b>AND TO:</b>	<b>KAMALJIT KAUR GREWAL</b> 1598 Queen Street W Brampton, ON L6X 0B1
<b>AND TO:</b>	<b>JITENDRA PATEL</b> 35 Zimmer St Brampton, ON L6S 6L3

**EMAIL SERVICE LIST**

[smitra@airdberlis.com](mailto:smitra@airdberlis.com); [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com); [aho@airdberlis.com](mailto:aho@airdberlis.com);  
[mmanchanda@spergel.ca](mailto:mmanchanda@spergel.ca); [info@khanejalaw.ca](mailto:info@khanejalaw.ca); [AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca](mailto:AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca);  
[insolvency.unit@ontario.ca](mailto:insolvency.unit@ontario.ca); [brarcap@gmail.com](mailto:brarcap@gmail.com)

55831218.2



**ROYAL BANK OF CANADA**

- and - **SARDARA TRANSPORT INC., et al.**

Applicant

Respondents

Court File No. CV-24-00713924-00CL

---

***ONTARIO***  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

**Proceedings commenced at Toronto**

---

**APPLICATION RECORD**

---

**AIRD & BERLIS LLP**

Brookfield Place  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9

**Sanjeev P.R. Mitra** (LSO# 37934U)

Tel: 416.865.3085

Email: [smitra@airdberlis.com](mailto:smitra@airdberlis.com)

**Jeremy Nemers** (LSO# 66410Q)

Tel: 416.865.7724

Email: [jnemers@airdberlis.com](mailto:jnemers@airdberlis.com)

**Adrienne Ho** (LSO# 68439N)

Tel: 416.637-7980

Email: [aho@airdberlis.com](mailto:aho@airdberlis.com)

*Lawyers for Royal Bank of Canada*