

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION
243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3,
AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43, AS AMENDED**

**APPLICATION RECORD
(Returnable September 20, 2023)**

September 13, 2023

BORDEN LADNER GERVAIS LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON M5H 4E3
Tel: 416-367-6000
Fax: 416-367-6749

Roger Jaipargas – LSO No. 43275C
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Lawyers for the Applicant

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NOTICE OF APPLICATION

TO THE RESPONDENT

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

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

- In person
- By telephone conference
- By video conference

by Judicial Video Conference via Zoom, Toronto, Ontario.

On September 20, 2023, at 10:30AM (*or on a day to be set by the registrar*).

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: September _____, 2023

Issued by

Local registrar

Address of
court office

.....

TO:	<p>BORDEN LADNER GERVAIS LLP Bay Adelaide Centre, East Tower 22 Adelaide Street West Toronto, ON M5H 4E3 Tel: (416) 367-6000 Fax: (416) 367-6749</p> <p>Roger Jaipargas Tel: (416) 367-6266 rjaipargas@blg.com</p> <p>Lawyers for Royal Bank of Canada</p>
------------	--

AND TO:	<p>msi Spergel Inc. 200 Yorkland Blvd., Suite 1100 Toronto, ON M2J 5C1 Tel: 416-497-1660 Fax: 416-498-4314</p> <p>Mukul Manchanda Tel: (416)- 498-4314 mmanchanda@spergel.ca</p> <p>Proposed Receiver</p>
AND TO:	<p>HARRISON PENZA LLP 130 Dufferin Avenue, Suite 1101 London, ON N6A 5R2 Tel : (519) 679-9660 Fax : (519) 667-3362</p> <p>Tim Hogan Tel: (519) 661-6743 thogan@harrisonpensa.com</p> <p>Lawyers for msi Spergel Inc., Proposed Receiver</p>
AND TO:	<p>M. Singh Law Professional Corporation 100 King Street West, Suite 5700 First Canadian Place Toronto, ON M5X 1C7</p> <p>Manjit Singh Phone: (647) 722-8400 Email: msingh@msinghlaw.ca Website: www.msinghlaw.ca</p> <p>Lawyers for Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.</p>
AND TO:	<p>DEPARTMENT OF JUSTICE Ontario Regional Office 120 Adelaide Street West, Suite 400 Toronto ON M5H 1T1</p> <p>Ed Park Tel: 647-256-7429 Fax: 416-973-0810 edward.park@justice.gc.ca</p> <p>Lawyers for the Canada Revenue Agency</p>

AND TO:	INSOLVENCY UNIT ONTARIO MINISTRY OF FINANCE 33 King Street West, 6th Floor Oshawa, ON L1H 8H5 Leslie Crawford Tel: 905.433.5657 Leslie.Crawford@ontario.ca Insolvency Unit insolvency.unit@ontario.ca
AND TO:	PRIDE FLEET SOLUTIONS INC. 1450 Meyerside Dr., Suite 401 Mississauga, ON L57 1A6 6050 Dixie Road Mississauga, ON L5T 2N5
AND TO:	AXIOM LEASING INC. 4 Robert Speck Parkway, 15 th Floor Mississauga, ON L4Z 1S1
AND TO:	MERCADO CAPITAL CORPORATION Suite 1900, 13450 102 Ave Surrey, BC V3T 5Y1
AND TO:	TFG FINANCIAL CORPORATION 400-4180 Lougheed Highway Burnaby, BC V5C 6A7 Email: absecparties@avssystems.ca
AND TO:	DAIMLER TRUCK FINANCIAL SERVICES CANADA CORPORATION 2680 Matheson Blvd. E Ste 202 Mississauga, ON L4W 0A5
AND TO:	BODKIN, A DIVISION OF BENNINGTON FINANCIAL CORP. 102-1465 North Service Rd E Oakville, ON L6H 1A7
AND TO:	TPINE LEASING CAPITAL CORPORATION 6050 Dixie Road Mississauga, ON L5T 1A6 Email: absecparties@avssystems.ca

APPLICATION

1. THE APPLICANT MAKES APPLICATION FOR:

The Applicant, Royal Bank of Canada (“**RBC**” or the “**Lender**”), makes an application for an Order substantially in the form filed herewith. The Order to be requested on September 20, 2023, the return date of this Application, seeks an Order, *inter alia*:

- (a) abridging the time for service of the Notice of Application and the Application Record and dispensing with further service thereof;
- (b) appointing msi Spergel Inc. (“**Spergel**”) as receiver (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties (the “**Property**”) of Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc. (the “**Debtors**”) 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**”);
- (c) granting a charge over the Property in favour of the Receiver and the Receiver’s counsel to secure their fees and disbursements in respect of these proceedings on the terms as set out in the draft order filed (the “**Receiver’s Charge**”); and
- (d) such further and other relief as counsel may request and this Honourable Court may permit.

2. THE GROUNDS FOR THE APPLICATION ARE:

- (a) The Debtors are currently indebted to RBC with respect to certain credit facilities extended by RBC;
- (b) The obligations of the Debtors to RBC are secured by, among other things, general security agreements;
- (c) The Debtors have committed certain events of default;

- (d) On August 23, 2023, the Lender issued a demand for payment and a Notice of Intention to Enforce Security (“NITES”) to Ten 4 System Ltd. and pursuant to the BIA, and the 10 day notice period under the NITES has now expired;
- (e) On August 28, 2023, the Lender issued a demand for payment and NITES to each of 1000043321 Ontario Inc. and 1000122550 Ontario Inc. and the 10 day notice period under the NITES has now expired;
- (f) the Lender seeks to appoint the Receiver to secure the Property and review the alternatives with a view to maximizing value for all stakeholders;
- (g) Spergel is a licensed trustee in bankruptcy;
- (h) the appointment of Spergel as receiver is just and convenient in the circumstances;
- (i) section 243(1) of the BIA;
- (j) section 101 of the CJA;
- (k) rules 1.04, 2.03, 3.02, 16 and 38 of the Rules of Civil Procedure, R.R.O. 1990. Reg. 194, as amended; and
- (l) such further and other grounds as counsel may advise and this Court may permit.

3. THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE APPLICATION:

- (a) the Affidavit of Tro DerBedrossian sworn September 12, 2023 and the exhibits referred to therein; and
- (b) such further and documentary evidence as counsel may advise and this Court may permit.

September 11, 2023

BORDEN LADNER GERVAIS LLP

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Toronto, ON M5H 4E3

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ROGER JAIPARGAS – LSO No. 43275C

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rjaipargas@blg.com

Lawyers for the Applicant

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

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Respondents

**ONTARIO
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PROCEEDINGS COMMENCED AT TORONTO

**NOTICE OF APPLICATION
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Tel: (416) 367-6266
Email: rjaipargas@blg.com

Lawyers for the Applicant

Court file no.



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Lawyers for the Applicant

Tab 2

Court File No.: CV-23-00705869-00CL

**ONTARIO
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B E T W E E N:

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R.S.O. 1990, c. C.43, AS AMENDED**

**AFFIDAVIT OF TRO DERBEDROSSIAN
(Sworn September 12, 2023)**

I, **TRO DERBEDROSSIAN**, of the City of Toronto, in the Province of Ontario, **MAKE OATH
AND SAY** as follows:

1. I am Director in the Special Loans and Advisory Services (“**SLAS**”) of the Applicant, Royal Bank of Canada (the “**Bank**” or “**RBC**”) and as such have knowledge of the matters hereinafter deposed to, or where I do not possess such personal knowledge, I have stated the source of my information and in all such cases do verily believe it to be true.
2. This Affidavit is sworn in support of an application by RBC to appoint msi Spergel inc. (“**Spergel**”) as receiver (in such capacity, the “**Receiver**”), without security, over the assets, properties and undertaking, including certain real property located in Ayr, Ontario (the “**Property**”) of Ten 4 System Ltd. (“**Ten 4**”), 1000043321 Ontario Inc. (“**321**

Ontario”) and 1000122550 Ontario Inc. (“**550 Ontario**” and, together with Ten 4 and 321 Ontario, the “**Debtors**”) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”) and section 101 of the *Courts of Justice Act* (Ontario).

3. Capitalized terms not defined herein shall have the meanings ascribed thereto in the Ten 4 Evidence of Indebtedness (the “**Ten 4 EOI**”) dated July 21, 2023, the 321 Ontario Evidence of Indebtedness (the “**321 EOI**”) dated December 13, 2022 and the 550 Ontario Evidence of Indebtedness (the “**550 EOI**”) dated July 21, 2023.

A. BACKGROUND ON DEBTORS

Ten 4

4. Ten 4 is incorporated pursuant to the laws of the Province of Alberta and is extra-provincially registered in the Province of Ontario. Ten 4 is primarily engaged in the business of shipping services.
5. The director of Ten 4 is Nasir Mahmood. Attached hereto and marked as Exhibit “**A**” are a Corporation/Non-Profit Search and a Corporation Profile Report for Ten 4 obtained from the Alberta Corporate Registration System and the Ontario Ministry of Public and Business Service Delivery, respectively, on August 18, 2023.
6. According to the Alberta Corporation/Non-Profit Search for Ten 4, the registered office is located at 3456 91 St. NW, Edmonton, Alberta T6E 5R1 and according to the Ontario Corporation Profile Report, Ten 4’s principal place of business is located at 73 Eastern Avenue, Brampton, Ontario L6W 1X9.

321 Ontario and 550 Ontario

7. 321 Ontario and 550 Ontario are each incorporated pursuant to the laws of the Province of Ontario. 321 Ontario and 550 Ontario are each primarily engaged in the business of holding real estate.
8. The President of each of 321 Ontario and 550 Ontario is Nasir Mahmood. The Secretary of each of 321 Ontario and 550 Ontario is Rupinder Taggar. Attached hereto and marked as Exhibit “**B**” and Exhibit “**C**” are Corporation Profile Reports for 321 Ontario and 550

Ontario, respectively, obtained from the Ontario Ministry of Public and Business Service Delivery on August 18, 2023.

9. According to the Corporation Profile Reports for 321 Ontario and 550 Ontario, the registered office of each company is located at 73 Eastern Avenue, Brampton, Ontario L6W 1X9.

B. LOAN AND SECURITY DOCUMENTS

Ten 4

10. Pursuant to the Ten 4 EOI and the RBC Royal Bank Visa Business Card Agreement dated January 5, 2023 (the “**Visa Agreement**”), the Bank provided certain credit facilities to Ten 4, on the terms and conditions as outlined in the Ten 4 EOI and the Visa Agreement. Attached hereto and marked as Exhibit “**D**” is a copy of the Ten 4 EOI. Attached hereto and marked as Exhibit “**E**” is a copy of the Visa Agreement.
11. As security for the repayment of all amounts owing by Ten 4 to the Bank, including under and in connection with the Ten 4 EOI, the Visa Agreement, the Ten 4-321 Ontario Guarantee (as defined below) and the Ten 4-550 Ontario Guarantee (as defined below), Ten 4 provided in favour of RBC a general security agreement dated December 22, 2022 (the “**Ten 4 GSA**”). Attached hereto and marked as Exhibit “**F**”, is a copy of the Ten 4 GSA.
12. The debts and liabilities owing by Ten 4 to the Bank, including under and in connection with the Ten 4 EOI and the Visa Agreement, were guaranteed by each of the following guarantors:
 - (a) 321 Ontario, pursuant to a guarantee and postponement of claim dated July 21, 2023 for an unlimited amount (the “**321 Ontario-Ten 4 Guarantee**”);
 - (b) 550 Ontario, pursuant to a guarantee and postponement of claim dated July 21, 2023 for an unlimited amount (the “**550 Ontario-Ten 4 Guarantee**”); and
 - (c) Nasir Mahmood, pursuant to a guarantee and postponement of claim dated July 21, 2023 for a maximum amount of CA\$2,500,000, plus interest (the “**Mahmood-Ten 4 Guarantee**” and, collectively with the 321 Ontario-Ten 4 Guarantee and the 550 Ontario-Ten 4 Guarantee, the “**Ten 4 Guarantees**”).

Attached hereto and marked as Exhibit “G”, Exhibit “H” and Exhibit “I” are copies of the 321 Ontario-Ten 4 Guarantee, the 550 Ontario-Ten 4 Guarantee and the Mahmood-Ten 4 Guarantee, respectively.

13. As of August 31, 2023, Ten 4 was indebted to the Bank in the amounts of:
- (a) CA\$5,194,862.79 and US\$452,915.45 under the Ten 4 EOI and the Visa Agreement;
 - (b) CA\$4,203,815.71 under the Ten 4-321 Ontario Guarantee; and
 - (c) CA\$5,304,009.79 under the Ten 4-550 Ontario Guarantee,
- in each case, inclusive of interest to such date, plus further interest, fees and costs that continue to accrue from and after August 31, 2023.

321 Ontario

14. Pursuant to the 321 EOI, the Bank provided certain credit facilities to 321 Ontario, on the terms and conditions as outlined in the 321 EOI. Attached hereto and marked as Exhibit “J” is a copy of the 321 EOI.
15. As security for the repayment of all amounts owing by 321 Ontario to the Bank, including under and in connection with the 321 EOI, the 321 Ontario-Ten 4 Guarantee and the 321 Ontario-550 Ontario Guarantee (as defined below), 321 Ontario provided certain security to the Bank, including the following:
- (a) a general security agreement dated December 22, 2022 (the “**321 Ontario GSA**”);
 - (b) a charge in respect of the property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, registered at the land registry office on January 24, 2023 (the “**321 Ontario Charge**”);
 - (c) an assignment of rents dated December 22, 2022 in respect of the property located at 2396 Cedar Creek Road, Ayr, Ontario (the “**321 Ontario Assignment of Rents**”); and
 - (d) an assignment of insurance policies dated December 22, 2022 (the “**321 Ontario Assignment of Insurance**”).

16. Attached hereto and marked as Exhibit “**K**”, Exhibit “**L**”, Exhibit “**M**” and Exhibit “**N**” are copies of the 321 Ontario GSA, the 321 Ontario Charge, 321 Ontario Assignment of Rents and the 321 Ontario Assignment of Insurance, respectively.
17. The debts and liabilities owing by 321 Ontario to the Bank, including under and in connection with the 321 EOI, were guaranteed by each of the following guarantors:
- (a) Ten 4, pursuant to a guarantee and postponement of claim dated December 22, 2022 for a maximum amount of CA\$4,244,570 plus interest (the “**Ten 4-321 Ontario Guarantee**”);
 - (b) 550 Ontario, pursuant to a guarantee and postponement of claim dated December 22, 2022 for a maximum amount of CA\$4,244,570 plus interest (the “**550 Ontario-321 Ontario Guarantee**”);
 - (c) Nasir Mahmood, pursuant to a guarantee and postponement of claim dated December 22, 2022 for a maximum amount of CA\$1,500,000 plus interest (the “**Mahmood-321 Ontario Guarantee**”); and
 - (d) Rupinder Taggar, pursuant to a guarantee and postponement of claim dated December 22, 2022 for a maximum amount of CA\$1,500,000 plus interest (the “**Taggar-321 Ontario Guarantee**” and collectively with the Ten 4-321 Ontario Guarantee, the 550 Ontario-321 Ontario Guarantee and the Mahmood-321 Ontario Guarantee, the “**321 Ontario Guarantees**”).

Attached hereto and marked as Exhibit “**O**”, Exhibit “**P**”, Exhibit “**Q**” and Exhibit “**R**” are copies of the Ten 4-321 Ontario Guarantee, the 550 Ontario-321 Ontario Guarantee, Mahmood-321 Ontario Guarantee and the Taggar-321 Ontario Guarantee, respectively.

18. As of August 31, 2023, 321 Ontario was indebted to the Bank in the amounts of:
- (a) CA\$4,203,815.71 under the 321 EOI;
 - (b) CA\$5,194,862.79 and US\$452,915.45 under the 321 Ontario-Ten 4 Guarantee; and
 - (c) CA\$5,304,009.79 under the 321 Ontario-550 Ontario Guarantee,
- in each case, inclusive of interest to such date, plus further interest, fees and costs that continue to accrue from and after August 31, 2023.

550 Ontario

19. Pursuant to the 550 EOI, the Bank provided certain credit facilities to 550 Ontario, on the terms and conditions as outlined in the 550 EOI. Attached hereto and marked as Exhibit “S” is a copy of the 550 EOI.

20. As security for the repayment of all amounts owing by 550 Ontario to the Bank, including under and in connection with the 550 EOI, the 550 Ontario-Ten 4 Guarantee and the 550 Ontario-321 Ontario Guarantee, 550 Ontario provided certain security to the Bank, including the following:
 - (a) a general security agreement dated December 22, 2022 (the “**550 Ontario GSA**”);
 - (b) a charge in respect of the property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, registered at the land registry office on January 24, 2023 (the “**550 Ontario Charge**”);
 - (c) an assignment of rents dated December 22, 2022 in respect of the property municipally known as 2396 Cedar Creek Road, Ayr, Ontario (the “**550 Ontario Assignment of Rents**”);
 - (d) an assignment of insurance policies dated December 22, 2022 (the “**550 Ontario Assignment of Insurance**”).

Attached hereto and marked as Exhibit “T”, Exhibit “U”, Exhibit “V” and Exhibit “W” are copies of the 550 Ontario GSA, the 550 Ontario Charge, 550 Ontario Assignment of Rents and the 550 Ontario Assignment of Insurance, respectively.

21. The debts and liabilities owing by 550 Ontario to the Bank, including under and in connection with the 550 EOI, were guaranteed by each of the following guarantors:
 - (a) Ten 4, pursuant to a guarantee and postponement of claim dated July 21, 2023 for an unlimited amount (the “**Ten 4-550 Ontario Guarantee**”);
 - (b) 321 Ontario, pursuant to a guarantee and postponement of claim dated July 21, 2023 for an unlimited amount (the “**321 Ontario-550 Ontario Guarantee**”);
 - (c) Nasir Mahmood, pursuant to a guarantee and postponement of claim dated July 21, 2023 for a maximum amount of CA\$2,050,000 plus interest (the “**Mahmood-550 Ontario Guarantee**”); and
 - (d) Rupinder Taggar, pursuant to a guarantee and postponement of claim dated July

21, 2023 for a maximum amount of CA\$2,050,000 plus interest (the “**Taggar-550 Ontario Guarantee**” and, collectively with the Ten 4-550 Ontario Guarantee, the 321 Ontario-550 Ontario Guarantee and the Mahmood-550 Ontario Guarantee, the “**550 Ontario Guarantees**”).

22. Attached hereto and marked as Exhibit “**X**”, Exhibit “**Y**”, Exhibit “**Z**” and Exhibit “**AA**” are copies of the Ten 4-550 Ontario Guarantee, the 321 Ontario-550 Ontario Guarantee, the Mahmood-550 Ontario Guarantee and the Taggar-550 Ontario Guarantee, respectively.

23. As of August 31, 2023, 550 Ontario was indebted to the Bank in the amounts of:

- (a) CA\$5,304,009.79 under the 550 EOI;
- (b) CA\$5,194,862.79 and US\$452,915.45 under the 550 Ontario-Ten 4 Guarantee; and
- (c) CA\$4,203,815.71 under the 550 Ontario-321 Ontario Guarantee,

in each case, inclusive of interest to such date, plus further interest, fees and costs that continue to accrue from and after August 31, 2023.

C. TRANSFER TO SLAS

24. The accounts of the Debtors were transferred to SLAS on or about August 17, 2023, due to unusual account activity resulting in the full utilization of the operating line and an account excess of CA\$2,489,450.90 and US\$452,915.45.

D. DEMAND FOR PAYMENT UNDER THE TEN 4 EOI, TERMINATION OF THE VISA AGREEMENT AND DEFAULTS UNDER THE 321 EOI AND THE 550 EOI

25. RBC took the decision to demand payment of the obligations under the Ten 4 EOI and each Ten 4 Guarantee, and to terminate the Visa Agreement. The credit facilities extended to Ten 4 are repayable on demand.

26. RBC took the decision to demand payment of the obligations under the (a) 321 EOI and the 550 EOI, and the (b) 321 Ontario Guarantees and the 550 Ontario Guarantees, in light of the fact that 321 Ontario and 550 Ontario had committed certain Events of Default, including, without limitation, the failure of 321 Ontario and 550 Ontario to pay principal, interest or other amounts when due pursuant to the 321 EOI and the 550 EOI, respectively.

27. Given the foregoing concerns, the Bank instructed its lawyers, Borden Ladner Gervais LLP (“**BLG**”), to issue formal demands for payment, which included the following:

- (a) demand letter dated August 23, 2023 to Ten 4 in respect of its indebtedness under the Ten 4 EOI and the Visa Agreement, attaching a Notice of Intention to Enforce Security (“**NITES**”) pursuant to section 244(1) of the BIA (a copy of which is attached hereto as Exhibit “**BB**”);
- (b) demand letter dated August 23, 2023 to 321 Ontario in respect of its indebtedness under the 321 Ontario-Ten 4 Guarantee, attaching a NITES notice (a copy of which is attached hereto as Exhibit “**CC**”);
- (c) demand letter dated August 23, 2023 to 550 Ontario in respect of its indebtedness under the 550 Ontario-Ten 4 Guarantee, attaching a NITES notice (a copy of which is attached hereto as Exhibit “**DD**”);
- (d) demand letter dated August 23, 2023 to Nasir Mahmood in respect of their indebtedness under the Mahmood-Ten 4 Guarantee (a copy of which is attached hereto as Exhibit “**EE**”);
- (e) demand letter dated August 28, 2023 to 321 Ontario in respect of its indebtedness under the 321 EOI, attaching a NITES notice (a copy of which is attached hereto as Exhibit “**FF**”);
- (f) demand letter dated August 28, 2023 to Ten 4 Ontario in respect of its indebtedness under the Ten 4-321 Ontario Guarantee, attaching a NITES notice (a copy of which is attached hereto as Exhibit “**GG**”);
- (g) demand letter dated August 28, 2023 to 550 Ontario in respect of its indebtedness under the 550 Ontario-321 Ontario Guarantee, attaching a NITES notice (a copy of which is attached hereto as Exhibit “**HH**”);
- (h) demand letter dated August 28, 2023 to Nasir Mahmood in respect of their indebtedness under the Mahmood-321 Ontario Guarantee (a copy of which is attached hereto as Exhibit “**II**”);
- (i) demand letter dated August 28, 2023 to Rupinder Taggar in respect of their indebtedness under the Taggar-321 Ontario Guarantee (a copy of which is attached hereto as Exhibit “**JJ**”);
- (j) demand letter dated August 28, 2023 to 550 Ontario in respect of its indebtedness under the 550 EOI, attaching a NITES notice (a copy of which is attached hereto as Exhibit “**KK**”);
- (k) demand letter dated August 28, 2023 to Ten 4 in respect of its indebtedness under the Ten 4-550 Ontario Guarantee, attaching a NITES notice (a copy of which is attached hereto as Exhibit “**LL**”);

- (l) demand letter dated August 28, 2023 to 321 Ontario in respect of its indebtedness under the 321 Ontario-550 Ontario Guarantee, attaching a NITES notice (a copy of which is attached hereto as Exhibit “MM”);
 - (m) demand letter dated August 28, 2023 to Nasir Mahmood in respect of their indebtedness under the Mahmood-550 Ontario Guarantee (a copy of which is attached hereto as Exhibit “NN”); and
 - (n) demand letter dated August 28, 2023 to Rupinder Taggar in respect of their indebtedness under the Taggar-550 Ontario Guarantee (a copy of which is attached hereto as Exhibit “OO”).
28. As of the date that this Affidavit is sworn, the Bank has not received payment of the amounts owing from any of the Debtors, or the guarantors.
29. RBC registered its security interest in respect of all of the Property under the Alberta *Personal Property Security Act* (the “**Alberta PPSA**”), in respect of Ten 4, and the Ontario *Personal Property Security Act* (the “**Ontario PPSA**”), in respect of the Debtors. Attached hereto and marked as Exhibit “PP”, Exhibit “QQ”, Exhibit “RR” and Exhibit “SS” are copies of the Personal Property Registry Search Results Report in respect of an Alberta PPSA search against Ten 4, and Enquiry Response Certificates in respect of Ontario PPSA searches against Ten 4, 321 Ontario and 550 Ontario, respectively, obtained from the Alberta Registrar of Personal Property and the Ontario Ministry of Government Services, with file currency dates of August 18, 2023 for the Alberta PPSA search and August 17, 2023 for the Ontario PPSA searches.

E. REQUEST FOR THE APPOINTMENT OF MSI SPERGEL INC. AS RECEIVER

30. The Debtors are in default of their obligations to RBC and are unable to repay their respective indebtedness owing to RBC. In addition, RBC has learned that a writ of execution has been filed against Ten 4 on August 10, 2023 in respect of a judgment in favour of BVD Capital Corporation (“**BVD Capital**”) in the amount of CA\$1,099,763.44, plus costs and interest (the “**Writ of Execution**”). Attached hereto and marked as Exhibit “TT” is a copy of the writ detail report in respect of the Writ of Execution. RBC is

concerned that BVD Capital may take steps to levy execution on the assets of Ten 4, which will erode the RBC security.

31. Further, RBC has learned that 321 Ontario and 550 Ontario have failed to pay the property taxes owing to the Township of North Dumfries (the “**Township**”) with regard to the two properties in Ayr, Ontario. Attached hereto and marked as Exhibit “**UU**” are copies of the Tax Certificates certified as at August 28, 2023 from the Township.
32. Given the circumstances, RBC seeks to appoint Spergel as the Receiver, so that the Receiver can review all options on a go-forward basis and return to court to seek the appropriate direction under the circumstances, with a view to maximizing the realization for the benefit of all stakeholders involved.
33. The Ten 4 GSA, the 321 Ontario GSA and the 550 Ontario GSA each provides RBC with the right to appoint a receiver pursuant to Section 13 thereof.
34. If the relief sought is not granted, RBC is of the view that significant value may be irrevocably destroyed. I am very concerned that the Property, as well as the Security held by the Bank, are at risk, unless a receiver is appointed by the court.
35. The defaults by the Debtors, the Writ of Execution and the non-payment of property taxes places the Bank’s collateral at risk.
36. In light of the foregoing, the Bank has significant concerns with respect to the stability of the Debtors if the appointment of a receiver is not made by the court and if a stay of proceedings is not ordered immediately to ensure that the Receiver is provided with an opportunity to secure the collateral for the benefit of all stakeholders.
37. Spergel is a licensed insolvency trustee.
38. Spergel has consented to act as Receiver. Attached hereto and marked as Exhibit “**VV**” is a copy of the consent of Spergel to act as Receiver.

39. This Affidavit is sworn in support of an Order for the appointment of Spergel as Receiver over the Property of the Debtors and for no other or improper purpose.

SWORN BEFORE ME over video conference)
this 12th day of September 2023, in accordance)
with Ontario Regulation 431/20. The affiant)
was located in Toronto, in the Province of)
Ontario, while the commissioner, Mariela)
Adriana Gasparini, was located in Vaughan, in)
the Province of Ontario.)



A Commissioner for taking affidavits)

LSO License No.: P14458



TRO DERBEDROSSIAN

THIS IS EXHIBIT "A" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrian G. Papirio".

A Commissioner for taking affidavits

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

Date of Search: 2023/08/18
 Time of Search: 10:28 AM
 Service Request Number: 40322307
 Customer Reference Number: 04761937-EDD3_5_3569454

Corporate Access Number: 2021673450
Business Number: 795168749
Legal Entity Name: TEN 4 SYSTEM LTD.

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2019/01/17 YYYY/MM/DD
Date of Last Status Change: 2022/04/07 YYYY/MM/DD

Registered Office:

Street: 3456 91 ST NW
City: EDMONTON
Province: ALBERTA
Postal Code: T6E5R1

Records Address:

Street: 3456 91 ST NW
City: EDMONTON
Province: ALBERTA
Postal Code: T6E5R1

Email Address: TEN4SYSTEM@GMAIL.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
SINGH	JATINDER			3430 CHERRY WAY SW	EDMONTON	ALBERTA	T6X2B6	INFO@LEGACYPERMITS.COM

Directors:

Last Name: MEHMOOD
First Name: NASIR
Street/Box Number: 200 EVEROAK CLOSE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2Y0C4

Voting Shareholders:

Last Name: MAHMOOD
First Name: NASIR
Street: 200 EVEROAK CLOSE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2Y0C4
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: UNLIMITED CLASS "A" VOTING SHARES. UNLIMITED CLASS "B" NON-VOTING SHARES.
Share Transfers Restrictions: NO SHARES OF THE CAPITAL STOCK OF THE CORPORATION SHALL BE TRANSFERRED UNLESS AND UNTIL SUCH TRANSFER HAS BEEN APPROVED BY THE BOARD OF DIRECTORS OF THE CORPORATION.
Min Number Of Directors: 1
Max Number Of Directors: 10
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: NONE

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2022	2022/04/07

Outstanding Returns:

Annual returns are outstanding for the 2023 file year(s).

Filing History:

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

2019/01/17	Incorporate Alberta Corporation
2020/12/09	Update Business Number Legal Entity
2022/03/02	Status Changed to Start for Failure to File Annual Returns
2022/04/07	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2023/07/28	Change Director / Shareholder

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Letter - Spelling Error	10000407142744212	2022/07/27

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





Profile Report

TEN 4 SYSTEM LTD. as of August 18, 2023

Act	Corporations Information Act
Type	Extra-Provincial Domestic Corporation with Share
Name	TEN 4 SYSTEM LTD.
Ontario Corporation Number (OCN)	1000297945
Governing Jurisdiction	Canada - Alberta
Incorporation/Amalgamation Date	January 17, 2019
Registered or Head Office Address	913-608 9 St Sw, Calgary, Alberta, Canada, T2P 2B3
Status	Refer to Governing Jurisdiction
Date Commenced in Ontario	August 26, 2022
Principal Place of Business	73 Eastern Avenue, Brampton, Ontario, Canada, L6W 1X9

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.

Chief Officer or Manager

Name

HARDEV TAGGAR

Address for Service

73 Eastern Avenue, Brampton, Ontario, Canada, L6W 1X9

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Corporate Name History
Refer to Governing Jurisdiction

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Active Business Names

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

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V. Quintanilla W.

Director/Registrar

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Expired or Cancelled Business Names

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

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Director/Registrar

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Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: Hardev TAGGAR	September 01, 2022
CIA - Notice of Change PAF: Hardev TAGGAR	September 01, 2022
CIA - Initial Return PAF: Hardev TAGGAR	August 30, 2022

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.

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Director/Registrar

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THIS IS EXHIBIT "B" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armand Gaspine", written over a horizontal line.

A Commissioner for taking affidavits



Profile Report

1000043321 ONTARIO INC. as of August 18, 2023

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	1000043321 ONTARIO INC.
Ontario Corporation Number (OCN)	1000043321
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	December 02, 2021
Registered or Head Office Address	73 Eastern Ave, Brampton, Ontario, Canada, L6W 1X9

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

V. Quintanilla W.

Director/Registrar

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Active Director(s)

Minimum Number of Directors 1
Maximum Number of Directors 10

Name NASIR MAHMOOD
Address for Service 584 Remembrance Rd, Brampton, Ontario, Canada, L7A 4N2
Resident Canadian No
Date Began December 21, 2022

Name RUPINDER TAGGAR
Address for Service 4 Action Dr, Brampton, Ontario, Canada, L7A4X8
Resident Canadian Yes
Date Began December 21, 2022

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

V. Quintanilla W.

Director/Registrar

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Active Officer(s)

Name	NASIR MAHMOOD
Position	President
Address for Service	584 Remembrance Rd, Brampton, Ontario, Canada, L7A 4N2
Date Began	December 21, 2022

Name	RUPINDER TAGGAR
Position	Secretary
Address for Service	4 Action Dr, Brampton, Ontario, Canada, L7A4X8
Date Began	December 21, 2022

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

V. Quintanilla W.

Director/Registrar

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Corporate Name History

Name

1000043321 ONTARIO INC.

Effective Date

December 02, 2021

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V. Quintanilla W.

Director/Registrar

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Active Business Names

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

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V. Quintanilla W.

Director/Registrar

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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

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Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: NASIR MAHMOOD	March 10, 2023
CIA - Notice of Change PAF: NASIR MAHMOOD	December 23, 2022
CIA - Notice of Change PAF: Gurvinder VIRK	January 07, 2022
CIA - Notice of Change PAF: Gurvinder VIRK	January 07, 2022
CIA - Notice of Change PAF: Gurvinder VIRK	January 06, 2022
CIA - Notice of Change PAF: Gurvinder VIRK	January 06, 2022
CIA - Initial Return PAF: Gurvinder VIRK	December 02, 2021
BCA - Articles of Incorporation	December 02, 2021

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.

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THIS IS EXHIBIT "C" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrienne Gypine", written over a horizontal line.

A Commissioner for taking affidavits



Profile Report

1000122550 ONTARIO INC. as of August 18, 2023

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	1000122550 ONTARIO INC.
Ontario Corporation Number (OCN)	1000122550
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	February 22, 2022
Registered or Head Office Address	73 Eastern Ave, Brampton, Ontario, Canada, L6W 1X9

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Active Director(s)

Minimum Number of Directors 1
Maximum Number of Directors 10

Name NASIR MAHMOOD
Address for Service 584 Remembrance Rd, Brampton, Ontario, Canada, L7A 4N2
Resident Canadian Yes
Date Began December 21, 2022

Name RUPINDER TAGGAR
Address for Service 4 Action Dr, Brampton, Ontario, Canada, L7A4X8
Resident Canadian Yes
Date Began December 21, 2022

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Active Officer(s)

Name

NASIR MAHMOOD

Position

President

Address for Service

584 Remembrance Rd, Brampton, Ontario, Canada, L7A 4N2

Date Began

December 21, 2022

Name

RUPINDER TAGGAR

Position

Secretary

Address for Service

4 Action Dr, Brampton, Ontario, Canada, L7A 4X8

Date Began

December 21, 2022

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V. Quintanilla W.

Director/Registrar

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Corporate Name History

Name

1000122550 ONTARIO INC.

Effective Date

February 22, 2022

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V. Quintanilla W.

Director/Registrar

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Active Business Names

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

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V. Quintanilla W.

Director/Registrar

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Expired or Cancelled Business Names

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Director/Registrar

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CIA - Initial Return PAF: Gurvinder VIRK	March 11, 2022
BCA - Articles of Incorporation	February 22, 2022

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THIS IS EXHIBIT "D" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armen Derbedrossian", written over a horizontal line.

A Commissioner for taking affidavits



Royal Bank of Canada
 Commercial Financial Services
 6880 Financial Drive – 2nd Floor
 Mississauga Ontario, L5N 7Y5

July 21, 2023

Private and Confidential

TEN 4 SYSTEM LTD.

73 Eastern Avenue
 Brampton, Ontario
 L6W 1X9

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 December 13, 2022 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: Ten 4 System Ltd. (the “**Borrower**”)

CREDIT FACILITIES

Facility #1: \$2,500,000.00 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 + 2.13%

b) RBUSBR based loans in US currency (“**RBUSBR Loans**”)

Revolve in increments of:	\$5,000.00	Minimum retained balance:	\$0.00
Revolved by:	Bank	Interest rate (per annum):	RBUSBR + 2.13%

c) Letters of Credit in Canadian currency or US currency (“**LCs**”)

Fees to be advised on a transaction-by-transaction basis. Fees and drawings to be charged to Borrower’s accounts.

° Registered Trademark of Royal Bank of Canada

d) Letters of Guarantee in Canadian currency or US currency ("LGs")

Fees to be advised on a transaction-by-transaction basis. Fees and drawings to be charged to Borrower's accounts. Minimum fee of \$100.00 in the currency of issue.

AVAILABILITY

The Borrower may borrow, convert, 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; and
- b) 90% of Good Private Insured Accounts Receivable.

REPAYMENT

Notwithstanding compliance with the covenants and all other terms and conditions of this Agreement, and regardless of the maturities of any outstanding instruments or contracts, Borrowings under this facility are repayable on demand.

GENERAL ACCOUNT

The Borrower shall establish current accounts with the Bank in each of Canadian currency and 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 each 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) 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 or RBUSBR Loans as applicable, under this facility; and
- c) if such position is a credit balance, where this facility is indicated to be Borrower revolved, the Bank will apply repayments on such facility only if so advised and directed by the Borrower.

Facility #2: \$1,500,000.00 revolving lease line of credit by way of Leases. 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 a separate agreement, the terms of the separate agreement will govern.

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 availability of any unutilized portion of this facility at any time from time to time without notice. 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 \$300,000.00 available in Canadian currency and US currency.

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: \$7,500.00

Management Fee: \$500.00

Other Fees:

Annual Non-Refundable Review Fee: \$7,500.00

Payable by the Borrower on each annual review or at such times as may be agreed upon between the Borrower and the Bank. The review fee(s) do not and shall not in any way obligate the Bank to grant, continue, renew or extend any of the facilities or any other credit or indebtedness.

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 \$3,200,000.00 signed by 1000043321 Ontario Inc.,
- b) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$3,200,000.00 signed by 1000122550 Ontario Inc.;
- c) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$1,500,000.00 signed by Nasir Mahmood;
- d) Guarantee and postponement of claim on the Bank's form 812 for an unlimited amount signed by 1000043321 Ontario Inc., supported by a:
 - i. a general security agreement on the Bank's form 924 constituting a first ranking security interest in all personal property of 1000043321 Ontario Inc.;
 - ii. a collateral mortgage in the amount of \$5,771,200.00 constituting a first fixed charge on the lands and improvements, located at: 2396 Cedar Creek Road, Ayr, Ontario;
 - iii. 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 2396 Cedar Creek Road, Ayr, Ontario;
- e) Guarantee and postponement of claim on the Bank's form 812 for an unlimited amount signed by 1000122550 Ontario Inc., supported by a:
 - i. a general security agreement on the Bank's form 924 constituting a first ranking security interest in all personal property of 1000122550 Ontario Inc.;
 - ii. a collateral mortgage in the amount of \$7,281,600.00 constituting a first fixed charge on the lands and improvements, located at: 2396 Cedar Creek Road, Ayr, Ontario;
 - iii. 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 2396 Cedar Creek Road, Ayr, Ontario;
- f) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$2,500,000.00 signed by Nasir Mahmood;
- g) 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; and
- h) Postponement and assignment of claim on the Bank's form 918 signed by Nasir Mahmood.

Upon receipt of the security described in paragraphs d), e) and f) 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), b) and c) above.

FINANCIAL COVENANTS

In the event that the Borrower, 1000122550 Ontario Inc. or 1000043321 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, 1000122550 Ontario Inc. and 1000043321 Ontario Inc., to be measured as at the end of each fiscal year:
 - i. Fixed Charge Coverage of not less than 1.15:1; and
 - 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 annual aged list of accounts receivable, listing of lienable accounts payable due to parties protected by Deemed Trust Legislation, accounts receivable insurance policy and supporting documents and listing of Potential Prior-Ranking Claims for the Borrower, within 30 days of each month end;
- c) quarterly company prepared financial statements for the Borrower, within 45 days of each fiscal quarter end;
- d) annual Compliance Certificate, substantially in the form of Schedule "G" signed by an authorized signing officer of the Borrower, within 90 days of each fiscal year end, certifying compliance with this Agreement including the financial covenants set forth in the Agreement;
- e) annual review engagement financial statements for the Borrower, within 90 days of each fiscal year end;
- f) annual compilation engagement combined financial statements for the Borrower, 1000122550 Ontario Inc. and 1000043321 Ontario Inc., within 90 days of each fiscal year end;
- g) annual compilation engagement financial statements for 1000122550 Ontario Inc. and 1000043321 Ontario Inc., within 90 days of each fiscal year end;
- h) annual chartered account confirmation confirmation of Unfunded Capital Expenditures for the fiscal year for the Borrower, within 90 days of each fiscal year end;

- i) annual equipment and financing listing including, year, vehicle make, model, vehicle identification number, purchase price, down payment, unfunded amount, loan/lease, amount financed, payment amount, bullet amount, within 90 days of each fiscal year end;
- j) annual forecasted balance sheet and income and cash flow statements for the Borrower, prepared on a quarterly basis for the next following fiscal year, within 90 days of each fiscal year end;
- k) 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 2024; and
- l) 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; 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; and
- f) 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.

GOVERNING LAW JURISDICTION

Province of Ontario.

ACCEPTANCE

This Agreement is open for acceptance until August 21, 2023, 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: Raman Gill

/dlb

Ten 4 System Ltd.

July 21, 2023

We acknowledge and accept the terms and conditions of this Agreement on this 21st day of July, 2023.

TEN 4 SYSTEM LTD.

Per: [Signature]
Name: NASIR MAHMOOD
Title: DIRECTOR

Per: _____
Name: _____
Title: _____

I/We have the authority to bind the Borrower

As Guarantor, we acknowledge and confirm our agreement with the terms and conditions of this Agreement on this 21st day of July, 2023.

1000043321 ONTARIO INC.

Per: [Signature]
Name: NASIR MAHMOOD
Title: DIRECTOR

Per: Rupinder Kaur
Name: Rupinder Kaur Taggar
Title: Director

I/We have the authority to bind the Guarantor

As Guarantor, we acknowledge and confirm our agreement with the terms and conditions of this Agreement on this 21st day of July, 2023.

1000122550 ONTARIO INC.

Per: [Signature]
Name: NASIR MAHMOOD
Title: DIRECTOR

Per: Rupinder Kaur
Name: Rupinder Kaur Taggar
Title: Director

I/We have the authority to bind the Guarantor

As Guarantor, I acknowledge and confirm my agreement with the terms and conditions of this Agreement on this 21st day of July, 2023.

Witness



Sheikh M. Haseeb


NASIR MAHMOOD

Attachments:

Terms and Conditions

Schedules:

- Definitions
- Calculation and Payment of Interest and Fees
- Additional Borrowing Conditions
- Borrowing Limit Certificate
- Compliance 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 including, without limitation, an amount equal to the face amount of all LCs and LGs which are unexpired or unexpired, which amount shall be held by the Bank as security for the Borrower's obligations to the Bank in respect of such Borrowings. 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 or RBUSBR Loans, the Borrower may prepay such Borrowings in whole or in part without fee or premium.

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, including, without limitation, the application of accrual accounting. 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, solidarily) 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 RBC Life Insurance Company, 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 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;

"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, 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;

"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;

"Good Private Insured Accounts Receivable" means Private Insured 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, or (vi) any accounts which the Bank has previously advised to be ineligible;

"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;

"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;

“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 52000 and 53000, issued by RBC Life Insurance Company 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;

“Private Insured Accounts Receivable” means trade accounts receivable of the Borrower, where the payment has been insured by an insurer acceptable to the Bank, on terms and conditions satisfactory to the Bank, and the Bank has been named as loss payee by way of a duly executed assignment of or a rider/endorsement to the applicable insurance policy from such other insurer, supported by a copy of the applicable insurance policy and any renewals thereof;

“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.

Schedule "B"**CALCULATION AND PAYMENT OF INTEREST AND FEES****LIMIT ON INTEREST**

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.

OVERDUE PAYMENTS

Any amount that is not paid when due hereunder shall, unless interest is otherwise payable in respect thereof in accordance with the terms of this Agreement or the instrument or contract governing same, 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 date, demand and judgement.

EQUIVALENT YEARLY RATES

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.

TIME AND PLACE OF PAYMENT

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 date, demand and judgement.

RBP LOANS AND RBUSBR LOANS

The Borrower shall pay interest on each RBP Loan and RBUSBR Loan, monthly in arrears, on the 26th day of each month or such other day as may be agreed to between the Borrower and 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 and shall be paid in the currency of the applicable Borrowing.

LETTER OF CREDIT FEES

The Borrower shall pay a 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 and fees for LCs issued in any other approved currency shall be paid in Canadian currency.

LETTER OF GUARANTEE FEES

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 and fees for LGs issued in any other approved currency shall be paid in Canadian currency.

Schedule "D"**ADDITIONAL BORROWING CONDITIONS****LCs or LGs:**

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

- a) each LC and 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 or LG, the Borrower shall execute a duly authorized application with respect to such LC or LG and each LC and LG shall be governed by the terms and conditions of the relevant application for such contract;
- c) an LC or LG may not be revoked prior to its expiry date unless the consent of the beneficiary of the LC or LG has been obtained;
- d) any LC or LG issued under a term facility must have an expiry date on or before the Maturity Date of the term facility, unless otherwise agreed by the Bank; and
- e) if there is any inconsistency at any time between the terms of this Agreement and the terms of the application for LC or LG, the terms of the application for LC or LG shall govern.

Schedule "F"

BORROWING LIMIT CERTIFICATE

I, _____, representing the Borrower hereby certify as of month ending _____:

1. I am familiar with and have examined the provisions of the Agreement dated July 21, 2023, and any amendments thereto, between Ten 4 System Ltd., 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	\$ _____
Plus:	h) 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 \$ _____
Total Private Insured Accounts Receivable		\$ _____
Less:	a) The portion of such accounts which exceeds 90 days	\$ _____
	b) Accounts due from affiliates	\$ _____
	c) Accounts where collection is suspect	\$ _____
	d) Accounts subject to prior encumbrances	\$ _____
	e) Holdbacks, contra-accounts or rights of set-off	\$ _____
	f) Other ineligible accounts	\$ _____
Plus:	g) 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, which the Bank has designated as nevertheless good	\$ _____
Good Private Insured Accounts Receivable		C
Marginable Good Private Insured Accounts Receivable at 90% of C		D \$ _____
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		\$ _____

Schedule F

Overdue Rent, Property & Business Tax and potential claims from third parties such as subcontractors	\$ _____	
Other	\$ _____	
Total Potential Prior-Ranking Claims		E \$ _____
Borrowing Limit (B+D-E)		\$ _____
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: _____

Schedule "G"

COMPLIANCE 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 July 21, 2023, and any amendments thereto, between Ten 4 System Ltd., 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 and any Guarantor if applicable. Terms defined in the Agreement have the same meanings where used in this certificate.
2. The representations and warranties contained in the Agreement are true and correct.
3. No event or circumstance has occurred which constitutes or which, with the giving of notice, lapse of time, or both, would constitute a breach of any covenant or other term or condition of this Agreement or an Event of Default and there is no reason to believe that during the next fiscal year of the Borrower, any such event or circumstance will occur.
4. The Fixed Charge Coverage is ____:1, being not less than the minimum required ratio of 1.15:1.
5. The ratio of Total Liabilities to Tangible Net Worth is ____:1, being not greater than the maximum permitted ratio of 3:1.
6. The detailed calculations of the foregoing ratios and covenants is set forth in the addendum annexed hereto and are true and correct in all respects.

Dated this ____ day of _____, 20__.

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

Schedule "H"

RBC COVARIETY DASHBOARD TERMS AND CONDITIONS

If the Borrower elects to fulfill the reporting requirements relating to the submission of financial information set out in this Agreement by accessing a secure web based portal ("**RBC Covarity Dashboard**") via the Internet and using RBC Covarity Dashboard to electronically upload the Borrower's financial information and to complete online and electronically submit certificates, reports and/or forms (the "**Service**"), then the following terms and conditions (the "**RBC Covarity Dashboard Terms and Conditions**") apply and are deemed to be included in, and form part of, the Agreement.

1. Definitions. For the purpose of the RBC Covarity Dashboard Terms and Conditions:

"Disabling Code" means any clock, timer, counter, computer virus, worm, software lock, drop dead device, Trojan horse routine, trap door, time bomb, or any other unauthorized codes, designs, routines or instructions that may be used to access, modify, replicate, distort, delete, damage or disable any Electronic Channel, including any related hardware or software.

"Designated User" an individual permitted to act on behalf of and bind the Borrower in all respects, and specifically in the submission of Electronically Uploaded Financial Information and/or Electronically Submitted Certificates.

"Electronic Channel" means any telecommunication or electronic transmission method which may be used in connection with the Service, including computer, Internet, telephone, e-mail or facsimile.

"Electronic Communication" means any information, disclosure, request or other communication or agreement sent, received or accepted using an Electronic Channel.

"Electronically Submitted Certificates" means certificates, reports and/or forms completed online and electronically submitted by any Designated User accessing the Service.

"Electronically Uploaded Financial Information" means financial data, reports and/or information of the Borrower electronically uploaded by any Designated User accessing the Service.

"Internet" means a decentralized global communications medium and the world-wide network of computer networks, accessible to the public, that are connected to each other using specific protocols, which provides for file transfer, electronic mail, remote log in, news, database access, and other services.

"Password" means a combination of numbers and/or letters selected by a Designated User that is used to identify the Designated User. The Password is used in conjunction with a User ID to access the Service.

"Security Breach" means any breach in the security of the Service, or any actual or threatened use of the Service, a Security Device, or Electronic Channel in a manner contrary to the Agreement, including, without limitation, the introduction of Disabling Code or a Virus to the Service.

"Security Device" means a combination of a User ID and Password.

"Software" means any computer program or programming (in any code format, including source code), as modified from time to time, and related documentation.

"User ID" means the combination of numbers and/or letters selected by the Borrower used to identify a particular Designated User. The User ID is used in conjunction with a Password to access the Service.

"Virus" means an element which is designed to corrupt data or enable access to or adversely impact upon the performance of computer systems, including any virus, worm, logic bomb and Trojan horse.

Terms defined in the Agreement have the same meanings where used in the RBC Covarity Dashboard Terms and Conditions.

2. Access to the Service. The Borrower will appoint one or more Designated User(s) to access the Service on behalf of the Borrower. The Borrower acknowledges and agrees that each Designated User appointed by the Borrower may electronically upload the Borrower's financial information and may view all previously uploaded financial information and all calculations in the RBC Covarity Dashboard.

At the time of registration for the Service, the Borrower will advise the Bank of the name and e-mail address of each Designated User. The Borrower will immediately advise the Bank if a Designated User changes or is no longer valid.

The Bank will provide the Borrower with a User ID and temporary password for each Designated User. Each Designated User will receive the User ID and temporary password delivered to their e-mail address. Each Designated User will change the temporary password to a unique Password which may not be easily guessed or obtained by others. If it is suspected or known that the Password has been compromised in any way, the Password must be changed immediately.

On first access to the Service, each Designated User will be required to read and agree to terms of use which will thereafter be accessible from a link located on each web page of the Service.

3. Security Devices. The Borrower recognizes that possession of a Security Device by any person may result in that person having access to the Service. The Borrower agrees that the use of a Security Device in connection with the Service, including any information sent, received or accepted using the Service, will be deemed to be conclusive proof that such information is accurate and complete, and the submission of which is authorized by, and enforceable against, the Borrower.

The Borrower is responsible for maintaining the security and confidentiality of Security Devices which may be used in connection with the Service. The Borrower is responsible for ensuring that a Security Device will only be provided to and used by a Designated User. The Borrower agrees to be bound by any actions or omissions resulting from the use of any Security Device in connection with the Service.

4. Security. Each party shall at all times have in place appropriate policies and procedures to protect the security and confidentiality of the Service, Electronic Channels and Electronic Communication and to prevent any unauthorized access to and use of the Service and Electronic Channels. The Borrower agrees to comply with any additional procedures, standards or other security requirements that the Bank may require in order to access the Service.

The Borrower will not (i) access or use the Service for an illegal, fraudulent, malicious or defamatory purpose, or (ii) take steps or actions that could or do undermine the security, integrity, effectiveness, goodwill or connectivity of the Service (including illegal, fraudulent, malicious, defamatory or other activities that threaten to harm or cause harm to any other person).

The Borrower agrees not to transmit via the Service any viruses, worms, defects, Trojan horses or any items of a destructive nature. The Borrower shall maintain the security of their computer by using anti-virus scanning, a firewall and installing the latest security patches to provide assurance that no Virus is introduced into the systems or Software while accessing the Service.

5. Unsecure Electronic Channels. The Borrower acknowledges and agrees that if it uses, or if it authorizes and directs the Bank to use, any unencrypted Electronic Channel, including unencrypted e-mail or facsimile, any Electronic Communication sent, received and/or accepted using such Electronic Channel is not secure, reliable, private or confidential. Any such Electronic Communication could be subject to interception, loss or alteration, and may not be received by the intended recipient in a timely manner or at all. The Borrower assumes full responsibility for the risks associated with such Electronic Communication.

6. Notice of Security Breach. The Borrower shall notify the Bank by notifying the RBC Account Manager in writing immediately of any Security Breach including: (i) any application vulnerability or if a Virus is contained in or affects transmission of information to the Service; or (ii) if the Borrower knows or reasonably ought to know that an unauthorized person may have access to the Service, Security Device or Electronic Channel.

If a Security Breach occurs the Borrower shall: (i) assist the Bank in the management of any consequences arising from it; (ii) take any reasonable steps necessary for it to take to mitigate any harm resulting from it; and (iii) take appropriate steps to prevent its recurrence.

7. Binding Effect. Any Electronic Communication that the Bank receives from or in the name of, or purporting to be from or in the name of, the Borrower or any other person on the Borrower's behalf in connection with the Service, will be considered to be duly authorized by, and enforceable against, the Borrower. The Bank will be authorized to rely and act on any such Electronic Communication, even if the Electronic Communication was not actually from the Borrower or such other person or differs in any way from any previous Electronic Communication sent to the Bank. Any Electronically Uploaded Financial Information will be considered to be financial information submitted to the Bank by an individual permitted to act on behalf of and bind the Borrower in all respects, and the Bank will be authorized to rely and act on any such Electronically Uploaded Financial Information accordingly. Any Electronically Submitted Certificates will be considered to be certificates, reports and/or forms completed and submitted to the Bank by an individual permitted to act on behalf of and bind the Borrower in all respects, and the Bank will be authorized to rely and act on any such Electronically Submitted Certificates accordingly.

8. Representations and Warranties. The Borrower represents and warrants to the Bank that each time Electronically Uploaded Financial Information and/or Electronically Submitted Certificates are submitted: (i) all financial statements, certificates, forms, reports and all information contained therein will be accurate and complete in all respects; (ii) all amounts certified as Potential Prior-Ranking Claims will be current amounts owing and not in arrears; (iii) all representations and warranties contained in the Agreement will be true and correct; and (iv) no event will have occurred which constitutes, or which, with notice, lapse of time, or both, would constitute an Event of Default or breach of any covenant or other term or condition of the Agreement. The Borrower will be deemed to repeat these representations and warranties each time Electronically Uploaded Financial Information and/or Electronically Submitted Certificates are submitted.

9. Evidence. Electronic records and other information obtained by the Bank in an Electronic Communication will be admissible in any legal, administrative or other proceedings as conclusive evidence of the contents of those communications in the same manner as an original paper document, and the Borrower waives any right to object to the introduction of any such record or other information into evidence on that basis.

10. Limitation of Liability. The Bank is not responsible or liable for any damages arising from: (i) inaccurate, incomplete, false, misleading, or fraudulent information provided to the Bank; (ii) losses incurred as a result of an actual or potential Security Breach; or (iii) losses incurred as a result of application vulnerability or Virus that is contained in or affects any Software or systems used by or on behalf of the Borrower in connection with the Service.

Although every effort is made to provide secure transmission of information, timely communication and confidentiality cannot be guaranteed. In no event shall the Bank be liable for

any loss or harm resulting from the use of the Service, or from a breach of confidentiality in respect of use of the Service.

11. Termination. The ability of the Borrower to fulfill the reporting requirements relating to the submission of financial information set out in the Agreement using RBC Covarity Dashboard shall terminate upon revocation of access to the Service. In addition, the Bank may suspend or terminate access to or discontinue the Service immediately for any reason at any time without prior notice. The Bank will not be responsible for any loss or inconvenience that may result from such suspension or termination. The Borrower, upon giving notice to the Bank by notifying the RBC Account Manager in writing, may terminate use of the Service at any time.

12. Amendment. The Bank may amend these RBC Covarity Dashboard Terms and Conditions upon 30 days notice (which may be given electronically by way of e-mail or in writing) to the Borrower. The Borrower agrees that the continued use of the Service after the effective date of a change will constitute conclusive evidence of consent to all such amendments and the Borrower shall be bound by the amendments.

THIS IS EXHIBIT "E" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adriana Gosselin".

A Commissioner for taking affidavits



Royal Bank

E-FORM 80450 (03/2019)

RBC Royal Bank® Visa⁺ Business Card Agreement

For good and valuable consideration, we accept your offer for the Account and each Card on the following terms and conditions:

1. **What the Words Mean:** In this Agreement and the Disclosure Statement, please remember that,

"we", "our" and "us" mean the Applicant, and;

"you" and "your" mean Royal Bank of Canada and companies under RBC®.

Please also remember that in this Agreement and the Disclosure Statement:

"Account" means an RBC Avion® Visa Infinite Business⁺ ("Avion Visa Infinite Business"), RBC Avion Visa Business ("Avion Visa Business") (formerly "RBC Visa Business Platinum Avion"), RBC Visa Business ("Visa Business") or RBC Visa Business Gold ("Visa Business Gold") account that you have opened for the Applicant. You may add other types of Accounts to this list at any time. All Cards you issue to Cardholders under an Account form part of the Account;

"Account Statement" means your written statement of the Account that you prepare for a Cardholder about every three (3) or four (4) weeks. The period covered by each Account Statement will vary between 27 days and 34 days;

"Aggregate Credit Limit" means the maximum aggregate amount of Debt that can remain outstanding and unpaid at any time in the Accounts of all Cardholders under this Agreement;

"Agreement" means this Visa Business Card Agreement and all annexes attached to this Visa Business Card Agreement;

"Applicant" means the business identified in an application for an Account;

"Application" means the request made to you for the Account and each Card;

"Authorized Person" means any individual we have designated in writing as being authorized to ask you to open an Account and issue a Card to a Cardholder under this Agreement and to perform administrative duties for us under this Agreement;

"Card" means any Visa Business credit card you issue to a Cardholder on an Account in their name at our request, and all renewals of and replacements for that credit card;

"Cardholder" means an individual for whom you have opened an Account and to whom you have issued a Card on that Account at the request of an Authorized Person under this Agreement;

"Cash Advance" means an advance of cash that is charged to a Cardholder's Account with, or in connection with, their Card (or any other eligible Account access card you have issued to the Cardholder) and bill payments made from the Account at a bank branch, at a banking machine or on the Internet, Credit Card Cheques, balance transfers and "cash-like" transactions, including, without limitation, money orders, wire transfers, travellers' cheques, and gaming transactions (including

betting, off-track betting, race track wagers, casino gaming chips, lottery tickets);

"Credit Limit" means the maximum amount of Debt that can remain outstanding and unpaid at any time in a Cardholder's Account under this Agreement;

"Debt" means all amounts charged to a Cardholder's Account with or in connection with their Card, including Purchases, Cash Advances, interest, and Fees;

"Disclosure Statement" means your written statement of the Interest Rates and Fees for each Account and each Card set out in a document accompanying each Card when you issue it to a Cardholder and in any other document or statement you may send to Cardholders or us from time to time;

"Fee" means a fee that applies to a Cardholder's Account and this Agreement, as set out in the Disclosure Statement and in any document or other written statement you may send to the Cardholder or us from time to time;

"Grace Period" means the number of days between the Cardholder's Statement Date and Payment Due Date;

"Interest-Bearing Balance" means the unpaid balance of the Debt outstanding in a Cardholder's Account that is made up of any combination of Interest-Bearing Purchases and Interest-Bearing Fees and Cash Advances;

"Interest-Bearing Purchase and Interest-Bearing Fee" means a Purchase or Fee appearing on an Account Statement for the first time whether either or both of the following occurs: (i) the Debt shown on that Account Statement is not paid in full by that Account Statement's Payment Due Date or (ii) the Debt shown on the preceding Account Statement was not paid in full by the preceding Account Statement's Payment Due Date;

"Interest Rate (Cash Advances including Credit Card Cheques)" means the annual percentage rate of interest referred to in the Disclosure Statement and set out on each Account Statement that applies to each Cash Advance;

"Interest Rate (Interest-Bearing Purchases and Interest-Bearing Fees)" means the annual percentage rate of interest referred to in the Disclosure Statement and set out on each Account Statement that applies to each Interest-Bearing Purchase and Interest-Bearing Fee;

"Interest Rates" mean, collectively, the Interest Rate (Cash Advances including Credit Card Cheques) and the Interest Rate (Interest-Bearing Purchases and Interest-Bearing Fees);

"Liability Waiver Program" means the RBC Royal Bank Visa Liability Waiver Program in force from time to time, a current copy of which is annexed to this Agreement;

"Minimum Payment" means the amount indicated as such on an Account Statement;

"New Balance" means the amount indicated as such on an Account Statement;

"Payment Due Date" means the date indicated as such on an Account Statement;

E-FORM 80450 (03/2019)

"Personal Identification Number" means the personal identification number that a Cardholder has selected in your prescribed manner;

"Purchase" means a purchase of goods or services (or both) that is charged to a Cardholder's Account with or in connection with their Card;

"Statement Date" means the last date of the Statement period for which an Account Statement is produced;

"Terms of Use" means the Visa Business Reporting Terms of Use and/or the Visa Payment Controls Cardholder Terms and Conditions, established by Visa, that each User will be asked to read and agree with upon first log-in to Visa Business Reporting or Visa Payment Controls, and from time to time thereafter when prompted by Visa;

"User" means each authorized user of Visa Business Reporting and/ or Visa Payment Controls designated and enrolled by the Applicant;

"Visa" means Visa Canada Corporation, Visa Inc., Visa International Service Association, Visa Worldwide Pte Limited, and Visa U.S.A. Inc. including their subsidiaries and/or their affiliated entities;

"Visa Business Reporting" means the reporting and analyzing online tool provided by Visa, which enables Avion Visa Infinite Business Applicants to self-manage their spending by being able to track expenses, save receipts, create reports, and more; and

"Visa Payment Controls" means the online tool provided by Visa, which enables Avion Visa Infinite Business Applicants to selfmanage the usage of each Card on their Account, by selecting various controls such as spending controls, category controls and locations controls.

2. **General Terms of Agreement:** This Agreement and the Disclosure Statement apply to each Account and Card. This Agreement replaces all prior Visa Business Card agreements between you and us for each Account and Card.

This Agreement is our promise to pay amounts owing on each of our Visa Business Accounts. It together with our Visa Business Card Application explains our rights and duties.

We acknowledge and agree that we must provide each Cardholder with a copy of this Agreement.

If a Cardholder signs, activates or uses their Card or their Account, it will mean that we have received and read this Agreement and agree to and accept all of its terms.

We confirm that all information provided to you regarding the Applicant's ownership, control and structure is true, complete and accurate in all respects.

We must promptly give you up-to-date credit and financially related information about us when you ask for it. The section headings in this Agreement appear only for ease of reference purposes. They do not form part of this Agreement.

3. **Account Opening/Card Issuance and Renewal:** You will open an Account for, and will issue a Card on that Account to, a Cardholder at our request or at the request of an Authorized Person made on a fully completed request form that you have prescribed for this purpose. For any Cardholder that is not responsible for the payment of any Debt under this Agreement, you will

maintain a record of the name of the Cardholder only. We acknowledge and agree that we shall obtain the name, address, telephone number, and date of birth of such Cardholders and shall maintain a record of such information obtained for a period of 7 years. We agree to immediately provide such information to you if requested by you.

You will also issue renewal and replacement Cards (excluding an emergency replacement Card) to each Cardholder before the expiration date indicated on the Card last issued to them. You will continue to issue renewal and replacement Cards to a Cardholder in this way until we or the Cardholder tells you to stop. An emergency replacement Card will be issued by you to a Cardholder when required according to your customary operating procedures.

4. **Account and Card Use:** A Cardholder may use their Account and Card to obtain advances of money from you through Purchase transactions, Cash Advance transactions and other transactions you permit from time to time. The use of each Account and Card is governed by this Agreement. An Account and Card may only be used by the Cardholder in whose name it has been opened or issued. A Cardholder must not use their Card after the expiration date shown on it or after the termination of this Agreement. A Cardholder may not use their Card for any illegal, improper or unlawful purpose.

You reserve the right to refuse your authorization for certain types of transactions as determined by you.

5. **Visa Business Reporting and Visa Payment Controls**

Applicable to Avion Visa Infinite Business Accounts only

You offer Avion Visa Infinite Business Applicants access to Visa Business Reporting and Visa Payment Controls. These tools are administered by the Applicant and additional Users may be enrolled by the Applicant. All Users are subject to the following terms and conditions.

5.1. **Applicant's Acknowledgement**

The Applicant acknowledges that:

- Visa Business Reporting and Visa Payment Controls are provided by Visa, and the Terms of Use have been established solely by Visa, not you;
- information collected by Visa in connection with the use of Visa Business Reporting and Visa Payment Controls will be used in accordance with Visa's privacy policy, accessible at www.visa.ca/en_CA/legal/privacy-policy.html;
- all information and data contained in Visa Business Reporting and Visa Payment Controls remain your property;
- you are not in any way responsible for the availability of Visa Business Reporting and/or Visa Payment Controls at any time or their accuracy thereof;
- you are not in any way responsible for the reliability or accuracy of any tax management tools available through Visa Business Reporting and/or Visa Payment Controls, and expressly disclaim all warranties in connection with any tax calculation, estimation or information provided by such tax management tools. You do not provide tax, legal or accounting advice and the Applicant should consult its own professional advisors before acting or relying on any tax-related information displayed in Visa

Business Reporting and/or Visa Payment Controls for tax reporting purposes;

- (f) you specifically disclaim any implied warranty of merchantability or fitness for a particular purpose of Visa Business Reporting and/ or Visa Payment Controls; and
- (g) you are not responsible for any data integration (including accuracy of data, security of data and connecting different providers) between Visa and a third party software provider or any other endpoint (including the Applicant), where applicable.

5.2. Applicant's Obligations

The Applicant will:

- (a) create and implement a policy and controls concerning the use of Visa Business Reporting and Visa Payment Controls by the Users in order to:
 - (i) ensure each User is properly authorized to use Visa Business Reporting and/or Visa Payment Controls on its behalf, and that each User complies with this Agreement and the Terms of Use;
 - (ii) ensure all Users maintain the confidentiality of all Visa Business Reporting and/or Visa Payment Controls credentials, including their passwords, User names and other identification, if applicable;
 - (iii) establish a methodology for adding or cancelling Users; and
 - (iv) ensure that all Users are familiar with the processes, required file formats and procedures for RBC Visa Business Reporting and/or Visa Payment Controls, all as outlined in the applicable Visa Business Reporting and/or Visa Payment Controls implementation guides and documentation provided to the Applicant;
- (b) remain responsible for maintaining the confidentiality of all Visa Business Reporting and/or Visa Payment Controls credentials, including passwords, User names and other identification, if applicable;
- (c) remain responsible for all activities that occur through the use of Visa Business Reporting and Visa Payment Controls, including fraud, malfeasance, unauthorized transactions, and any actions or omissions of the Applicant, the Users, or any other person;
- (d) remain liable, as well as indemnify you and hold you harmless from and against all losses, including any losses, claims, damages of any kind (including direct, indirect, special, incidental, consequential or punitive), costs, fees, charges, expenses or other liabilities relating to the use of Visa Business Reporting and/or Visa Payment Controls by the Applicant, the Users or any other person, and for all activities performed by each such person in Visa Business Reporting and/or Visa Payment Controls;
- (e) select French or English as the language of choice to be used while using Visa Business Reporting and/or Visa Payment Controls and be responsible for complying with any applicable language laws;
- (f) be responsible for loading certain organizational and other Applicant-specific data into Visa Business Reporting and/or Visa Payment Controls in a file

format specified by the Terms of Use; and

- (g) use Visa Business Reporting and/or Visa Payment Controls solely for its own use and not disclose information derived from Visa Business Reporting and/or Visa Payment Controls.

5.3. User's Obligations

Upon first log-in to Visa Business Reporting or Visa Payment Controls, and from time to time thereafter when prompted by Visa, each User will be asked to read the Terms of Use and agree with them. A User who does not agree with such Terms of Use will not be able to access or use Visa Business Reporting and/or Visa Payment Controls.

In addition, each User:

- (a) is responsible for complying with the Terms of Use and you, the Applicant or Visa may immediately revoke the access to Visa Business Reporting and/or Visa Payment Controls of any User who does not comply with such Terms of Use;
 - (b) must be familiar and comply with the processes, required file formats and procedures for Visa Business Reporting and/or Visa Payment Controls, all as outlined in the Applicant's internal policies;
 - (c) must maintain the confidentiality of their Visa Business Reporting and/or Visa Payment Controls credentials, including their passwords, User names and other identification, if applicable; and
 - (d) must maintain the confidentiality of any information that is contained in or retrieved from Visa Business Reporting or Visa Payment Controls, such as, but not limited to, data files and reports.
6. **Account and Card Ownership:** You are the owner of each Account and Card. Neither we nor any Cardholder has the right to assign or transfer this Agreement, any Card or any Account to anyone else.
 7. **Lost or Stolen Card:** We or a Cardholder must tell you at once if the Cardholder's Card is lost or stolen or if we or the Cardholder suspects it is lost or stolen. We or the Cardholder may do this in the way you have set out on each Account Statement.

If a Cardholder's Card is lost or stolen, we will be liable to you for:

1. all Debt on the Cardholder's Account, up to a maximum of \$1,000.00, resulting from the loss or theft of their Card that is incurred before the time we or the Cardholder tells you about that loss or theft through any one or more transactions on the Cardholder's Account in which only their Card or Cardholder's Account number has been used to complete those transactions; and

2. all Debt resulting from the loss or theft of their Card that is incurred before the time we or the Cardholder tells you about that loss or theft through any one or more transactions on the Cardholder's Account in which their Card and Personal Identification Number have been used together to complete those transactions.

We will not be liable to you for any Debt resulting from the loss or theft of the Cardholder's Card that is incurred after the time we or the Cardholder tells you about that loss or theft.

8. **Card Cancellation/Revocation or Suspension of Use:** We may cancel a Cardholder's Account and Card for any reason (including, without limitation, the death of A92

Cardholder) by providing you with written notice of cancellation of that Account and Card. Subject to Section 7., we will be liable to you for all Debt, howsoever and by whomsoever incurred, resulting from the use of the Cardholder's Account or Card from the time we provide written notice of cancellation to you of the Cardholder's Card until the time we have notified you that the Card has been destroyed.

If the Debt outstanding in a Cardholder's Account exceeds the Credit Limit at any time, you may suspend the Cardholder's right to use their Account and Card and all services you provide to the Cardholder under this Agreement until such time as that excess is paid to us in full.

You may revoke or suspend a Cardholder's right to use their Account and Card at any time without notice. The Cardholder must also surrender their Card to us or to you at our (or your) request.

9. **Limits:** You will set an Aggregate Credit Limit for all Accounts and you may change it from time to time without notice.

If we consistently make late payments or no payments, you may reduce the Aggregate Credit Limit of all accounts. You will tell us what the initial Aggregate Credit Limit is at or before the time an Account is opened for a Cardholder under this Agreement. We will not permit the Debt we owe to you at any time to exceed the Aggregate Credit Limit. However, you may (but are not required to, even if you have done so before) permit that Debt to exceed the Aggregate Credit Limit you set from time to time.

You will set a Credit Limit for each Cardholder's Account and you may change the Credit Limit for a Cardholder's Account periodically. You will tell each Cardholder what their current Credit Limit is on the document accompanying their Card when you issue it to them and on each Account Statement. We will ensure that each Cardholder observes their Credit Limit. We will not permit the Debt we owe to you in respect to an Account at any time to exceed the Credit Limit for that Account. However, you may (but are not required to, even if you have done so before) permit that Debt to exceed that Credit Limit you set from time to time. We understand that the use of any Card and the Account may be suspended, at your discretion, if the Credit Limit is exceeded. An overlimit fee will be charged to an Account when you permit the Debt to exceed the Credit Limit of that Account during an Account Statement period. You may at any time refuse to permit the Debt to exceed the Credit Limit of an Account and require us to pay any balances which exceed the Credit Limit of an Account.

10. **Liability for Debt:** Subject to Section changes to 7. and 8., and except as may otherwise be provided under the Liability Waiver Program, we will be liable to you for all Debt charged to each Account, no matter how it is incurred or who has incurred it and even though you may send Account Statements to Cardholders and not to us. However, you will provide Account Statement or other information about that Debt to us at our request. You may apply any money we have on deposit with you or any of your affiliates against any Debt we have not paid to you as required under this Agreement without notice to us.

11. **Making Payments:** It is our responsibility to ensure that payment on each Cardholder's Account is received by you for credit to each Account by the Payment Due Date shown on each Account Statement, even if our Payment Due Date falls on a holiday or weekend.

Payments can be made on each Account at any time. Payment can be made by mail, at one of your branches, at an ATM that processes such payments, through your telephone or online banking services, or at certain other financial institutions that accept such payments. Even when normal postal service is disrupted, payments must continue to be made on each Account.

Payments do not automatically adjust the available Credit Limit. Payments on each Account made by mail or made through another financial institution's branch, ATM or online banking service may take several days to adjust the available Credit Limit. To ensure that a Payment is credited to a Cardholder's Account and automatically adjusts the available Credit Limit on the same business day, a Cardholder's payment must be made prior to 6:00pm local time on that business day at one of your branches or ATMs in Canada or through your telephone or online banking services.

We can also ask you to process our payment on each Payment Due Date each month by automatically debiting a bank account that we designate for that purpose. We may choose to pay the Minimum Payment, a fixed amount provided that it is not less than the Minimum Payment or our New Balance. If we ask you to automatically process payments in this manner, we agree to be bound by the terms and conditions set out in Rule H1 of the Rules of the Canadian Payments Association, as amended from time to time. In addition, we agree to waive any pre-notification requirements that exist where variable payment amounts are being authorized. We may notify you at any time that we wish to revoke our authorization, and a pre-authorized payment may, under certain circumstances, be disputed for up to 90 days. The Rules are available for us to review at www.cdnpay.ca.

12. **Payment of Debt:**

a. Subject to Subsections 12.b., 12.c. and Section 21., we may pay the Debt we owe to you in respect to each Cardholder's Account in full or in part at any time.

b. Subject to Subsection 12.c. and Section 21., we must make a payment of the lesser of \$10.00 plus Interest plus Fees as shown on the current Account Statement and our New Balance by the Payment Due Date shown in order to keep the Account up to date. Any pastdue amounts will continue to be included in our Minimum Payment amount.

c. We must also pay the amount of any Debt that exceeds the Credit Limit for a Cardholder's Account at once to keep that Account up-to-date. We must pay this excess even though you may not yet have sent an Account Statement to the Cardholder on which that excess appears.

d. We must keep each Cardholder's Account up-to-date at all times even when you are delayed in or prevented from sending, for any reason, any one or more Account Statements to Cardholders. We must contact your Card Centre identified on Account Statements at least once a month during such a delay or interruption to obtain any payment information we do not have and need to keep.

in order for us to comply with our obligations under this Section.

e. If any payment made by us in respect of a Cardholder's Account is not honoured, or if you must return it to us because it cannot be processed, the applicable fee will be charged under Section 15., and Card privileges may be revoked or suspended by you under Section 8.

f. If the New Balance on a Cardholder's previous Account Statement is paid in full by the Payment Due Date, the Grace Period for the Cardholder's current Account Statement will continue to be the minimum number of days applicable to the Card (21 days for all Avion Visa Infinite Business and Visa Business, 17 days for Avion Visa Business). If the previous New Balance on a Cardholder's Account Statement is not paid in full by the Payment Due Date, the Cardholder's Payment Due Date will be extended to 25 days from the Statement Date regardless of the type of Visa Card held by the Cardholder.

13. Interest Charges:

a. *Interest-Free Purchases and Interest-Free Fee:* We will not pay interest on the amount of any Purchase or Fee appearing on an Account Statement for the first time provided that all Debt shown on that Account Statement is paid in full by that Account Statement's Payment Due Date and all Debt shown on the preceding Account Statement was also paid in full by that preceding Account Statement's Payment Due Date.

b. *Interest-Bearing Balance:* We will pay interest on the Interest-Bearing Balance at the Interest Rates in effect in the manner described below and in Subsection 13.c.:

You will charge us interest:

- i. on the amount of each Interest-Bearing Purchase and Interest-Bearing Fee from (and including) the transaction date recorded for them on the Account Statement where they appeared for the first time to the day you receive payment in full of the Interest-Bearing Balance; and
- ii. on the amount of each Cash Advance (including Credit Card Cheques) from (and including) the day they are obtained to the day you receive payment in full of the Interest-Bearing Balance.

c. *Interest Calculation:* The interest you charge on the Interest-Bearing Balance accrues daily.

You will calculate the interest on the Interest-Bearing Balance made up of Cash Advances by multiplying this Interest-Bearing Balance outstanding on any day by the Interest Rate (Cash Advances and Credit Card Cheques) in effect and dividing the result by the number of days in the year. You will calculate the interest on the Interest-Bearing Balance made up of Interest-Bearing Purchases and Interest-Bearing Fees by multiplying this Interest-Bearing Balance outstanding on any day by the Interest Rate (Interest-Bearing Purchase and Interest-Bearing Fee) in effect and dividing the result by the number of days in the year.

You will post the interest we owe on the Interest-Bearing Balance for the period covered by an Account Statement to the Account at the end of that period. Since the interest you charge on the Interest-Bearing Balance accrues daily up to the time you receive a payment of the Debt, the final interest charge on the Interest-Bearing

Balance for that period can only be calculated and included on the Account Statement that shows the payment.

14. **Payment Allocation:** When we make a payment you will apply the amount up to our Minimum Payment, first to any interest and second to any fees. You will apply the remainder of any Minimum Payment to our New Balance, generally starting with amounts bearing the lowest interest rate before amounts bearing higher interest rates.

If we pay more than our Minimum Payment, you will apply the amount over the Minimum Payment to the remainder of our New Balance. If the different amounts that make up our New Balance are subject to different interest rates, you will allocate our excess payment in the same proportion as each amount bears to the remainder of our New Balance. If the same interest rate is applicable to both a cash advance (which never benefits from an interest-free grace period) and a purchase, you will apply our payment against the cash advance and the purchase in a similar proportionate manner. If we have paid more than our New Balance, you will apply any payment in excess of the New Balance to amounts that have not yet appeared on our monthly statement in the same manner as set out above.

Credits arising from returns or adjustments are generally first applied to transactions of a similar type, second to any interest and fees, and the remainder to other amounts owing in the same manner as you apply payments in excess of the Minimum Payment.

Unless you otherwise agree, any payment must be made in money which is legal tender at the time of payment. As well, the mere lapse of the time fixed for performing an obligation under this Agreement will have the effect of putting us in default of it.

15. **Fees:** We must pay all Fees. You will charge them to the Cardholder's Account at the time they are incurred.
16. **Banking Machines:** A Cardholder may use their Card together with their Personal Identification Number to make transactions on their Account at those banking machines and terminals you operate and at any other banking machines or terminals you designate from time to time, subject to the Cardholder's agreement with you governing the use of their Personal Identification Number.
17. **Debt Incurred Without a Card:** If a Cardholder incurs Debt without having presented their Card to a merchant (such as for internet, mail order or telephone Purchase), the legal effect will be the same as if the Cardholder had used their Card and signed a Purchase or Cash Advance draft.
18. **Transfer of Your Rights:** You may transfer any or all of your rights under this Agreement and the Disclosure Statement, by way of assignment, sale or otherwise. If you do so, you can give information concerning the Account to anyone you transfer your rights to, but will ensure that they are bound to respect our privacy rights in that information.
19. **Changes to Disclosure Statement:** You may change the Interest Rates and Fees for each Cardholder's Account and this Agreement set out or referred to in the Disclosure Statement periodically. We will be given at least thirty (30) days prior written notice of each change, directed to our address last appearing on your records. If

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any Card is used or any Debt remains unpaid after the effective date of a change, it will mean that we have agreed to the change.

- 20. Changes to Agreement:** You may change this Agreement periodically. Subject to Section 9., we will be given at least thirty (30) days prior written notice of each change, directed to our address last appearing on your records. If any Card is used or any Debt remains unpaid after the effective date of a change, it will mean that we have agreed to the change.

The benefits and services you provide to Cardholders are subject to terms and conditions which may be amended by you from time to time without notice to us or any Cardholder.

21. Termination:

1. You or we may terminate this Agreement at any time by giving written notice of termination to the party(ies) to be bound by that written notice. You must direct your written notice to our address last appearing on your records. Our written notice must be directed to your address appearing on the last Account Statement you have sent to Cardholders.

2. The occurrence of any one of the following events has the effect of putting us in default, and you may terminate this Agreement at once without giving us any notice, if:

- a. we become insolvent or bankrupt,
- b. someone files a petition in bankruptcy against us,
- c. we make an unauthorized assignment for the benefit of our creditors,
- d. we institute, or someone else institutes, any proceedings for the dissolution, liquidation or winding up of our affairs,
- e. we institute, or someone else institutes, any other type of insolvency proceeding involving our assets under the Bankruptcy and Insolvency Act or otherwise,
- f. we cease or give notice of our intention to cease to carry on business or make or agree to make a bulk sale of our assets without complying with applicable laws, or we commit an act of bankruptcy,
- g. we fail to pay any Debt or to perform any other obligation to you as required under this Agreement,
- h. we make any statement or representation to you that is untrue in any material respect when made, or
- i. there is, in your opinion, a material adverse change in our financial condition.

3. Upon termination of this Agreement, we must pay all Debt for each Account to you at once and ensure that each Cardholder destroys their Card and returns any unused Credit Card Cheques. If we fail to comply with our obligations to you under this Agreement, we will be liable to you for:

- a. all court costs and reasonable legal fees and expenses (on a solicitor-client basis) you incur through any legal process to recover any Debt, and
- b. all costs and expenses you incur in reclaiming any Card.

- 22. RBC Rewards®:** If a Card allows us to earn RBC Rewards points which can be redeemed for merchandise, travel and other rewards, we acknowledge that our participation in the RBC Rewards program is subject to the RBC Rewards Terms and Conditions. The RBC Rewards Terms and Conditions are available for review at

www.rbc Rewards.com and are subject to change without notice.

- 23. Special Offers (Introductory and Promotional Interest Rates):** You may make special offers to us from time to time, including Introductory Interest Rate and other Promotional Interest Rate offers that temporarily lower the interest rate applicable to portions of our balance, such as when we make certain types of Cash Advances.

You sometimes make Introductory Interest Rate offers which apply to new Accounts only. For example, you could offer a low Introductory Interest Rate applicable to certain transactions for a limited period of time, such as a 3.9% Introductory Interest Rate on all Cash Advances for the first 9 months.

A Promotional Interest Rate offer is an offer you may periodically make to us and that applies to our Card after our Account has been opened. For example, you could offer us a low Promotional Interest Rate applicable on certain transactions for a limited period of time, such as a 3.9% Promotional Interest Rate on Credit Card Cheques for 9 months.

If you make us a special offer, you will explain its scope and duration and any additional terms that apply to it. If we accept the special offer by using the Credit Card Cheques or otherwise taking advantage of the special offer, we will be bound by this Agreement and any additional terms you set out in the offer. When the promotion expires, the special offer terms will end and the terms and conditions of this Agreement will continue to apply, including those related to interest and payments. Our monthly statement will set out any Introductory Interest Rate(s) or Promotional Interest Rate(s) that apply to our New Balance, any remaining balances associated with those rates, and when those rates expire. If any expiry date falls on a date for which you do not process statements (for example, weekends and certain holidays), you will continue to provide us with the benefit of that Introductory Interest Rate or Promotional Interest Rate until your next statement processing day.

- 24. Problems With a Purchase:** You will not be responsible for any problem a Cardholder has with any Purchase. If the Cardholder has a problem or dispute with a merchant regarding a Purchase, we must still pay all Debt as required by this Agreement and settle the problem or dispute directly with the merchant.

You will not be responsible if a Card is not honoured by a merchant at any time and for any other problem or dispute a Cardholder may have with a merchant. As well, you reserve the right to deny authorization of any Purchase at any time.

- 25. Account Statements, Verification and Disputes:** You will send Account Statements to each Cardholder, directed to the Cardholder's address last provided to you by the Authorized Person. You will prepare our Account Statements at approximately the same time each month. If the date on which you would ordinarily prepare our Account Statements falls on a date for which you do not process statements (for example, weekends and certain holidays), you will prepare our Account Statements on your next statement processing day. Our Payment Due Date will be adjusted accordingly. We will ensure that each Cardholder promptly examines all of their Account Statements and each entry and balance recorded in

them. We will notify you in writing of any errors, omissions, or objections to an Account Statement, or an entry or balance recorded in it, within thirty (30) days from the Statement Date recorded on that Account Statement.

If we do not notify you as required, you are entitled to treat the above Account Statements, entries and balances as complete, correct and binding on us and you will be released from all claims by us in respect of those Account Statements, entries and balances.

You may use a microfilm, electronic or other reproduction of any Purchase or Cash Advance draft or other document evidencing Debt to establish our liability for that Debt. Upon request, you will provide a microfilm, electronic or other reproduction within a reasonable time frame of any Purchase or Cash Advance draft or other document evidencing the Debt.

If the item is a legitimate charge to the Cardholder's Account and the dispute is between the Cardholder or us and the merchant, we must still pay the Debt owing to you and settle the problem or dispute directly with the merchant. If the item is not a legitimate charge, you will return the item to the merchant and credit the Cardholder's Account.

26. Authorized Person: Upon signing this Agreement, we may designate one or more individuals as an Authorized Person who is authorized to act on our behalf and who may assist us in the administration of this Agreement.

27. Exchange of Information Between You and Us: Information about a Cardholder's use of their Account and Card, and pertinent information about any reimbursement of Debt received by the Cardholder from us, Cardholder employment status and location, and any other related Cardholder tracking information may be exchanged between you and us.

28. Electronic Communication: We acknowledge and agree that you may provide Account Statements, this Agreement or other document relating to a Cardholder's Account electronically including over the Internet or to an email address we provide you for this purpose, with our consent. Documents sent electronically will be considered "in writing" and to have been signed and delivered by you. You may rely on and consider any electronically authenticated document received from us or which appears to have been received from us as authorized and binding on us. In order to communicate with you by electronic means, we agree to comply and require each Cardholder to comply with certain security protocols that you may establish from time to time and to take all reasonable steps to prevent unauthorized access to any Account Statement and any other documents exchanged electronically.

29. Collection, Use and Disclosure of Information: For purposes of this Section: (i) "Customer" means the person or entity which has signed this Agreement, its Representatives and its owners; and (ii) "Representatives" mean directors, officers, employees, signing authorities, agents, contractors, subcontractors, service providers, consultants, internal or external auditors, legal or other professional advisors.

This Section describes how you collect, use and disclose Customer information in connection with this Agreement.

I. Collecting Information

You may collect and confirm financial and other information about Customer during the course of your relationship with Customer, including information:

- i. establishing Customer's existence, identity (for example, name, address, phone number, date of birth, etc.) and background;
- ii. related to transactions arising from Customer's relationship with and through you, and from other financial institutions;
- iii. provided on any application for products or services;
- iv. for the provision of products or services; and
- v. about Customer's financial behaviour, including payment history and credit worthiness.

You may obtain this information from any source necessary for the provision of products or services, including from: (i) Customer; (ii) service arrangements made with or through you; (iii) credit reporting agencies; (iv) other financial institutions; (v) registries; and (vi) references provided to you.

Customer acknowledges receipt of notice that from time to time reports about Customer may be obtained by you from credit reporting agencies.

II. Using Information

All information collected by and provided to you may be used and disclosed for the following purposes:

- i. to verify Customer's identity and investigate its background;
- ii. to open and operate the Accounts or provide other products and services;
- iii. to understand Customer's financial situation;
- iv. to determine, and make decisions about, the eligibility of Customer or Customer's affiliates for the products and services;
- v. to help you better understand the current and future needs of your clients;
- vi. to communicate to Customer any benefit, feature or other information about products and services;
- vii. to help you better manage your business and your relationship with Customer;
- viii. to operate the payment card network;
- ix. to maintain the accuracy and integrity of information held by a credit reporting agency; and
- x. as required or permitted by law.

For these purposes, you may (i) share the information with other persons, including your Representatives and regulators; (ii) share the information with other financial institutions and persons with whom Customer has financial or other business dealings; and (iii) give credit, financial and other related information to credit reporting agencies who may share it with other persons. In the event information is used or shared in a jurisdiction outside of Canada, the information will be subject to, and may be disclosed in accordance with, the laws of such jurisdiction. At Customer's request, you may give the information to other persons.

You may also use the information and share it with your affiliates to: (i) manage your risks and operations and those of your affiliates; (ii) comply with valid requests for information from regulators, government agencies, public bodies or other entities who have a right to issue such requests; and (iii) let your affiliates know Customer's

under "Other Uses" below for the sole purpose of honouring Customer's choices.

If you have Customer's social insurance number, it may be used for tax related purposes and shared with appropriate government agencies, and may also be shared with credit reporting agencies for identification purposes.

III. Other Uses

All information collected by, and provided to you may also be used and disclosed for the following purposes:

- i. promoting products and services that may be of interest;
- ii. where not prohibited by law, referring Customer to your affiliates and for your affiliates to promote products and services that may be of interest. Customer acknowledges that as a result of such sharing, you and your affiliates may advise each other of the products or services provided; and
- iii. if Customer deals with your affiliates, you and your affiliates may, where not prohibited by law, consolidate all of the information you have with information any of your affiliates have about Customer in order to manage the business of, and relationships with, you and your affiliates.

For the purposes described in subsections (i) and (ii), you and your affiliates may communicate with Customer through various channels, including mail, telephone, computer or any other electronic channel, using the most recent contact information provided.

Customer may choose not to have this information shared or used for any of these "Other Uses" by contacting you, and Customer will not be refused credit or other services just for this reason.

IV. Online Activity

Online activity information may also be collected in public and secure websites owned or operated by you or on behalf of you or your affiliates, or in any of your advertisements hosted on another person's websites, using cookies and other tracking technology, and used with other information about the Customer to assess the effectiveness of online promotions, to gather data about website functionality, to understand its interests and needs, to provide a customized online experience, and to communicate to the Customer information about the products or services. The Customer may choose not to have this information collected or used for the online personalization purposes described in this Section by contacting you.

V. Contacting You

Customer may obtain access to personal information you have about any of them at any time, including to review its content and accuracy and have it amended as appropriate, except to the extent access may be restricted as permitted or required by law. To request access to personal information or to request that Customer's information not be used for "Other Uses", Customer will contact Customer's main branch or call you toll free at 1-800 ROYAL® 1-1 (1-800-769-2511). More information about your privacy policies may be obtained by asking for a copy of the "Financial fraud prevention and privacy protection" brochure, calling the toll free number above or visiting your website at www.rbc.com/privacysecurity/ca/.

VI. Personal Information

The parties will treat all personal information in accordance with applicable laws. From time to time, you may request the

Customer to take steps, including the entering into of additional documents, to ensure the protection of personal information and compliance with all applicable laws. The Customer will promptly comply with these requests.

VII. Other Persons

You are not responsible for any loss that occurs as a result of any use, including any unauthorized use, of information by any person, other than you and your Representatives to the extent agreed by you in this Agreement.

VIII. Consents, etc.

The Customer confirms that any necessary consent, approval, or authorization of any person has been obtained for the purposes of collecting, using, and disclosing their information in accordance with this Agreement and applicable laws.

IX. Additional Consent

The Customer's consents and agreements in this Agreement are in addition to any other consent, authorization, or preference of the Customer regarding the collection, use, disclosure, and retention of information.

X. Your Information

The Customer will use the products and services and your confidential information only for the purposes they are provided by you, and will ensure that your confidential information is not disclosed to any person except: (i) the Customer's Representatives who need to know such confidential information in connection with the products and services, provided that such Representatives are informed of the confidential nature of such confidential information and agree to treat same in accordance with terms substantially the same as in this Agreement; (ii) to the extent legally required, provided that, if not legally prohibited, the Customer will notify you in writing prior to any such disclosure; (iii) in accordance with this Agreement; or (iv) as otherwise agreed in writing by you.

XI. Remedies

In the event of a breach or anticipated breach by a party or its Representatives of the confidentiality obligations under this Agreement, irreparable damages may occur to the other party and the amount of potential damages may be impossible to ascertain. Therefore, a party may, in addition to pursuing any remedies provided by applicable laws, seek to obtain equitable relief, including an injunction or an order of specific performance of the other party's confidentiality obligations under this Agreement.

30. Liability Waiver Program: The Liability Waiver Program applies to this Agreement and is made available at no cost to us. We may request you to waive, in accordance with the Liability Waiver Program, our liability under Section 10. for certain unauthorized charges posted to a Cardholder's Account. We agree to abide by the provisions of the Liability Waiver Program as in effect from time to time.

31. Counterparts: This Agreement may be executed in any number of counterparts, each of which when executed and delivered will be deemed to be an original, and those counterparts together will constitute one and the same agreement.

32. Governing Law: This Agreement shall be governed by the laws of our jurisdiction (or the laws of Ontario if we reside outside Canada) and the applicable laws of Canada.

33. **Complete Agreement, etc.:** This Agreement constitutes the complete agreement between you and us with respect to the subject matter hereof. No failure on your part to exercise, and no delay by you in exercising, any right under this Agreement will operate as a waiver thereof; nor will any single or partial exercise by you of any right under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, by you under this Agreement.

Signed as of the 05 day of 01, 2023
Month Year

TEN 4 SYSTEM LTD. 
Customer Legal Name

Per:  *
Name: NASIR MAHMUD
Title:

Per: _____ *
Name:
Title:

Per: _____ *
Name:
Title:

Per: _____ *
Name:
Title:

(* I AM have authority to bind the Corporation.)

DISCLOSURE STATEMENT

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1. **General:** This Disclosure Statement applies to the Account and each Card you have issued on the Account.
2. **Interest Rates:** The Interest Rates are set out on each Account Statement. They are expressed as annual percentage rates.
3. **Annual Fee**:**

Visa[®] Business: \$12.00 for each Visa Business Card.

Visa Business Gold: \$40.00 for each Visa Business Gold Card.

Avion Visa Business: \$120.00 for the first Avion Visa Business Card opened and \$50.00 for each supplementary Avion Visa Business card opened by you.

Avion Visa Infinite Business[‡]: \$ 175.00 for the first Avion Visa Infinite Business card opened and \$75.00 for each supplementary Avion Visa Infinite Business card opened by you.

4. **Other Fees:** The following schedule of fees applies to the Account:

A. Cash Advance Fee: When we obtain the following types of Cash Advances at our standard Interest Rate (Cash Advances including Credit Card Cheques) or at an Introductory Interest Rate, a \$3.50 fee for each transaction will be charged to our Account, unless otherwise stated:

(i) cash withdrawals from our Account at one of your branches or ATMs, or at any other financial institution's ATM, in Canada;

(ii) bill payments from our Account (that are not pre-authorized charges that we set up with a merchant) or when we transfer funds from our Account to another RBC Royal Bank bank account at one of your branches or ATMs, or through your online banking or telephone banking service;

(iii) when we make Cash-Like transactions, in Canada.

If the cash withdrawal or Cash-Like transaction occurs outside Canada, a \$5.00 fee will be charged to our Account each time.

Fees are charged within 3 business days from when the transaction is posted.

There is no fee if we are using a Credit Card Cheque at our standard Interest Rate (Cash Advances including Credit Card Cheques) or Introductory Interest Rate.

B. Promotional Rate Fee: When we take advantage of a Promotional Interest Rate offer during the promotional period by writing a Credit Card Cheque or making a balance transfer through your online banking service or by calling your Cards Customer Service at 1-800 ROYAL[®] 1-2 (1-800-769-2512), a fee representing up to 3% of the Credit Card Cheque or balance transfer amount will be charged to our Account. The exact Promotional Rate Fee will be disclosed at the time the offer is made to us. Fees are charged within 3 business days from when the transaction is posted.

C. Dishonoured Payment Fee: If a payment is not processed because a financial institution returns a cheque or refuses a pre-authorized debit, a \$45.00 fee will be charged to the Account on the date the payment reversal is posted. This fee is in addition to any fee charged for insufficient funds in the bank account.

D. Statement Update Fee: No charge for a copy of Account Statement for a current statement period; \$5.00 for a copy of Account Statement for any other statement period. A \$1.50 fee will be charged for each Account Statement update obtained from one of your branches in Canada or at a banking machine that provides Account Statement updates.

E. Sales/Cash Advance Draft Copy Fee: No charge for a copy of a sales or Cash Advance draft referred to in the Account Statement for the current statement period; \$2.00 for each copy of a sales or Cash Advance draft referred to in the Account Statement for any other statement period. (No charge for any draft copy to which an Account posting error applies.)

F. Overlimit Fee: If the Debt exceeds the Credit Limit at any time during the period covered by an Account Statement, a \$29.00 fee will be charged to the Account on the day the Debt exceeds the Credit Limit and on the first day of each subsequent Account Statement period if the Debt remains over the limit. A maximum of one Overlimit Fee per Account Statement period is charged.

5. Foreign Currency Conversion: The exchange rate shown on our Statement, to six decimal places, is calculated by dividing the converted Canadian dollar (CAD) amount, rounded to the nearest cent, by the transaction currency amount. It may differ from the original benchmark rate because of this rounding. The CAD amount charged to our account is 2.5% over the benchmark rate. Some foreign currency transactions are converted directly to CAD, while others may be converted first to U.S. dollars, then to CAD. In either case, the benchmark rate will be the actual exchange rate applied at the time of the conversion, and is generally set daily. The original benchmark rate at the time a transaction was converted may be obtained at usa.visa.com/support/consumer/travel-support/exchange-rate-calculator.html. If we are paying interest on our Account, interest will also be charged on the full value of our foreign purchases, as determined by your exchange rate. For more information, please call toll-free at 1-800 ROYAL[®] 1-2 (1-800-769-2512).

[®] /[™] Trademark(s) of Royal Bank of Canada. RBC and Royal Bank are registered trademarks of Royal Bank of Canada.

[‡] All other trademarks are the property of their respective owner(s). VPS101349

THIS IS EXHIBIT "F" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armen Derbedrossian", is written over a horizontal line.

A Commissioner for taking affidavits



Royal Bank of Canada General Security Agreement

SRF:
269573309

BRANCH ADDRESS:
6880 FINANCIAL DR
2ND FLR LINK
MISSISSAUGA, ON
L5N 7Y5

BORROWER:
TEN 4 SYSTEM LTD.

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 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

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.

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 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

SCHEDULE "A"
(ENCUMBRANCES AFFECTING COLLATERAL)

30 40 50 60 70 80 90 100 110 120 130 140 150 160 170 180 190 200 210 220 230 240 250 260 270 280 290 300 310 320 330 340 350 360 370 380 390 400 410 420 430 440 450 460 470 480 490 500 510 520 530 540 550 560 570 580 590 600 610 620 630 640 650 660 670 680 690 700 710 720 730 740 750 760 770 780 790 800 810 820 830 840 850 860 870 880 890 900 910 920 930 940 950 960 970 980 990 1000

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SCHEDULE "C"
(DESCRIPTION OF PROPERTY)

ETD H0 W0 "TUW" N0 N 0NNT0N W0N0N

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THIS IS EXHIBIT "G" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armenian Justice", written over a horizontal line.

A Commissioner for taking affidavits

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 **TEN 4 SYSTEM LTD.** (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").

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 07 21 2023 (MONTH) (DAY) (YEAR)

IN THE PRESENCE OF

1000043321 ONTARIO INC.

[Signature] (NASIR MAHMOOD)

Rupinder Kaur (Rupinder K Teggan)
Director.

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

Full name and address
1000043321 ONTARIO INC.
3800 STEELES AVE W SUITE 300 VAUGHAN, ON L4L 4G9

(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) NASIR Mahmood, the guarantor in the guarantee dated July 11, 2013 made between ROYAL BANK OF CANADA and NASIR Mahmood, 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 Blaine Edson Barrister and Solicitor at the City of MISSISSAUGA in the Province of ONTARIO, this 24 day of July, 2013.

[Signature]
Signature

STATEMENT OF GUARANTOR

(Guarantor to sign in presence of Barrister and Solicitor)

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

THIS IS EXHIBIT "H" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adriane Pappas", written over a horizontal line.

A Commissioner for taking affidavits

GUARANTEE AND POSTPONEMENT OF CLAIM**A117****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 **TEN 4 SYSTEM LTD.** (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").

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.

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(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.

(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.

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EXECUTED this 07 21 2023
(MONTH) (DAY) (YEAR)

IN THE PRESENCE OF

1000122550 ONTARIO INC.

NASIR MAHMUD *Nasir*

Rupinder Kaur (Rupinder K Taggar)

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

Full name and address
1000122550 ONTARIO INC.
3800 STEELES AVE W SUITE 300 VAUGHAN, ON L4L 4G9

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(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.)

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(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) Nasir Akhmal, the guarantor in the guarantee dated July 21, 2023 made between ROYAL BANK OF CANADA and Nasir Akhmal, 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 Blaine Edsg Barrister and Solicitor at the City of MISSISSAUGA in the Province of Ontario, this 24 day of July, 2023.

[Signature]
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

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THIS IS EXHIBIT "I" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adriana Gasparyan", written over a horizontal line.

A Commissioner for taking affidavits



Royal Bank of Canada Guarantee and Postponement of Claim

SRF:
269573309

BRANCH ADDRESS:
6880 FINANCIAL DR
2ND FLR LINK
MISSISSAUGA, ON
L5N 7Y5

BORROWER:
TEN 4 SYSTEM LTD.

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 **TEN 4 SYSTEM LTD.** (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.

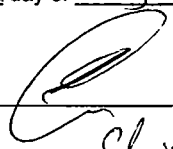

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the Province of Ontario ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and 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 21st day of July, 2023



 WITNESS Sheikh M. Haseeb NASIR MAHMOOD

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

<u>Full name and address</u>
NASIR MAHMOOD
584 REMEMBRANCE ROAD, BRAMPTON, ON L7A 4N2

THIS IS EXHIBIT "J" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrienne Gaspine".

A Commissioner for taking affidavits



Royal Bank of Canada
 Commercial Financial Services
 6880 Financial Drive – 2nd Floor
 Mississauga, Ontario, L5N 7Y5

December 13, 2022

Private and Confidential

100043321 ONTARIO INC.
 Suite 300
 3800 Steeles Avenue West
 Vaughan, Ontario
 L4L 4G9

ROYAL BANK OF CANADA (the “**Bank**”) hereby offers 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**”). 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: 1000043321 Ontario Inc. (the “**Borrower**”)

CREDIT FACILITIES

Facility #1: \$4,244,570.00 non-revolving term facility by way of:

- | | |
|---|---|
| a) RBP based loans (“ RBP Loans ”) | Variable interest rate (per annum) to be determined at time of Borrowing and recorded on the applicable Borrowing Request substantially in the form of Schedule “E” |
| b) Fixed Rate Term Loans (“ FRT Loans ”) | Fixed interest rate to be determined at time of Borrowing and recorded on the applicable Borrowing Request substantially in the form of Schedule “E” |

AVAILABILITY

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

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SRF #270287337

REPAYMENT

Payment Amount:	To be determined at drawdown	Payment Frequency:	To be determined at drawdown
Payment Type:	To be determined at drawdown	Payment date:	To be determined at drawdown
Repayable in full on:	To be determined at drawdown	Original Amortization (months)	240
Amount eligible for prepayment of FRT Loan: To be determined at drawdown			

The specific repayment terms for Borrowings under this facility will be agreed to between the Borrower and the Bank at the time of drawdown by way of a Borrowing Request substantially in the form of Schedule "E" provided by the Borrower and accepted by the Bank.

FEES**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) 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 \$1,500,000.00 signed by Nasir Mahmood;
- c) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$1,500,000.00 signed by Rupinder Taggar;
- d) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$4,244,570.00 signed by Ten 4 System Ltd., supported by a general security agreement on the Bank's form 924 constituting a first ranking security interest in all personal property of Ten 4 System Ltd.;
- e) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$4,244,570.00 signed by 10000122550 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 10000122550 Ontario Inc.;
 - ii. a collateral mortgage in the amount of \$7,281,600.00 constituting a first fixed charge on the lands and improvements, described as Part Lot 28 Concession 11 North Dumfries as in WS546774; North Dumfries - PIN 038480068 (the "**38480068 Property**");
 - iii. assignment of rents on the Bank's form 760 constituting a first ranking assignment of all rents arising from the 038480068 Property;
- f) Postponement and assignment of claim on the Bank's form 918 signed by Nasir Mahmood;
- g) Postponement and assignment of claim on the Bank's form 918 signed by Rupinder Taggar;
- h) Collateral mortgage in the amount of \$5,771,200.00 signed by the Borrower constituting a first fixed charge on the lands and improvements described as Part Lot 28, Concession 11, Part 1, 58R15460 PIN 038480355 (the "**038480355 Property**");
- i) Assignment of rents on the Bank's form 760 signed by the Borrower constituting a first ranking assignment of all rents arising from the 038480355 Property.

FINANCIAL COVENANTS

In the event that the Borrower, 1000043321 Ontario Inc., or Ten 4 System Ltd. 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, 100043321 Ontario Inc. and 1000122550 Ontario Inc., to be measured as at the end of each fiscal year:
 - i. Fixed Charge Coverage of not less than 1.15:1; and
 - ii. a ratio of Total Liabilities to Tangible Net Worth of not greater than 3.00:1.

REPORTING REQUIREMENTS

The Borrower will provide the following to the Bank:

- a) annual Compliance Certificate, substantially in the form of Schedule "G" signed by an authorized signing officer of the Borrower, within 120 days of each fiscal year end, certifying compliance with this Agreement including the financial covenants set forth in the Agreement;
- b) annual review engagement financial statements for Ten 4 System Ltd., within 120 days of each fiscal year end;
- c) annual compilation engagement financial statements for the Borrower and 1000122550 Ontario Inc., within 120 days of each fiscal year end;
- d) annual compilation engagement combined financial statements for the Borrower, 100012550 Ontario Inc., and Ten 4 System Ltd., within 120 days of each fiscal year end;
- e) biennial personal statement of affairs for all Guarantors, who are individuals, within 120 days of the end of every second fiscal year of the Borrower, commencing with the fiscal year ending in 2023; and
- f) 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) evidence of the equity injection in the amount of \$1,442,800.00 into the purchase of the property is required by the Bank prior to the advance of funds. Specifically, funds are to have been deposited into a Royal Bank of Canada account or the Borrower is to provide the Bank with evidence of paid invoices. These invoices and the funds used to pay them will not be reimbursed by way of the new loan proceeds; and
- e) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

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Additionally:

- f) all documentation to be received by the Bank shall be in form and substance satisfactory to the Bank; and
- g) no Borrowing under Facility #1 will be made available unless the Bank has received a Borrowing Request from the Borrower substantially in the form of Schedule "E".

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 January 11, 2023, 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: Raman Gill

/y/

We acknowledge and accept the terms and conditions of this Agreement on this 22 day of December, 2022.

1000043321 ONTARIO INC.

Per: _____
Name: Nasir Mahmood
Title: Director

Per: _____
Name: Rupinder Kaur
Title: Director

I/We have the authority to bind the Borrower

As Guarantor, we acknowledge and confirm our agreement with the terms and conditions of this Agreement on this 22 day of December, 2022.

TEN 4 SYSTEM LTD.

Per: _____
Name: Nasir Mahmood
Title: Director

Per: _____
Name:
Title:

I/We have the authority to bind the Guarantor

2022-12-13 10:00:00 AM

As Guarantor, we acknowledge and confirm our agreement with the terms and conditions of this Agreement on this 22 day of December, 2022.

10000122550 ONTARIO INC.

Per: _____
Name: Nasir Mahmood
Title: Director

Per: _____
Name: Rupinder Taggar
Title: Director

I/We have the authority to bind the Guarantor

As Guarantor, I acknowledge and confirm my agreement with the terms and conditions of this Agreement on this 22 day of December, 2022.

Witness Blaine Edson

NASIR MAHMOOD

As Guarantor, I acknowledge and confirm my agreement with the terms and conditions of this Agreement on this 22 day of December, 2022.

Witness Blaine Edson

RUPINDER TAGGAR

Attachments:

Terms and Conditions

Schedules:

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

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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;

- CONFIDENTIAL
- 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 redepositing 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, including, without limitation, the application of accrual accounting. 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.

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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, solidarily) 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.

2024/10/10 10:42:10 AM

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 RBC Life Insurance Company, 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;

"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;

"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, 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;

"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;

"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 52000 and 53000, issued by RBC Life Insurance Company 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;

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

Schedule "B"

CALCULATION AND PAYMENT OF INTEREST AND FEES

LIMIT ON INTEREST

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.

OVERDUE PAYMENTS

Any amount that is not paid when due hereunder shall, unless interest is otherwise payable in respect thereof in accordance with the terms of this Agreement or the instrument or contract governing same, 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%. 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 date, demand and judgement.

EQUIVALENT YEARLY RATES

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.

TIME AND PLACE OF PAYMENT

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 date, demand and judgement.

RBP LOANS

The Borrower shall pay interest on each RBP Loan, monthly in arrears, on the 26th day of each month or such other day as may be agreed to between the Borrower and 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 and shall be paid in the currency of the applicable Borrowing.

FRT LOANS

The Borrower shall pay interest on each loan 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.

Schedule "D"

ADDITIONAL BORROWING CONDITIONS

FRT Loans:

Borrowings made by way of FRT Loans will be subject to the following terms and conditions:

- a) each FRT Loan shall have a minimum term of one year;
- b) the Borrower shall select an amount eligible for prepayment of 10% or 0% for each new FRT Loan prior to the advance of such FRT Loan;
- c) each FRT Loan shall be in an amount not less than \$10,000.00; and
- d) each FRT Loan shall have a term as outlined in the applicable repayment section of each corresponding credit facility, provided that the maturity date of any FRT Loan issued under any term facility shall not extend beyond the Maturity Date of the term facility.

Schedule "E"
BORROWING REQUEST

The Borrower hereby requests the following be established under Facility # 4:

Date of Borrowing	Dec - 19 - 2022		
Amount of Borrowing:	\$ 4,244,570		
Amortization (in months):	240 months		
Selected Term: (Borrowing repayable in full on the last day of the Term)	4 years		
Payment Amount:	\$ 29,951.95		
Payment Frequency:	weekly	<input type="checkbox"/>	bi-weekly <input type="checkbox"/>
	semi-monthly	<input type="checkbox"/>	monthly <input checked="" type="checkbox"/>
	quarterly	<input type="checkbox"/>	semi-annual <input type="checkbox"/> annual <input type="checkbox"/>
Selected Interest Rate (per annum):	5.81% <input checked="" type="checkbox"/>	RBP +	% <input type="checkbox"/>
Selected Payment Type:	Blended (Principal and Interest)	<input checked="" type="checkbox"/>	Principal plus interest <input type="checkbox"/>
	If variable interest rate selected with blended payments, the payment amount is subject to annual adjustment to ensure amortization		
First Payment Due Date:	30 days from funding		
Amount Eligible for Prepayment of FRT Loan:	0%	<input checked="" type="checkbox"/>	10% <input type="checkbox"/>

Dated this 22 day of DECEMBER, 2022.

1000043321 ONTARIO INC.

Per: [Signature]
Name: NASIR MAHMOOD
Title: DIRECTOR

Per: Rupinder Kaur
Name: RUPINDER KAUR TAGGAR
Title: DIRECTOR

I/We have the authority to bind the Borrower

SRF#270287337

NON-CONFIDENTIAL 3 01-55-14 00 PM

Schedule "G"

COMPLIANCE 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 December 13, 2022, and any amendments thereto, between 1000043321 Ontario 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 and any Guarantor if applicable. Terms defined in the Agreement have the same meanings where used in this certificate.
- 2. The representations and warranties contained in the Agreement are true and correct.
- 3. No event or circumstance has occurred which constitutes or which, with the giving of notice, lapse of time, or both, would constitute a breach of any covenant or other term or condition of this Agreement or an Event of Default and there is no reason to believe that during the next fiscal year of the Borrower, any such event or circumstance will occur.
- 4. The Fixed Charge Coverage is _____:1, being not less than the minimum required ratio of 1.15:1.
- 5. The ratio of Total Liabilities to Tangible Net Worth is _____:1, being not greater than the maximum permitted ratio of 3.00:1.
- 6. The detailed calculations of the foregoing ratios and covenants is set forth in the addendum annexed hereto and are true and correct in all respects.

Dated this _____ day of _____, 20__.

Per: _____
 Name: _____
 Title: _____

Per: _____
 Name: _____
 Title: _____

Schedule "H"

RBC COVARTY DASHBOARD TERMS AND CONDITIONS

If the Borrower elects to fulfill the reporting requirements relating to the submission of financial information set out in this Agreement by accessing a secure web based portal ("**RBC Covarity Dashboard**") via the Internet and using RBC Covarity Dashboard to electronically upload the Borrower's financial information and to complete online and electronically submit certificates, reports and/or forms (the "**Service**"), then the following terms and conditions (the "**RBC Covarity Dashboard Terms and Conditions**") apply and are deemed to be included in, and form part of, the Agreement.

1. Definitions. For the purpose of the RBC Covarity Dashboard Terms and Conditions:

"Disabling Code" means any clock, timer, counter, computer virus, worm, software lock, drop dead device, Trojan horse routine, trap door, time bomb, or any other unauthorized codes, designs, routines or instructions that may be used to access, modify, replicate, distort, delete, damage or disable any Electronic Channel, including any related hardware or software.

"Designated User" an individual permitted to act on behalf of and bind the Borrower in all respects, and specifically in the submission of Electronically Uploaded Financial Information and/or Electronically Submitted Certificates.

"Electronic Channel" means any telecommunication or electronic transmission method which may be used in connection with the Service, including computer, Internet, telephone, e-mail or facsimile.

"Electronic Communication" means any information, disclosure, request or other communication or agreement sent, received or accepted using an Electronic Channel.

"Electronically Submitted Certificates" means certificates, reports and/or forms completed online and electronically submitted by any Designated User accessing the Service.

"Electronically Uploaded Financial Information" means financial data, reports and/or information of the Borrower electronically uploaded by any Designated User accessing the Service.

"Internet" means a decentralized global communications medium and the world-wide network of computer networks, accessible to the public, that are connected to each other using specific protocols, which provides for file transfer, electronic mail, remote log in, news, database access, and other services.

"Password" means a combination of numbers and/or letters selected by a Designated User that is used to identify the Designated User. The Password is used in conjunction with a User ID to access the Service.

"Security Breach" means any breach in the security of the Service, or any actual or threatened use of the Service, a Security Device, or Electronic Channel in a manner contrary to the Agreement, including, without limitation, the introduction of Disabling Code or a Virus to the Service.

"Security Device" means a combination of a User ID and Password.

"Software" means any computer program or programming (in any code format, including source code), as modified from time to time, and related documentation.

"User ID" means the combination of numbers and/or letters selected by the Borrower used to identify a particular Designated User. The User ID is used in conjunction with a Password to access the Service.

"Virus" means an element which is designed to corrupt data or enable access to or adversely impact upon the performance of computer systems, including any virus, worm, logic bomb and Trojan horse.

Terms defined in the Agreement have the same meanings where used in the RBC Covarity Dashboard Terms and Conditions.

2. Access to the Service. The Borrower will appoint one or more Designated User(s) to access the Service on behalf of the Borrower. The Borrower acknowledges and agrees that each Designated User appointed by the Borrower may electronically upload the Borrower's financial information and may view all previously uploaded financial information and all calculations in the RBC Covarity Dashboard.

At the time of registration for the Service, the Borrower will advise the Bank of the name and e-mail address of each Designated User. The Borrower will immediately advise the Bank if a Designated User changes or is no longer valid.

The Bank will provide the Borrower with a User ID and temporary password for each Designated User. Each Designated User will receive the User ID and temporary password delivered to their e-mail address. Each Designated User will change the temporary password to a unique Password which may not be easily guessed or obtained by others. If it is suspected or known that the Password has been compromised in any way, the Password must be changed immediately.

On first access to the Service, each Designated User will be required to read and agree to terms of use which will thereafter be accessible from a link located on each web page of the Service.

3. Security Devices. The Borrower recognizes that possession of a Security Device by any person may result in that person having access to the Service. The Borrower agrees that the use of a Security Device in connection with the Service, including any information sent, received or accepted using the Service, will be deemed to be conclusive proof that such information is accurate and complete, and the submission of which is authorized by, and enforceable against, the Borrower.

The Borrower is responsible for maintaining the security and confidentiality of Security Devices which may be used in connection with the Service. The Borrower is responsible for ensuring that a Security Device will only be provided to and used by a Designated User. The Borrower agrees to be bound by any actions or omissions resulting from the use of any Security Device in connection with the Service.

4. Security. Each party shall at all times have in place appropriate policies and procedures to protect the security and confidentiality of the Service, Electronic Channels and Electronic Communication and to prevent any unauthorized access to and use of the Service and Electronic Channels. The Borrower agrees to comply with any additional procedures, standards or other security requirements that the Bank may require in order to access the Service.

The Borrower will not (i) access or use the Service for an illegal, fraudulent, malicious or defamatory purpose, or (ii) take steps or actions that could or do undermine the security, integrity, effectiveness, goodwill or connectivity of the Service (including illegal, fraudulent, malicious, defamatory or other activities that threaten to harm or cause harm to any other person).

The Borrower agrees not to transmit via the Service any viruses, worms, defects, Trojan horses or any items of a destructive nature. The Borrower shall maintain the security of their computer by using anti-virus scanning, a firewall and installing the latest security patches to provide assurance that no Virus is introduced into the systems or Software while accessing the Service.

5. Unsecure Electronic Channels. The Borrower acknowledges and agrees that if it uses, or if it authorizes and directs the Bank to use, any unencrypted Electronic Channel, including unencrypted e-mail or facsimile, any Electronic Communication sent, received and/or accepted using such Electronic Channel is not secure, reliable, private or confidential. Any such Electronic Communication could be subject to interception, loss or alteration, and may not be received by the intended recipient in a timely manner or at all. The Borrower assumes full responsibility for the risks associated with such Electronic Communication.

6. Notice of Security Breach. The Borrower shall notify the Bank by notifying the RBC Account Manager in writing immediately of any Security Breach including: (i) any application vulnerability or if a Virus is contained in or affects transmission of information to the Service; or (ii) if the Borrower knows or reasonably ought to know that an unauthorized person may have access to the Service, Security Device or Electronic Channel.

If a Security Breach occurs the Borrower shall: (i) assist the Bank in the management of any consequences arising from it; (ii) take any reasonable steps necessary for it to take to mitigate any harm resulting from it; and (iii) take appropriate steps to prevent its recurrence.

7. Binding Effect. Any Electronic Communication that the Bank receives from or in the name of, or purporting to be from or in the name of, the Borrower or any other person on the Borrower's behalf in connection with the Service, will be considered to be duly authorized by, and enforceable against, the Borrower. The Bank will be authorized to rely and act on any such Electronic Communication, even if the Electronic Communication was not actually from the Borrower or such other person or differs in any way from any previous Electronic Communication sent to the Bank. Any Electronically Uploaded Financial Information will be considered to be financial information submitted to the Bank by an individual permitted to act on behalf of and bind the Borrower in all respects, and the Bank will be authorized to rely and act on any such Electronically Uploaded Financial Information accordingly. Any Electronically Submitted Certificates will be considered to be certificates, reports and/or forms completed and submitted to the Bank by an individual permitted to act on behalf of and bind the Borrower in all respects, and the Bank will be authorized to rely and act on any such Electronically Submitted Certificates accordingly.

8. Representations and Warranties. The Borrower represents and warrants to the Bank that each time Electronically Uploaded Financial Information and/or Electronically Submitted Certificates are submitted: (i) all financial statements, certificates, forms, reports and all information contained therein will be accurate and complete in all respects; (ii) all amounts certified as Potential Prior-Ranking Claims will be current amounts owing and not in arrears; (iii) all representations and warranties contained in the Agreement will be true and correct; and (iv) no event will have occurred which constitutes, or which, with notice, lapse of time, or both, would constitute an Event of Default or breach of any covenant or other term or condition of the Agreement. The Borrower will be deemed to repeat these representations and warranties each time Electronically Uploaded Financial Information and/or Electronically Submitted Certificates are submitted.

9. Evidence. Electronic records and other information obtained by the Bank in an Electronic Communication will be admissible in any legal, administrative or other proceedings as conclusive evidence of the contents of those communications in the same manner as an original paper document, and the Borrower waives any right to object to the introduction of any such record or other information into evidence on that basis.

10. Limitation of Liability. The Bank is not responsible or liable for any damages arising from: (i) inaccurate, incomplete, false, misleading, or fraudulent information provided to the Bank; (ii) losses incurred as a result of an actual or potential Security Breach; or (iii) losses incurred as a result of application vulnerability or Virus that is contained in or affects any Software or systems used by or on behalf of the Borrower in connection with the Service.

Although every effort is made to provide secure transmission of information, timely communication and confidentiality cannot be guaranteed. In no event shall the Bank be liable for

any loss or harm resulting from the use of the Service, or from a breach of confidentiality in respect of use of the Service.

11. Termination. The ability of the Borrower to fulfill the reporting requirements relating to the submission of financial information set out in the Agreement using RBC Covarity Dashboard shall terminate upon revocation of access to the Service. In addition, the Bank may suspend or terminate access to or discontinue the Service immediately for any reason at any time without prior notice. The Bank will not be responsible for any loss or inconvenience that may result from such suspension or termination. The Borrower, upon giving notice to the Bank by notifying the RBC Account Manager in writing, may terminate use of the Service at any time.

12. Amendment. The Bank may amend these RBC Covarity Dashboard Terms and Conditions upon 30 days notice (which may be given electronically by way of e-mail or in writing) to the Borrower. The Borrower agrees that the continued use of the Service after the effective date of a change will constitute conclusive evidence of consent to all such amendments and the Borrower shall be bound by the amendments.

THIS IS EXHIBIT "K" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adriane Popovic", written over a horizontal line.

A Commissioner for taking affidavits



Royal Bank of Canada **A152a** General Security Agreement

SRF:
270287337

BRANCH ADDRESS:
6880 FINANCIAL DR
2ND FLR LINK
MISSISSAUGA, ON
L5N 7Y5

BORROWER:
1000043321 ONTARIO 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 **A152a** "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 **A153**g 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

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;

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- f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner **A154** 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; **A154**

- ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the **A155** 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 **A155** 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.

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- 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 A157 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 A157

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 **A158** if the 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 1000043321 ONTARIO INC.			
ADDRESS OF BUSINESS DEBTOR 3800 STEELES AVE W, SUITE 300	CITY VAUGHAN	PROVINCE ON	POSTAL CODE L4L 4G9

IN WITNESS WHEREOF executed this 22 day of December, 2022.

1000043321 ONTARIO INC.



NASIR MAHMOOD, President

Seal



RUPINDER TAGGAR, Secretary

Seal

We have authority to bind the corporation

A158

SCHEDULE "A"

A159

(ENCUMBRANCES AFFECTING COLLATERAL)

NON-PROFIT CORPORATION

A159

SCHEDULE "B"

A160

1. Locations of Debtor's Business Operations

3800 STEELES AVE W, SUITE 300, VAUGHAN, ON CA L4L 4G9

2396 CEDAR CREEK ROAD, AYR, ON

2. Locations of Records relating to Collateral (if different from 1. above) 73 Eastern Ave., Brampton, ON L6W 1X9

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

2025/01/24 3:01:54 PM

A160

SCHEDULE "C"

A161

(DESCRIPTION OF PROPERTY)

2025/01/24 9:01:54 AM 00 00 00

A161

THIS IS EXHIBIT "L" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023



A Commissioner for taking affidavits

The applicant(s) hereby applies to the Land Registrar.

Properties

PIN 03848 - 0355 LT Interest/Estate Fee Simple
Description PT LT 28, CON 11, PT 1, 58R15460; NORTH DUMFRIES.
Address 2396 CEDAR CREEK ROAD
AYR

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 1000043321 ONTARIO INC.
Address for Service 3800 Steeles Avenue West, Suite 300,
Vaughan, ON L4L 4G9

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 ROYAL BANK OF CANADA
Address for Service 36 York Mills Road, 4th Floor, Toronto, ON M2P 0A4

Provisions

Principal \$5,771,200.00 Currency CDN
Calculation Period Monthly
Balance Due Date On Demand
Interest Rate Prime Plus 5.000%
Payments
Interest Adjustment Date
Payment Date On Demand
First Payment Date
Last Payment Date
Standard Charge Terms 20015
Insurance Amount Full insurable value
Guarantor

Signed By

Pragati Patel 1401-480 University Ave acting for Signed 2022 12 20
Toronto Chargor(s)
M5G 1V2

Tel 416-599-8080

Fax 416-599-3131

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

HIMELFARB, PROSZANSKI LLP 1401-480 University Ave 2022 12 23
Toronto
M5G 1V2

Tel 416-599-8080

Fax 416-599-3131

Fees/Taxes/Payment

Statutory Registration Fee \$69.00
Total Paid \$69.00

File Number

Chargee Client File Number : 20220939

THIS IS EXHIBIT "M" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023



A Commissioner for taking affidavits

ASSIGNMENT OF RENTS

THIS INDENTURE made this 22 day of December, 2022

BETWEEN:

1000043321 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 22 day of December 2022 and registered in the Land Registry Office for the Land (Registry/Titles) Division of Waterloo County (No. 58) as instrument No. _____ 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 **Five Million Seven Hundred Seventy One Thousand and Two Hundred (\$5,771,200.00)** 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 thereof 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.
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 unmatured 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

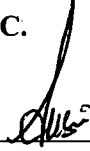
under or by virtue of this Indenture shall not prejudice the Assignee's rights in the event of the breach, default or other occasion for the exercise of such rights again occurring.


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

1000043321 ONTARIO INC.

Per: 
Name: Nasir Mahmood
Title: President

Per: 
Name: Rupinder Taggar
Title: Secretary

We have authority to bind the corporation

SCHEDULE "A"

Description of Property

Municipally known as 2396 Cedar Creek Road, Ayr, ON N0B 1E0

Legally described as:

PIN 03848-0355 (LT); PT LT 28, CON 11, PT 1, 58R15460; NORTH DUMFRIES.

2025-01-24 15:08

SCHEDULE "B"

LESSE	LEASE DATE	EXPIRY DATE	REGISTRATION NO.	REGISTRATION DATE

NOVA-ONLINE
04-2010-10-01
01-01-2010-01-01

THIS IS EXHIBIT "N" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrian J. Pappas".

A Commissioner for taking affidavits

ASSIGNMENT OF INSURANCE POLICIES

TO: Royal Bank of Canada (the "Lender")

1. **Designation of Beneficiary.** 1000043321 Ontario Inc. (collectively the "Assignor") designates the Lender as a loss payee under the policy(ies) described in Schedule "A" attached hereto, and further designates the Lender as a loss payee under any and all renewals thereof or substitutions therefor (collectively, the "Policies") and grants a security interest in all right, title and interest of the Assignor in, to and under the Policies and all proceeds which may become payable under the Policies. The Assignor may not revoke the loss payee designation without the Lender's written consent.

2. **Indebtedness Secured.** The security constituted under this Agreement shall secure all indebtedness, obligations and liabilities of any kind, present or future, direct or indirect, absolute or contingent, joint or several, of the Assignor to the Lender, whether as principal or surety, together with all expenses (including legal fees on a full indemnification basis) incurred by the Lender, its receiver or agent, in the preparation, perfection and enforcement of security and other agreements held by the Lender in respect of such indebtedness, obligations or liabilities and interest thereon (collectively, the "Indebtedness")

3. **Possession of Policies.** The Assignor shall deliver certified copies of the Policies to the Lender and inform it of any and all events which could result in payment of the sums payable thereunder.

4. **Premiums.** The Assignor shall pay the premiums for the Policies when due and shall deliver to the Lender evidence of such payment, if so requested. If the Assignor fails to pay such premiums, the Lender may pay them for the Assignor, without however being bound to do so, and any such payment shall be added to the Indebtedness and secured by this Assignment.

5. **Rights of the Lender.** The Lender may, without however being bound to do so, collect any and all sums payable under the Policies and exercise all rights arising from the Policies. All sums collected by the Lender may, at its discretion, be remitted to the Assignor, or they may be held by the Lender as security for the Indebtedness, or applied to the payment of the Indebtedness and any such payment shall be applied to the Indebtedness and obligations secured by this Assignment, whether or not due. The Lender shall have the choice of how any such sums collected shall be applied.

6. **Remedies of the Lender.** The Lender may exercise its rights and recourse without being required to exercise same against the Assignor or any other person, or to realize on any other security.

7. **Expenses.** The Assignor shall pay all the expenses incurred by the Lender in connection herewith as well as the expenses arising from the exercise of the

Lender's rights, including any premiums which the Lender may pay, and any such payment shall be added to the Indebtedness and secured by this Assignment.

8. **Mandate.** The Assignor constitutes and appoints the Lender its irrevocable attorney, with power of substitution, in order to perform all acts and to sign all documents necessary or expedient for the exercise of the rights conferred on the Lender under this Assignment, including endorsing all cheques or payment orders made to the order of the Assignor.


9. **Additional Security.** The rights conferred on the Lender under this Assignment shall be in addition to and not in substitution for any other security held by the Lender. The Lender may, however, waive any other security without affecting its rights under this Assignment.

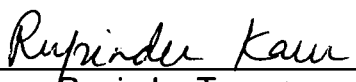
10. **Successor of the Lender.** This Assignment shall be binding upon the Assignor and enure to the benefit of the Lender and any of its successors, or assigns, including by way of amalgamation or otherwise.

11. **Governing Laws.** This Agreement shall be construed in accordance with and be governed by the laws of the Province of Ontario.

DATED this 22 day of December, 2022

1000043321 ONTARIO INC.

Per: 
 Name: Nasir Mahmood
 Title: President

Per: 
 Name: Rupinder Taggar
 Title: Secretary

We have authority to bind the corporation

SCHEDULE "A"
(List of Policies)

***All insurance policies relating to the property municipally known as
2396 Cedar Creek Road, Ayr, Ontario N0B 1E0***

2025/01/21 5:01:44 PM

THIS IS EXHIBIT "O" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrian Gopich", written over a horizontal line.

A Commissioner for taking affidavits



Royal Bank of Canada Guarantee and Postponement of Claim

SRF:
270287337

BRANCH ADDRESS:
6880 FINANCIAL DR
2ND FLR LINK
MISSISSAUGA, ON
L5N 7Y5

BORROWER:
1000043321 ONTARIO 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 **1000043321 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 **\$4,244,570.00 Four Million Two Hundred Forty-Four Thousand Five Hundred Seventy 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.

A175

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned **A176** 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 **A176** 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 **A177** bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(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 22 day of December, 2022.

TEN 4 SYSTEM LTD.



NASIR MAHMOOD, President and Secretary

I have authority to bind the corporation

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

<u>Full name and address</u>
TEN 4 SYSTEM LTD.
73 EASTERN AVE , BRAMPTON , ON L6W 1X9

A177

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

0019704

THIS IS EXHIBIT "P" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrian Gasparyan", written over a horizontal line.

A Commissioner for taking affidavits



Royal Bank of Canada Guarantee and Postponement of Claim

SRF:
270287337

BRANCH ADDRESS:
6880 FINANCIAL DR
2ND FLR LINK
MISSISSAUGA, ON
L5N 7Y5

BORROWER:
1000043321 ONTARIO 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 **1000043321 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 **\$4,244,570.00 Four Million Two Hundred Forty-Four Thousand Five Hundred Seventy 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.

A179

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned **A180** 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 **A180** 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 **A181** bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(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 22 day of December, 2022.

1000122550 ONTARIO INC.



NASIR MAHMOOD , President



RUPINDER TAGGAR, Secretary

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

We have authority to bind the corporation

Full name and address
1000122550 ONTARIO INC.
SUITE 300 , 3800 STEELES AVE W , , VAUGHAN, ON L4L 4G9

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

2025 01 24 15:49

THIS IS EXHIBIT "Q" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrianna Gaspino", written over a horizontal line.

A Commissioner for taking affidavits



Royal Bank of ~~A183~~ Guarantee and Postponement of Claim

SRF:
270287337

BRANCH ADDRESS:
6880 FINANCIAL DR
2ND FLR LINK
MISSISSAUGA, ON
L5N 7Y5

BORROWER:
1000043321 ONTARIO 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 **1000043321 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 **\$1,500,000.00 One 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 ~~A183~~ 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 **A184**ss 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 **A184**ay

bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of **A185** jurisdiction.

(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 22 day of December, 2022.



WITNESS Blaine Edson



NASIR MAHMOOD

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

<u>Full name and address</u>
NASIR MAHMOOD
584 REMEMBRANCE ROAD, BRAMPTON, ON L7A 4N2

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

2025-10-10 10:10:10

THIS IS EXHIBIT "R" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023



A Commissioner for taking affidavits



Royal Bank of **A187a** Guarantee and Postponement of Claim

SRF:
270287337

BRANCH ADDRESS:
6880 FINANCIAL DR
2ND FLR LINK
MISSISSAUGA, ON
L5N 7Y5

BORROWER:
1000043321 ONTARIO 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 **1000043321 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 **\$1,500,000.00 One 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 undersign **A187y** 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 **A188**ss 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.

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(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.

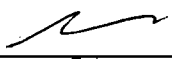
(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the **Province of Ontario** ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee 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 **A188**ay

bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of **A189** jurisdiction.

(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 22 day of December, 2022.


WITNESS Blake Edson


RUPINDER TAGGAR

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

<u>Full name and address</u>
RUPINDER TAGGAR
4 ACTION DRIVE, BRAMPTON, ON L7A 4X8

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

11/2015

THIS IS EXHIBIT "S" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armand J. J. J. J.", written over a horizontal line.

A Commissioner for taking affidavits



Royal Bank of Canada
 Commercial Financial Services
 6880 Financial Drive – 2nd Floor
 Mississauga Ontario L5N 7Y5

July 21, 2023

Private and Confidential

1000122550 ONTARIO INC.

Suite 300
 3800 Steeles Avenue West
 Vaughan, Ontario
 L4L 4G9

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 December 13, 2022 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: 1000122550 Ontario Inc. (the "**Borrower**")

CREDIT FACILITIES

Facility #1: \$5,283,000.72 non-revolving term facility by way of:

a) Fixed Rate Term Loans ("**FRT Loans**") Interest rate (per annum): 5.81%

REPAYMENT

Payment Amount:	\$37,790.77	Payment Frequency:	Monthly
Payment Type:	Blended	Payment date:	22 nd of each month
Repayable in full on:	December 22, 2026	Original Amortization (months)	233
Amount eligible for prepayment of FRT Loan: 0%			

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SRF #270 287 733

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Facility #2: \$550,000.00 non-revolving term facility by way of:

- | | |
|---|---|
| a) RBP based loans (" RBP Loans ") | Variable interest rate (per annum) to be determined at time of Borrowing and recorded on the applicable Borrowing Request substantially in the form of Schedule "E" |
| b) Fixed Rate Term Loans (" FRT Loans ") | Fixed interest rate to be determined at time of Borrowing and recorded on the applicable Borrowing Request substantially in the form of Schedule "E" |

AVAILABILITY

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

REPAYMENT

Payment Amount:	To be determined at drawdown	Payment Frequency:	To be determined at drawdown
Payment Type:	To be determined at drawdown	Payment date:	30 days from drawdown To be determined at drawdown
Repayable in full on:	To be determined at drawdown	Original Amortization (months)	60
Amount eligible for prepayment of FRT Loan: To be determined at drawdown			

The specific repayment terms for Borrowings under this facility will be agreed to between the Borrower and the Bank at the time of drawdown by way of a Borrowing Request substantially in the form of Schedule "E" provided by the Borrower and accepted by the Bank.

FEES

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 \$5,355,430.00 signed by Ten 4 System Ltd.;
- b) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$5,355,430.00 signed by 1000043321 Ontario Inc.;
- c) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$1,500,000.00 signed by Nasir Mahmood;
- d) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$1,500,000.00 signed by Rupinder Taggar;
- e) Guarantee and postponement of claim on the Bank's form 812 for an unlimited amount signed by Ten 4 System Ltd., supported by a general security agreement on the Bank's form 924 constituting a first ranking security interest in all personal property of Ten 4 System Ltd.;
- f) Guarantee and postponement of claim on the Bank's form 812 for an unlimited amount signed by 1000043321 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 1000043321 Ontario Inc.;
 - ii. a collateral mortgage in the amount of \$5,771,200.00 constituting a first fixed charge on the lands and improvements, located at 2396 Cedar Creek Road, Ayr, Ontario;
 - iii. 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 2396 Cedar Creek Road, Ayr, Ontario;
- g) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$2,050,000.00 signed by Nasir Mahmood;
 - h) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$2,050,000.00 signed by Rupinder Taggar;
 - i) 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;
 - j) Collateral mortgage in the amount of \$7,281,600.00 signed by the Borrower constituting a first fixed charge on the lands and improvements, described as Part Lot 28 Concession 11 North Dumfries as in WS546774; North Dumfries - PIN 038480068 (the "**038480068 Property**");
 - k) Assignment of rents on the Bank's form 760 signed by the Borrower constituting a first ranking assignment of all rents arising from the 038480068 Property;
 - l) Postponement and assignment of claim on the Bank's form 918 signed by Nasir Mahmood;
 - m) Postponement and assignment of claim on the Bank's form 918 signed by Rupinder Taggar; and
 - n) Certificate of insurance evidencing fire and other perils coverage on the 038480068 Property, showing the Bank as first mortgagee.

Upon receipt of the security described in paragraphs e), f), g) and h) 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), b), c) and d) above.

FINANCIAL COVENANTS

In the event that the Borrower, 1000043321 Ontario Inc. or Ten 4 System Ltd. 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, 1000043321 Ontario Inc. and Ten 4 System Ltd., to be measured as at the end of each fiscal year:
 - i. Fixed Charge Coverage of not less than 1.15:1; and
 - 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) annual Compliance Certificate, substantially in the form of Schedule "G" signed by an authorized signing officer of the Borrower, within 90 days of each fiscal year end, certifying compliance with this Agreement including the financial covenants set forth in the Agreement;
- b) annual review engagement financial statements for Ten 4 System Ltd., within 90 days of each fiscal year end;
- c) annual compilation engagement financial statements for the Borrower and 1000043321 Ontario Inc., within 90 days of each fiscal year end;
- d) annual compilation engagement combined financial statements for the Borrower, Ten 4 System Ltd. and 1000043321 Ontario Inc., within 90 days of each fiscal year end;
- e) 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 2024; and
- f) 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; 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;
- f) No Borrowing [under Facility #2 will be made available unless a satisfactory visit and inspection of the Borrower's premises, properties and assets, including any equipment financed, has been completed by the Bank, or its representatives;
- g) no Borrowing under Facility #2 will be made available unless the Bank has received a Borrowing Request from the Borrower substantially in the form of Schedule "E".

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 August 21, 2023, 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: Raman Gill

/dlb

We acknowledge and accept the terms and conditions of this Agreement on this 21st day of July, 2023.

1000122550 ONTARIO INC.

Per: NASIR MAHMOOD *Nasir*
Name: NASIR MAHMOOD
Title: DIRECTOR

Per: Rupinder Kaur
Name: Rupinder Kaur Jaggars
Title: Director

I/We have the authority to bind the Borrower

As Guarantor, we acknowledge and confirm our agreement with the terms and conditions of this Agreement on this 21st day of July, 2023.

1000043321 ONTARIO INC.

Per: NASIR MAHMOOD *Nasir*
Name: NASIR MAHMOOD
Title: DIRECTOR

Per: Rupinder Kaur
Name: Rupinder Kaur Jaggars
Title: Director

I/We have the authority to bind the Guarantor

As Guarantor, we acknowledge and confirm our agreement with the terms and conditions of this Agreement on this 21st day of July, 2023.

TEN 4 SYSTEM LTD.

Per: NASIR MAHMOOD *Nasir*
Name: NASIR MAHMOOD
Title: DIRECTOR

Per: _____
Name: _____
Title: _____

I/We have the authority to bind the Guarantor

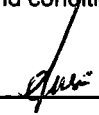
As Guarantor, I acknowledge and confirm my agreement with the terms and conditions of this Agreement on this 21st day of July, 2023.

Witness




Sheikh M. Hasnain

NASIR MAHMOOD



As Guarantor, I acknowledge and confirm my agreement with the terms and conditions of this Agreement on this 21st day of July, 2023.

Witness



Sheikh M. Hasnain

RUPINDER TAGGAR

Rupinder Kaur

Attachments:

Terms and Conditions

Schedules:

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

THIS IS EXHIBIT "T" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrian Gasparyan", written over a horizontal line.

A Commissioner for taking affidavits



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Royal Bank of Canada
General Security Agreement

SRF:
270287733

BRANCH ADDRESS:
6880 FINANCIAL DR
2ND FLR LINK
MISSISSAUGA, ON
L5N 7Y5

BORROWER:
1000122550 ONTARIO 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 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;

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- 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;

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- 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 situated, 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.
- c) 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 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 1000122550 ONTARIO INC.			
ADDRESS OF BUSINESS DEBTOR 3800 STEELES AVE W, SUITE 300	CITY VAUGHAN	PROVINCE ON	POSTAL CODE L4L 4G9

IN WITNESS WHEREOF executed this 22 day of December, 2022.

1000122550 ONTARIO INC.



NASIR MAHMOOD, President





RUPINDER TAGGAR, Secretary



We have authority to bind the corporation

2025-10-10 10:10:00 AM

SCHEDULE "A"

(ENCUMBRANCES AFFECTING COLLATERAL)

NON-CONFIDENTIAL INFORMATION

SCHEDULE "B"

1. Locations of Debtor's Business Operations

3800 STEELES AVE W, SUITE 300, VAUGHAN, ON CA L4L 4G9

2396 CEDAR CREEK ROAD, AYR, ON

2. Locations of Records relating to Collateral (if different from 1. above) 73 EASTERN AVE., BRAMPTON, ON L6W 1X9

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

2025-01-23 01:51:00

SCHEDULE "C"
(DESCRIPTION OF PROPERTY)

2025/01/24 5 01:51:24 01 PM

THIS IS EXHIBIT "U" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adriane Gaspine". The signature is fluid and cursive, with a large loop at the end.

A Commissioner for taking affidavits

This document has not been submitted and may be incomplete.

Properties

PIN 03848 - 0068 LT *Interest/Estate* Fee Simple
Description PT LT 28 CON 11 NORTH DUMFRIES AS IN WS546774; NORTH DUMFRIES
Address 2396 CEDAR CREEK ROAD
AYR

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 1000122550 ONTARIO INC.
Acting as a company
Address for Service 3800 Steeles Avenue West, Suite 300, Vaughan, ON L4L 4G9
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 ROYAL BANK OF CANADA
Acting as a company
Address for Service 36 York Mills Road, 4th Floor, Toronto, ON M2P 0A4

Provisions

Principal \$7,281,600.00 *Currency* CDN
Calculation Period Monthly
Balance Due Date On Demand
Interest Rate Prime Plus 5.000%
Payments
Interest Adjustment Date
Payment Date On Demand
First Payment Date
Last Payment Date
Standard Charge Terms 20015
Insurance Amount Full insurable value
Guarantor

File Number

Chargee Client File Number : 20220936

20221215 17:01:51

Properties

PIN 03848 - 0068 LT
Description PT LT 28 CON 11 NORTH DUMFRIES AS IN WS546774; NORTH DUMFRIES
Address 2396 CEDAR CREEK ROAD
AYR

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 1000122550 ONTARIO INC.
Acting as a company
Address for Service 3800 Steeles Avenue West, Suite 300, Vaughan, ON L4L 4G9
A person or persons with authority to bind the corporation has/have consented to the registration of this document.
This document is not authorized under Power of Attorney by this party.

Party To(s)	Capacity	Share
--------------------	-----------------	--------------

<i>Name</i> ROYAL BANK OF CANADA Acting as a company		
<i>Address for Service</i> 36 York Mills Road, 4th Floor, Toronto, ON 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, to which this notice relates is deleted
Schedule:

File Number

Party To Client File Number : 20220936

20221215 20:06 1000122550 ONTARIO INC. 3800 STEELES AVENUE WEST, SUITE 300, VAUGHAN, ON L4L 4G9

The applicant(s) hereby applies to the Land Registrar.

Properties

PIN 03848 - 0068 LT Interest/Estate Fee Simple
Description PT LT 28 CON 11 NORTH DUMFRIES AS IN WS546774; NORTH DUMFRIES
Address 2396 CEDAR CREEK ROAD
AYR

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 1000122550 ONTARIO INC.
Address for Service 3800 Steeles Avenue West, Suite 300,
Vaughan, ON L4L 4G9

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 ROYAL BANK OF CANADA
Address for Service 36 York Mills Road, 4th Floor, Toronto, ON M2P 0A4

Provisions

Principal \$7,281,600.00 Currency CDN
Calculation Period Monthly
Balance Due Date On Demand
Interest Rate Prime Plus 5.000%
Payments
Interest Adjustment Date
Payment Date On Demand
First Payment Date
Last Payment Date
Standard Charge Terms 20015
Insurance Amount Full insurable value.
Guarantor

Signed By

Pragati Patel 1401-480 University Ave acting for Signed 2022 12 20
Toronto Chargor(s)
M5G 1V2

Tel 416-599-8080
Fax 416-599-3131

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

HIMELFARB, PROSZANSKI LLP 1401-480 University Ave 2022 12 23
Toronto
M5G 1V2

Tel 416-599-8080
Fax 416-599-3131

Fees/Taxes/Payment

Statutory Registration Fee \$69.00
Total Paid \$69.00

File Number

Chargee Client File Number : 20220936

THIS IS EXHIBIT "V" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armand Gaspine", is written over a horizontal line.

A Commissioner for taking affidavits

ASSIGNMENT OF RENTS

THIS INDENTURE made this 22 day of December, 2022

BETWEEN:

1000122550 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 22 day of December 2022 and registered in the Land Registry Office for the Land (Registry/Titles) Division of Waterloo (No. 58) as instrument No. _____ 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 **Seven Million Two Hundred Eighty One Thousand Six Hundred (\$7,281,600.00)** 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.

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 unmatured 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 **A215**

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

1000122550 ONTARIO INC.

Per: *Nasir*

Name: Nasir Mahmood

Title: President

Per: *Rupinder Kaur*

Name: Rupinder Taggar

Title: Secretary

We have authority to bind the corporation

SCHEDULE "A"

Description of Property

Municipally known as 2396 Cedar Creek Road, Ayr, ON N0B 1E0

Legally described as:

PIN 03848-0068 (LT); PT LT 28, CON 11, NORTH DUMFRIES AS IN WS546774; NORTH DUMFRIES

2015-11-17 10:08 AM

SCHEDULE "B"

REGISTRATION OF MORTGAGES

LESSEE	LEASE DATE	EXPIRY DATE	REGISTRATION NO.	REGISTRATION DATE

THIS IS EXHIBIT "W" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armand J. Piro", is written above a horizontal line.

A Commissioner for taking affidavits

ASSIGNMENT OF INSURANCE POLICIES

TO: Royal Bank of Canada (the "Lender")

1. **Designation of Beneficiary.** 1000122550 Ontario Inc. (collectively the "Assignor") designates the Lender as a loss payee under the policy(ies) described in Schedule "A" attached hereto, and further designates the Lender as a loss payee under any and all renewals thereof or substitutions therefor (collectively, the "Policies") and grants a security interest in all right, title and interest of the Assignor in, to and under the Policies and all proceeds which may become payable under the Policies. The Assignor may not revoke the loss payee designation without the Lender's written consent.
2. **Indebtedness Secured.** The security constituted under this Agreement shall secure all indebtedness, obligations and liabilities of any kind, present or future, direct or indirect, absolute or contingent, joint or several, of the Assignor to the Lender, whether as principal or surety, together with all expenses (including legal fees on a full indemnification basis) incurred by the Lender, its receiver or agent, in the preparation, perfection and enforcement of security and other agreements held by the Lender in respect of such indebtedness, obligations or liabilities and interest thereon (collectively, the "Indebtedness")
3. **Possession of Policies.** The Assignor shall deliver certified copies of the Policies to the Lender and inform it of any and all events which could result in payment of the sums payable thereunder.
4. **Premiums.** The Assignor shall pay the premiums for the Policies when due and shall deliver to the Lender evidence of such payment, if so requested. If the Assignor fails to pay such premiums, the Lender may pay them for the Assignor, without however being bound to do so, and any such payment shall be added to the Indebtedness and secured by this Assignment.
5. **Rights of the Lender.** The Lender may, without however being bound to do so, collect any and all sums payable under the Policies and exercise all rights arising from the Policies. All sums collected by the Lender may, at its discretion, be remitted to the Assignor, or they may be held by the Lender as security for the Indebtedness, or applied to the payment of the Indebtedness and any such payment shall be applied to the Indebtedness and obligations secured by this Assignment, whether or not due. The Lender shall have the choice of how any such sums collected shall be applied.
6. **Remedies of the Lender.** The Lender may exercise its rights and recourse without being required to exercise same against the Assignor or any other person, or to realize on any other security.
7. **Expenses.** The Assignor shall pay all the expenses incurred by the Lender in connection herewith as well as the expenses arising from the exercise of the

Lender's rights, including any premiums which the Lender may pay, and any such payment shall be added to the Indebtedness and secured by this Assignment.

8. **Mandate.** The Assignor constitutes and appoints the Lender its irrevocable attorney, with power of substitution, in order to perform all acts and to sign all documents necessary or expedient for the exercise of the rights conferred on the Lender under this Assignment, including endorsing all cheques or payment orders made to the order of the Assignor.


9. **Additional Security.** The rights conferred on the Lender under this Assignment shall be in addition to and not in substitution for any other security held by the Lender. The Lender may, however, waive any other security without affecting its rights under this Assignment.


10. **Successor of the Lender.** This Assignment shall be binding upon the Assignor and enure to the benefit of the Lender and any of its successors, or assigns, including by way of amalgamation or otherwise.

11. **Governing Laws.** This Agreement shall be construed in accordance with and be governed by the laws of the Province of Ontario.

DATED this 22 day of December, 2022

1000122550 ONTARIO INC.

Per: 
 Name: Nasir Mahmood
 Title: President

Per: 
 Name: Rupinder Taggar
 Title: Secretary

We have authority to bind the corporation

SCHEDULE "A"
(List of Policies)

All insurance policies relating to the property municipally known as
2396 Cedar Creek Road, Ayr, Ontario N0B 1E0

2025/01/24 3:01:15 PM

This is to confirm to: Royal Bank of Canada, 36 York Mills Rd, 4th Floor, Toronto, ON, M2P 0A2 (FIRST MORTGAGEE,
 (Name and address) FIRST LOSS PAYEE AND ADDITIONAL INSURED)

That policies of insurance as herein described have been issued to the Insured named below and are in force at this date.

Name and address of Insured: 1000122550 ONTARIO INC
 4 ACTION DR
 BRAMPTON, ON, L7A 4X8

Location and Operations to which this confirmation applies:

PT Lt 28, CON AS IN WS546774, 2396 Cedar Creek Rd-038480068, NORTH DUMFRIES, Ontario, N0B 1E0

Kind of policy	Policy Number	Expiry date YYYY/MM/DD	Amount of insurance	
			Limit	Deductible
Property Insurance All Risks <input type="checkbox"/> Named Perils <input checked="" type="checkbox"/> Replacement Cost <input checked="" type="checkbox"/> Flood <input checked="" type="checkbox"/> Earthquake <input checked="" type="checkbox"/> Sewer Back up <input checked="" type="checkbox"/> Equipment Breakdown <input type="checkbox"/> Standard Mortgage Clause Incl. <input checked="" type="checkbox"/> Excl. <input type="checkbox"/> Other :	4001751672	16/12/2023	Limit \$ 100000 Co-Insurance 90 % Other :	Deductible \$ 5000
Commercial General Liability Products and/or completed operations Incl. <input checked="" type="checkbox"/> Excl. <input type="checkbox"/> Non-Owned Automobile Incl. <input checked="" type="checkbox"/> Excl. <input type="checkbox"/> Other :			Each occurrence limit : \$ 2000000 Aggregate limit : \$ 2000000 Tenant's Legal Liability : \$ 2000000 Non-Owned Automobile - limit : \$ 2000000 Other: The limits shown may have been reduced by paid claims.	
Automobile Liability All vehicles owned a/o leased <input type="checkbox"/> *Only described vehicles <input type="checkbox"/>			Inclusive limits – Bodily Injury and Property Damage Combined: \$ *Described vehicles:	

NOTE :

The insurance afforded is subject to the terms, conditions and exclusion of the applicable policy. This confirmation is issued as a matter of information only and confers no rights on the holder and imposes no liability on the Insurer. The Insurer will endeavour to mail to the holder of this Confirmation 30 days' written notice of any material change in or cancellation of these policies, but assumes no responsibility for failure to do so.

Date: 21.12.2022

Authorized Representative of the Insurer: CHARAN(CHARLIE) SINGH

CONFIRMATION A223 01-15-2019 PM

THIS IS EXHIBIT "X" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adriane Gypis".

A Commissioner for taking affidavits

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 1000122550 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").

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 07 21 2023
(MONTH) (DAY) (YEAR)

IN THE PRESENCE OF

TEN 4 SYSTEM LTD.

(DIRECTOR)



NABEEL MAHMOOD

(DIRECTOR)

Rupinder Kaur (Rupinder Kaur)
(Rupinder Kaur)

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

Full name and address
TEN 4 SYSTEM LTD.
73 EASTERN AVE BRAMPTON, ON L6W 1X9

(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) Nasir Mahmood, the guarantor in the guarantee dated July 21, 2023 made between ROYAL BANK OF CANADA and Nasir Mahmood, 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 Blaine Edson, Barrister and Solicitor at the City of Mississauga, in the Province of Ontario, this 24 day of July, 2023.

[Signature]
Signature

STATEMENT OF GUARANTOR

(Guarantor to sign in presence of Barrister and Solicitor)

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

THIS IS EXHIBIT "Y" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrian Pappas", written over a horizontal line.

A Commissioner for taking affidavits

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 **1000122550 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").

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 07 21 2023 (MONTH) (DAY) (YEAR)

IN THE PRESENCE OF

1000043321 ONTARIO INC.

NASIR MAHMOOD (DIRECTOR) [Signature]

Rupinder Kaur (Director)

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

Full name and address
1000043321 ONTARIO INC.
3800 STEELES AVE W – SUITE 300 VAUGHAN, ON L4L 4G9

THIS IS EXHIBIT "Z" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrienne Gosselin", written over a horizontal line.

A Commissioner for taking affidavits



Royal Bank of Canada Guarantee and Postponement of Claim

SRF:
270287733

BRANCH ADDRESS:
6880 FINANCIAL DR
2ND FLR LINK
MISSISSAUGA, ON
L5N 7Y5

BORROWER:
1000122550 ONTARIO 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 **1000122550 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 **\$2,050,000.00 Two Million 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.

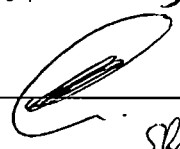
(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.


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

(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 21 day of July, 2023

WITNESS


Sherida M. Haseeb.


NASIR MAHMOOD

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

<u>Full name and address</u>
NASIR MAHMOOD
584 REMEMBRANCE ROAD, BRAMPTON, ON L7A 4N2

THIS IS EXHIBIT "AA" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armen Gasparyan", written over a horizontal line.

A Commissioner for taking affidavits



Royal Bank of Canada Guarantee and Postponement of Claim

SRF:
270287733

BRANCH ADDRESS:
6880 FINANCIAL DR
2ND FLR LINK
MISSISSAUGA, ON
L5N 7Y5

BORROWER:
1000122550 ONTARIO 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 **1000122550 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 **\$2,050,000.00 Two Million 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.)

(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 21 day of July, 2023

WITNESS  Sheril M. Haseel

Rupinder Kaur
RUPINDER TAGGAR

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

<u>Full name and address</u>
RUPINDER TAGGAR
4 ACTION DRIVE, BRAMPTON, ON L7A 4X8

THIS IS EXHIBIT "BB" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armand Gaspine", written over a horizontal line.

A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com

August 23, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

Ten 4 System Ltd.
73 Eastern Avenue
Brampton, Ontario
L6W 1X9

Attention: Nasir Mahmood, Director & President

Re: Indebtedness of Ten 4 System Ltd. (the “Company”) to Royal Bank of Canada (the “Lender”)

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated July 21, 2023 by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by 1000043321 Ontario Inc., 1000122550 Ontario Inc. and Nasir Mahmood, each as guarantors (the “**Credit Agreement**”). Reference is also made to the RBC Royal Bank Visa Business Card Agreement by the Company in favour of the Lender dated January 5, 2023 (the “**Visa Agreement**”). Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender holds certain security and related documents in respect of the Company’s indebtedness to the Lender, including, but not limited to, a general security agreement dated December 22, 2022 by the Company in favour of the Lender (collectively, the “**Security**”).

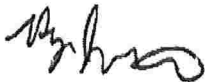
The indebtedness, liabilities and obligations of the Company to the Lender under the Credit Agreement and the Visa Agreement are payable by the Company upon demand, in respect of the Credit Agreement, and upon termination of the Visa Agreement by written notice to the Company, in respect of the Visa Agreement. Pursuant to the Credit Agreement, the Visa Agreement and the Security, as applicable, we hereby notify the Company of the termination of the Visa Agreement and declare on behalf of the Lender that all of the indebtedness, liabilities and obligations of the Company to the Lender under the Credit Agreement, the Visa Agreement and the Security have become immediately due and payable.

As of August 22, 2023, the Company is indebted or otherwise liable to the Lender in the amounts of CAD\$5,185,610.29 and USD\$452,915.45, inclusive of interest to August 22, 2023, but excluding any costs and expenses (including, without limitation, legal fees and expenses) incurred

to date and that will be incurred after the date hereof and additional interest from and after August 22, 2023 to which the Lender is entitled under the Credit Agreement, the Visa Agreement and the Security (the “**Indebtedness**”). The Indebtedness is secured by, *inter alia*, the Security.

The Lender hereby demands the immediate payment of the Indebtedness in full by the Company. Payment of the Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including, without limitation, the enforcement of Security held by the Lender. In this regard, we enclose a Notice of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), and a waiver and consent to the immediate enforcement of the security.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)
Avtar S. Bhangal (by email)
1000043321 Ontario Inc.
1000122550 Ontario Inc.
Nasir Mahmood

139220831:v4

FORM 86
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3.
(Subsection 244(1))

NOTICE OF INTENTION TO ENFORCE SECURITY

TO: Ten 4 System Ltd.
73 Eastern Avenue
Brampton, Ontario
L6W 1X9

TAKE NOTICE THAT:

1. Royal Bank of Canada (the “**Bank**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
 - all present and after-acquired assets, undertaking and property of the insolvent person
2. The security that is to be enforced includes the following:
 - a general security agreement dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all present and after-acquired personal property;
 - a guarantee and postponement of claim dated December 22, 2022 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000043321 Ontario Inc. to the Bank; and
 - a guarantee and postponement of claim dated July 21, 2023 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000122550 Ontario Inc. to the Bank,

(collectively, the “**Security**”).
3. The total amounts of the indebtedness secured by the Security, as at August 22, 2023, are CAD\$5,185,610.29 and USD\$452,915.45, plus accruing interest and fees payable in connection therewith.
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

[signature page follows]

DATED at Toronto, Ontario, on August 23, 2023.

ROYAL BANK OF CANADA, by its lawyers,
Borden Ladner Gervais LLP

Per: 

Roger Jaipargas

CONSENT AND WAIVER

THE UNDERSIGNED hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the ten-day period of notice required under Section 244(1) of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244(1) Notice dated August 23, 2023.

DATED at _____, Ontario, on _____, 2023.

TEN 4 SYSTEM LTD.

Per: _____

THIS IS EXHIBIT "CC" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adriana Lopez", written over a horizontal line.

A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com

August 23, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

1000043321 Ontario Inc.
3800 Steeles Avenue West
Suite 300
Vaughan, Ontario
L4L 4G9

Attention: Nasir Mahmood, Director & President

**Re: Guarantee in respect of the Indebtedness of Ten 4 System Ltd. (the “Company”)
to Royal Bank of Canada (the “Lender”)**

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated July 21, 2023 by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by 1000043321 Ontario Inc., 1000122550 Ontario Inc. and Nasir Mahmood, each as guarantors (the “**Credit Agreement**”). Reference is also made to the RBC Royal Bank Visa Business Card Agreement by the Company in favour of the Lender dated January 5, 2023. Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender holds certain security and related documents in respect of the Company’s indebtedness to the Lender, including, but not limited to, a general security agreement dated December 22, 2022 by the Company in favour of the Lender.

We also refer to your guarantee and postponement of claim dated July 21, 2023 (the “**Guarantee**”) in respect of the Company’s obligations to the Lender. Pursuant to the terms of the Guarantee, you have guaranteed payment on demand of all present and future debts and liabilities owing by the Company to the Lender, together with interest thereon from the date of demand.

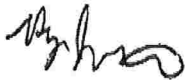
The Lender also holds certain security and related documents in respect of your indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 23, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022 (collectively, the “**Security**”).

The Lender has demanded repayment of the debts and liabilities owing by the Company to the Lender.

Accordingly, as of August 22, 2023, you are indebted, or otherwise liable to the Lender in the amounts of CAD\$5,185,610.29 and USD\$452,915.45, together with interest thereon from the date of demand in accordance with the terms of the Guarantee, but excluding any costs and expenses (including, without limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and all interest to which the Lender is entitled to under the Guarantee (the “**Guaranteed Indebtedness**”).

The Lender hereby demands the immediate payment of the Guaranteed Indebtedness in full. Payment of the Guaranteed Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including the commencement of legal proceedings for the recovery of the Guaranteed Indebtedness. In this regard, we enclose a Notice of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), and a waiver and consent to the immediate enforcement of the security.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)
Avtar S. Bhangal (by email)

139229106.v3

FORM 86
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3.
(Subsection 244(1))

NOTICE OF INTENTION TO ENFORCE SECURITY

TO: 1000043321 Ontario Inc.
Suite 300
3800 Steeles Avenue West
Vaughn, Ontario
L4L 4G9

TAKE NOTICE THAT:

1. Royal Bank of Canada (the "**Bank**"), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
 - all present and after-acquired assets, undertaking and property of the insolvent person
2. The security that is to be enforced includes the following:
 - a general security agreement dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all present and after-acquired personal property;
 - an assignment of insurance policies dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all right, title and interest of the insolvent person in, to and under the policies set out therein;
 - an assignment of rents dated December 22, 2022 between the insolvent person and the Bank with respect to all rents reserved and payable under the leases set out therein and all benefits and advantages to be derived from such leases;
 - a charge/mortgage of land registered with Land Registry Office #58 on December 23, 2022 in favour of the Bank with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario;
 - a guarantee and postponement of claim dated July 21, 2023 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of Ten 4 System Ltd. to the Bank; and
 - a guarantee and postponement of claim dated July 21, 2023 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000122550 Ontario Inc. to the Bank,

(collectively, the "**Security**").
3. The total amounts of the indebtedness secured by the Security, as at August 22, 2023, are CAD\$5,185,610.29 and USD\$452,915.45, plus accruing interest and fees payable in connection therewith.

4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

[signature page follows]

DATED at Toronto, Ontario, on August 23, 2023.

ROYAL BANK OF CANADA, by its lawyers,
Borden Ladner Gervais LLP

Per:  _____
Roger Jaipargas

CONSENT AND WAIVER

THE UNDERSIGNED hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the ten-day period of notice required under Section 244(1) of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244(1) Notice dated August 23, 2023.

DATED at _____, Ontario, on _____, 2023.

1000043321 ONTARIO INC.

Per: _____

THIS IS EXHIBIT "DD" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armen Derbedrossian", is written over a horizontal line.

A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com

August 23, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

1000122550 Ontario Inc.
3800 Steeles Avenue West
Suite 300
Vaughan, Ontario
L4L 4G9

Attention: Nasir Mahmood, Director & President

Re: Guarantee in respect of the Indebtedness of Ten 4 System Ltd. (the “Company”) to Royal Bank of Canada (the “Lender”)

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated July 21, 2023 by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by 1000043321 Ontario Inc., 1000122550 Ontario Inc. and Nasir Mahmood, each as guarantors (the “**Credit Agreement**”). Reference is also made to the RBC Royal Bank Visa Business Card Agreement by the Company in favour of the Lender dated January 5, 2023. Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender holds certain security and related documents in respect of the Company’s indebtedness to the Lender, including, but not limited to, a general security agreement dated December 22, 2022 by the Company in favour of the Lender.

We also refer to your guarantee and postponement of claim dated July 21, 2023 (the “**Guarantee**”) in respect of the Company’s obligations to the Lender. Pursuant to the terms of the Guarantee, you have guaranteed payment on demand of all present and future debts and liabilities owing by the Company to the Lender, together with interest thereon from the date of demand.

The Lender also holds certain security and related documents in respect of your indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 15, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022 (collectively, the “**Security**”).

The Lender has demanded repayment of the debts and liabilities owing by the Company to the Lender.

Accordingly, as of August 22, 2023, you are indebted, or otherwise liable to the Lender in the amounts of CAD\$5,185,610.29 and USD\$452,915.45, together with interest thereon from the date of demand in accordance with the terms of the Guarantee, but excluding any costs and expenses (including, without limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and all interest to which the Lender is entitled to under the Guarantee (the “**Guaranteed Indebtedness**”).

The Lender hereby demands the immediate payment of the Guaranteed Indebtedness in full. Payment of the Guaranteed Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including the commencement of legal proceedings for the recovery of the Guaranteed Indebtedness. In this regard, we enclose a Notice of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), and a waiver and consent to the immediate enforcement of the security.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)
Avtar S. Bhangal (by email)

139229897:v3

FORM 86
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3.
(Subsection 244(1))

NOTICE OF INTENTION TO ENFORCE SECURITY

TO: 1000122550 Ontario Inc.
Suite 300
3800 Steeles Avenue West
Vaughn, Ontario
L4L 4G9

TAKE NOTICE THAT:

1. Royal Bank of Canada (the "**Bank**"), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
 - all present and after-acquired assets, undertaking and property of the insolvent person
2. The security that is to be enforced includes the following:
 - a general security agreement dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all present and after-acquired personal property;
 - an assignment of insurance policies dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all right, title and interest of the insolvent person in, to and under the policies set out therein;
 - an assignment of rents dated December 22, 2022 between the insolvent person and the Bank with respect to all rents reserved and payable under the leases set out therein and all benefits and advantages to be derived from such leases;
 - a charge/mortgage of land registered with Land Registry Office #58 on December 15, 2022 in favour of the Bank with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario;
 - a guarantee and postponement of claim dated July 21, 2023 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of Ten 4 System Ltd. to the Bank; and
 - a guarantee and postponement of claim dated December 22, 2022 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000043321 Ontario Inc. to the Bank,

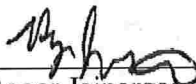
(collectively, the "**Security**").
3. The total amounts of the indebtedness secured by the Security, as at August 22, 2023, are CAD\$5,185,610.29 and USD\$452,915.45, plus accruing interest and fees payable in connection therewith.

4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

[signature page follows]

DATED at Toronto, Ontario, on August 23, 2023.

ROYAL BANK OF CANADA, by its lawyers,
Borden Ladner Gervais LLP

Per: 

Roger Jaipargas

CONSENT AND WAIVER

THE UNDERSIGNED hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the ten-day period of notice required under Section 244(1) of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244(1) Notice dated August 23, 2023.

DATED at _____, Ontario, on _____, 2023.

1000122550 ONTARIO INC.

Per: _____

THIS IS EXHIBIT "EE" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrienne Gypine", written over a horizontal line.

A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com

August 23, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

Mr. Nasir Mahmood
584 Remembrance Road
Brampton, Ontario
L7A 4N2

**Re: Guarantee in respect of the Indebtedness of Ten 4 System Ltd. (the “Company”)
to Royal Bank of Canada (the “Lender”)**

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated July 21, 2023 by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by 1000043321 Ontario Inc., 1000122550 Ontario Inc. and Nasir Mahmood, each as guarantors (the “**Credit Agreement**”). Reference is also made to the RBC Royal Bank Visa Business Card Agreement by the Company in favour of the Lender dated January 5, 2023. Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender holds certain security and related documents in respect of the Company’s indebtedness to the Lender, including, but not limited to, a general security agreement dated December 22, 2022 by the Company in favour of the Lender.

We also refer to your guarantee and postponement of claim dated July 21, 2023 (the “**Guarantee**”) in respect of the Company’s obligations to the Lender. Pursuant to the terms of the Guarantee, you have guaranteed payment on demand of all present and future debts and liabilities owing by the Company to the Lender, up to CAD\$2,500,000, together with interest thereon from the date of demand.


The Lender has demanded repayment of the debts and liabilities owing by the Company to the Lender.

Accordingly, as of August 22, 2023, you are indebted, or otherwise liable to the Lender in the amount of CAD\$2,500,000, together with interest thereon from the date of demand in accordance with the terms of the Guarantee, but excluding any costs and expenses (including, without

limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and all interest to which the Lender is entitled to under the Guarantee (the “**Guaranteed Indebtedness**”).

The Lender hereby demands the immediate payment of the Guaranteed Indebtedness in full. Payment of the Guaranteed Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including the commencement of legal proceedings for the recovery of the Guaranteed Indebtedness.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)
Avtar S. Bhangal (by email)

139230035:v2

THIS IS EXHIBIT "FF" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armen Derbedrossian", is written over a horizontal line.

A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com



August 28, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

1000043321 Ontario Inc.
73 Eastern Ave
Brampton, Ontario
L6W 1X9

1000043321 Ontario Inc.
3800 Steeles Avenue West
Suite 300
Vaughan, Ontario
L4L 4G9

Attention: Nasir Mahmood, Director & President

Re: Indebtedness of 1000043321 Ontario Inc. (the “Company”) to Royal Bank of Canada (the “Lender”)

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated December 13, 2022, as agreed to on December 22, 2022, by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by Ten 4 System Ltd., 1000122550 Ontario Inc., Nasir Mahmood and Rupinder Taggar, each as guarantors (the “**Credit Agreement**”). Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender also holds certain security and related documents in respect of your indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 23, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022 (collectively, the “**Security**”).

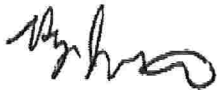
The Company has committed one or more Events of Default due to non-payment of amounts owing under the Credit Agreement. Accordingly, pursuant to the Credit Agreement and the Security, we hereby declare on behalf of the Lender, that all of the indebtedness, liabilities and obligations of the Company to the Lender have become immediately due and payable.

A265

As of August 28, 2023, the Company is indebted or otherwise liable to the Lender in the amount of CAD\$4,390,464.25, inclusive of interest to August 28, 2023, but excluding any costs and expenses (including, without limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and additional interest from and after August 28, 2023 to which the Lender is entitled under the Credit Agreement and the Security (the “**Indebtedness**”). The Indebtedness is secured by, *inter alia*, the Security.

The Lender hereby demands the immediate payment of the Indebtedness in full by the Company. Payment of the Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including, without limitation, the enforcement of Security held by the Lender. In this regard, we enclose a Notice of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), and a waiver and consent to the immediate enforcement of the security.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)
Avtar S. Bhangal (by email)
Ten 4 System Ltd.
1000122550 Ontario Inc.
Nasir Mahmood
Rupinder Taggar

FORM 86
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3.
(Subsection 244(1))

NOTICE OF INTENTION TO ENFORCE SECURITY

TO: 1000043321 Ontario Inc.
73 Eastern Ave
Brampton, Ontario
L6W 1X9

1000043321 Ontario Inc.
Suite 300
3800 Steeles Avenue West
Vaughn, Ontario
L4L 4G9

TAKE NOTICE THAT:

1. Royal Bank of Canada (the "**Bank**"), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
 - all present and after-acquired assets, undertaking and property of the insolvent person
2. The security that is to be enforced includes the following:
 - a general security agreement dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all present and after-acquired personal property;
 - an assignment of insurance policies dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all right, title and interest of the insolvent person in, to and under the policies set out therein;
 - an assignment of rents dated December 22, 2022 between the insolvent person and the Bank with respect to all rents reserved and payable under the leases set out therein and all benefits and advantages to be derived from such leases;
 - a charge/mortgage of land registered with Land Registry Office #58 on December 23, 2022 in favour of the Bank with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario;
 - a guarantee and postponement of claim dated July 21, 2023 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of Ten 4 System Ltd. to the Bank; and
 - a guarantee and postponement of claim dated July 21, 2023 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000122550 Ontario Inc. to the Bank,

(collectively, the "Security").

3. The total amounts of the indebtedness secured by the Security, as at August 28, 2023, is CAD\$4,390,464.25, plus accruing interest and fees payable in connection therewith.
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

[signature page follows]

DATED at Toronto, Ontario, on August 28, 2023.

ROYAL BANK OF CANADA, by its lawyers,
Borden Ladner Gervais LLP

Per: 

Roger Jaipargas

CONSENT AND WAIVER

THE UNDERSIGNED hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the ten-day period of notice required under Section 244(1) of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244(1) Notice dated August 28, 2023.

DATED at _____, Ontario, on _____, 2023.

1000043321 ONTARIO INC.

Per: _____

THIS IS EXHIBIT "GG" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armen Derbedrossian", written over a horizontal line.

A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com



August 28, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

Ten 4 System Ltd.
73 Eastern Avenue
Brampton, Ontario
L6W 1X9

Attention: Nasir Mahmood, Director & President

Re: Guarantee in respect of the Indebtedness of 10000433321 Ontario Inc. (the “Company”) to Royal Bank of Canada (the “Lender”)

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated December 13, 2022, as agreed to on December 22, 2022, by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by Ten 4 System Ltd., 1000122550 Ontario Inc., Nasir Mahmood and Rupinder Taggar, each as guarantors (the “**Credit Agreement**”). Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender also holds certain security and related documents in respect of the Company’s indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 23, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022.

We also refer to your guarantee and postponement of claim dated December 22, 2022 (the “**Guarantee**”) in respect of the Company’s obligations to the Lender. Pursuant to the terms of the Guarantee, you have guaranteed payment on demand of all present and future debts and liabilities owing by the Company to the Lender, up to CAD\$4,244,570, together with interest thereon from the date of demand.

The Lender also holds certain security and related documents in respect of your indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022 (collectively, the “**Security**”).

The Lender has demanded repayment of the debts and liabilities owing by the Company to the Lender.

A272

Accordingly, as of August 28, 2023, you are indebted, or otherwise liable to the Lender in the amount of CAD\$4,244,570, together with interest thereon from the date of demand in accordance with the terms of the Guarantee, but excluding any costs and expenses (including, without limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and all interest to which the Lender is entitled to under the Guarantee (the “**Guaranteed Indebtedness**”).

The Lender hereby demands the immediate payment of the Guaranteed Indebtedness in full. Payment of the Guaranteed Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including the commencement of legal proceedings for the recovery of the Guaranteed Indebtedness. In this regard, we enclose a Notice of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), and a waiver and consent to the immediate enforcement of the security.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)
Avtar S. Bhangal (by email)

321

FORM 86
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3.
(Subsection 244(1))

NOTICE OF INTENTION TO ENFORCE SECURITY

TO: Ten 4 System Ltd.
73 Eastern Avenue
Brampton, Ontario
L6W 1X9

TAKE NOTICE THAT:

1. Royal Bank of Canada (the “**Bank**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
 - all present and after-acquired assets, undertaking and property of the insolvent person
2. The security that is to be enforced includes the following:
 - a general security agreement dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all present and after-acquired personal property;
 - a guarantee and postponement of claim dated December 22, 2022 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000043321 Ontario Inc. to the Bank; and
 - a guarantee and postponement of claim dated July 21, 2023 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000122550 Ontario Inc. to the Bank,

(collectively, the “**Security**”).
3. The total amount of the indebtedness secured by the Security, as at August 28, 2023, is CAD\$4,244,570, plus accruing interest and fees payable in connection therewith.
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

[signature page follows]

DATED at Toronto, Ontario, on August 28, 2023.

ROYAL BANK OF CANADA, by its lawyers,
Borden Ladner Gervais LLP

Per: 

Roger Jaipargas

CONSENT AND WAIVER

THE UNDERSIGNED hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the ten-day period of notice required under Section 244(1) of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244(1) Notice dated August 28, 2023.

DATED at _____, Ontario, on _____, 2023.

TEN 4 SYSTEM LTD.

Per: _____

THIS IS EXHIBIT "HH" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrianna Pappas", written over a horizontal line.

A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com



August 28, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

1000122550 Ontario Inc.
73 Eastern Ave
Brampton, Ontario
L6W 1X9

1000122550 Ontario Inc.
3800 Steeles Avenue West
Suite 300
Vaughan, Ontario
L4L 4G9

Attention: Nasir Mahmood, Director & President

Re: Guarantee in respect of the Indebtedness of 10000433321 Ontario Inc. (the “Company”) to Royal Bank of Canada (the “Lender”)

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated December 13, 2022, as agreed to on December 22, 2022, by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by Ten 4 System Ltd., 1000122550 Ontario Inc., Nasir Mahmood and Rupinder Taggar, each as guarantors (the “**Credit Agreement**”). Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender also holds certain security and related documents in respect of the Company’s indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 23, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022.

We also refer to your guarantee and postponement of claim dated December 22, 2022 (the “**Guarantee**”) in respect of the Company’s obligations to the Lender. Pursuant to the terms of the Guarantee, you have guaranteed payment on demand of all present and future debts and liabilities owing by the Company to the Lender, up to \$4,244,570, together with interest thereon from the date of demand.

A278

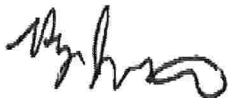
The Lender also holds certain security and related documents in respect of your indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 15, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022 (collectively, the “**Security**”).

The Lender has demanded repayment of the debts and liabilities owing by the Company to the Lender.

Accordingly, as of August 28, 2023, you are indebted, or otherwise liable to the Lender in the amount of CAD\$4,244,570, together with interest thereon from the date of demand in accordance with the terms of the Guarantee, but excluding any costs and expenses (including, without limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and all interest to which the Lender is entitled to under the Guarantee (the “**Guaranteed Indebtedness**”).

The Lender hereby demands the immediate payment of the Guaranteed Indebtedness in full. Payment of the Guaranteed Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including the commencement of legal proceedings for the recovery of the Guaranteed Indebtedness. In this regard, we enclose a Notice of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), and a waiver and consent to the immediate enforcement of the security.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)
Avtar S. Bhangal (by email)

139231282:v4

FORM 86
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3.
(Subsection 244(1))

NOTICE OF INTENTION TO ENFORCE SECURITY

TO: 1000122550 Ontario Inc.
73 Eastern Ave
Brampton, Ontario
L6W 1X9

1000122550 Ontario Inc.
Suite 300
3800 Steeles Avenue West
Vaughn, Ontario
L4L 4G9

TAKE NOTICE THAT:

1. Royal Bank of Canada (the "**Bank**"), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
 - all present and after-acquired assets, undertaking and property of the insolvent person
2. The security that is to be enforced includes the following:
 - a general security agreement dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all present and after-acquired personal property;
 - an assignment of insurance policies dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all right, title and interest of the insolvent person in, to and under the policies set out therein;
 - an assignment of rents dated December 22, 2022 between the insolvent person and the Bank with respect to all rents reserved and payable under the leases set out therein and all benefits and advantages to be derived from such leases;
 - a charge/mortgage of land registered with Land Registry Office #58 on December 15, 2022 in favour of the Bank with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario;
 - a guarantee and postponement of claim dated July 21, 2023 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of Ten 4 System Ltd. to the Bank; and
 - a guarantee and postponement of claim dated December 22, 2022 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000043321 Ontario Inc. to the Bank,

(collectively, the “Security”).

3. The total amount of the indebtedness secured by the Security, as at August 28, 2023, is CAD\$4,244,570, plus accruing interest and fees payable in connection therewith.
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

[signature page follows]

DATED at Toronto, Ontario, on August 28, 2023.

ROYAL BANK OF CANADA, by its lawyers,
Borden Ladner Gervais LLP

Per: 

Roger Jaipargas

CONSENT AND WAIVER

THE UNDERSIGNED hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the ten-day period of notice required under Section 244(1) of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244(1) Notice dated August 28, 2023.

DATED at _____, Ontario, on _____, 2023.

1000122550 ONTARIO INC.

Per: _____

THIS IS EXHIBIT "II" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023



A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com



August 28, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

Mr. Nasir Mahmood
584 Remembrance Road
Brampton, Ontario
L7A 4N2

Re: Guarantee in respect of the Indebtedness of 1000043321 Ontario Inc. (the “Company”) to Royal Bank of Canada (the “Lender”)

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated December 13, 2022, as agreed to on December 22, 2022, by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by Ten 4 System Ltd., 1000122550 Ontario Inc., Nasir Mahmood and Rupinder Taggar, each as guarantors (the “**Credit Agreement**”). Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender also holds certain security and related documents in respect of the Company’s indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 23, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022.

We also refer to your guarantee and postponement of claim dated December 22, 2022 (the “**Guarantee**”) in respect of the Company’s obligations to the Lender. Pursuant to the terms of the Guarantee, you have guaranteed payment on demand of all present and future debts and liabilities owing by the Company to the Lender, up to CAD\$1,500,000, together with interest thereon from the date of demand.

The Lender has demanded repayment of the debts and liabilities owing by the Company to the Lender.

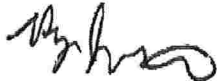
Accordingly, as of August 28, 2023, you are indebted, or otherwise liable to the Lender in the amount of CAD\$1,500,000, together with interest thereon from the date of demand in accordance with the terms of the Guarantee, but excluding any costs and expenses (including, without

A285

limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and all interest to which the Lender is entitled to under the Guarantee (the “**Guaranteed Indebtedness**”).

The Lender hereby demands the immediate payment of the Guaranteed Indebtedness in full. Payment of the Guaranteed Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including the commencement of legal proceedings for the recovery of the Guaranteed Indebtedness.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)
Avtar S. Bhangal (by email)

321

THIS IS EXHIBIT "JJ" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrian Lopez", written over a horizontal line.

A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com



August 28, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

Ms. Rupinder Taggar
4 Action Drive
Brampton, Ontario
L7A 4X8

Re: Guarantee in respect of the Indebtedness of 1000043321 Ontario Inc. (the “Company”) to Royal Bank of Canada (the “Lender”)

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated December 13, 2022, as agreed to on December 22, 2022, by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by Ten 4 System Ltd., 1000122550 Ontario Inc., Nasir Mahmood and Rupinder Taggar, each as guarantors (the “**Credit Agreement**”). Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender also holds certain security and related documents in respect of the Company’s indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 23, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022.

We also refer to your guarantee and postponement of claim dated December 22, 2022 (the “**Guarantee**”) in respect of the Company’s obligations to the Lender. Pursuant to the terms of the Guarantee, you have guaranteed payment on demand of all present and future debts and liabilities owing by the Company to the Lender, up to CAD\$1,500,000, together with interest thereon from the date of demand.

The Lender has demanded repayment of the debts and liabilities owing by the Company to the Lender.

Accordingly, as of August 28, 2023, you are indebted, or otherwise liable to the Lender in the amount of CAD\$1,500,000, together with interest thereon from the date of demand in accordance with the terms of the Guarantee, but excluding any costs and expenses (including, without

A288

limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and all interest to which the Lender is entitled to under the Guarantee (the “**Guaranteed Indebtedness**”).

The Lender hereby demands the immediate payment of the Guaranteed Indebtedness in full. Payment of the Guaranteed Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including the commencement of legal proceedings for the recovery of the Guaranteed Indebtedness.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)

321

THIS IS EXHIBIT "KK" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armen Derbedrossian", written over a horizontal line.

A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com



August 28, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

1000122550 Ontario Inc.
73 Eastern Ave
Brampton, Ontario
L6W 1X9

1000122550 Ontario Inc.
3800 Steeles Avenue West
Suite 300
Vaughan, Ontario
L4L 4G9

Attention: Nasir Mahmood, Director & President

Re: Indebtedness of 1000122550 Ontario Inc. (the “Company”) to Royal Bank of Canada (the “Lender”)

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated July 21, 2023 by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by Ten 4 System Ltd., 1000043321 Ontario Inc., Nasir Mahmood and Rupinder Taggar, each as guarantors (the “**Credit Agreement**”). Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender also holds certain security and related documents in respect of your indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 15, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022 (collectively, the “**Security**”).

The Company has committed one or more Events of Default due to non-payment of amounts owing under the Credit Agreement. Accordingly, pursuant to the Credit Agreement and the Security, we hereby declare on behalf of the Lender, that all of the indebtedness, liabilities and obligations of the Company to the Lender have become immediately due and payable.

A291

As of August 28, 2023, the Company is indebted or otherwise liable to the Lender in the amount of CAD\$5,539,480.55, inclusive of interest to August 28, 2023, but excluding any costs and expenses (including, without limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and additional interest from and after August 28, 2023 to which the Lender is entitled under the Credit Agreement and the Security (the “**Indebtedness**”). The Indebtedness is secured by, *inter alia*, the Security.

The Lender hereby demands the immediate payment of the Indebtedness in full by the Company. Payment of the Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including, without limitation, the enforcement of Security held by the Lender. In this regard, we enclose a Notice of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), and a waiver and consent to the immediate enforcement of the security.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)
Avtar S. Bhangal (by email)
Ten 4 System Ltd.
1000043321 Ontario Inc.
Nasir Mahmood
Rupinder Taggar

139232187:v4

FORM 86
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3.
(Subsection 244(1))

NOTICE OF INTENTION TO ENFORCE SECURITY

TO: 1000122550 Ontario Inc.
73 Eastern Ave
Brampton, Ontario
L6W 1X9

1000122550 Ontario Inc.
Suite 300
3800 Steeles Avenue West
Vaughn, Ontario
L4L 4G9

TAKE NOTICE THAT:

1. Royal Bank of Canada (the "**Bank**"), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
 - all present and after-acquired assets, undertaking and property of the insolvent person
2. The security that is to be enforced includes the following:
 - a general security agreement dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all present and after-acquired personal property;
 - an assignment of insurance policies dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all right, title and interest of the insolvent person in, to and under the policies set out therein;
 - an assignment of rents dated December 22, 2022 between the insolvent person and the Bank with respect to all rents reserved and payable under the leases set out therein and all benefits and advantages to be derived from such leases;
 - a charge/mortgage of land registered with Land Registry Office #58 on December 15, 2022 in favour of the Bank with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario;
 - a guarantee and postponement of claim dated July 21, 2023 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of Ten 4 System Ltd. to the Bank; and
 - a guarantee and postponement of claim dated December 22, 2022 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000043321 Ontario Inc. to the Bank,

(collectively, the “Security”).

3. The total amount of the indebtedness secured by the Security, as at August 28, 2023, is CAD\$5,539,480.55, plus accruing interest and fees payable in connection therewith.
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

[signature page follows]

DATED at Toronto, Ontario, on August 28, 2023.

ROYAL BANK OF CANADA, by its lawyers,
Borden Ladner Gervais LLP

Per:  _____
Roger Jaipargas

CONSENT AND WAIVER

THE UNDERSIGNED hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the ten-day period of notice required under Section 244(1) of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244(1) Notice dated August 28, 2023.

DATED at _____, Ontario, on _____, 2023.

1000122550 ONTARIO INC.

Per: _____

THIS IS EXHIBIT "LL" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Armand Gasparyan", written over a horizontal line.

A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com

August 28, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

Ten 4 System Ltd.
73 Eastern Avenue
Brampton, Ontario
L6W 1X9

Attention: Nasir Mahmood, Director & President

Re: Guarantee in respect of the Indebtedness of 1000122550 Ontario Inc. (the “Company”) to Royal Bank of Canada (the “Lender”)

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated July 21, 2023 by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by Ten 4 System Ltd., 1000043321 Ontario Inc., Nasir Mahmood and Rupinder Taggar, each as guarantors (the “**Credit Agreement**”). Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender also holds certain security and related documents in respect of the Company’s indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 15, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022.

We also refer to your guarantee and postponement of claim dated July 21, 2023 (the “**Guarantee**”) in respect of the Company’s obligations to the Lender. Pursuant to the terms of the Guarantee, you have guaranteed payment on demand of all present and future debts and liabilities owing by the Company to the Lender, together with interest thereon from the date of demand.

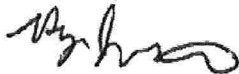
The Lender also holds certain security and related documents in respect of your indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022 (collectively, the “**Security**”).

The Lender has demanded repayment of the debts and liabilities owing by the Company to the Lender.

Accordingly, as of August 28, 2023, you are indebted, or otherwise liable to the Lender in the amount of CAD\$5,539,480.55, together with interest thereon from the date of demand in accordance with the terms of the Guarantee, but excluding any costs and expenses (including, without limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and all interest to which the Lender is entitled to under the Guarantee (the “**Guaranteed Indebtedness**”).

The Lender hereby demands the immediate payment of the Guaranteed Indebtedness in full. Payment of the Guaranteed Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including the commencement of legal proceedings for the recovery of the Guaranteed Indebtedness. In this regard, we enclose a Notice of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), and a waiver and consent to the immediate enforcement of the security.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)
Avtar S. Bhangal (by email)

550

FORM 86
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3.
(Subsection 244(1))

NOTICE OF INTENTION TO ENFORCE SECURITY

TO: Ten 4 System Ltd.
73 Eastern Avenue
Brampton, Ontario
L6W 1X9

TAKE NOTICE THAT:

1. Royal Bank of Canada (the “**Bank**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
 - all present and after-acquired assets, undertaking and property of the insolvent person
2. The security that is to be enforced includes the following:
 - a general security agreement dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all present and after-acquired personal property;
 - a guarantee and postponement of claim dated December 22, 2022 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000043321 Ontario Inc. to the Bank; and
 - a guarantee and postponement of claim dated July 21, 2023 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000122550 Ontario Inc. to the Bank,

(collectively, the “**Security**”).
3. The total amount of the indebtedness secured by the Security, as at August 28, 2023, is CAD\$5,539,480.55, plus accruing interest and fees payable in connection therewith.
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

[signature page follows]

DATED at Toronto, Ontario, on August 28, 2023.

ROYAL BANK OF CANADA, by its lawyers,
Borden Ladner Gervais LLP

Per: 

Roger Jaipargas

CONSENT AND WAIVER

THE UNDERSIGNED hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the ten-day period of notice required under Section 244(1) of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244(1) Notice dated August 28, 2023.

DATED at _____, Ontario, on _____, 2023.

TEN 4 SYSTEM LTD.

Per: _____

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com

August 28, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

Ten 4 System Ltd.
73 Eastern Avenue
Brampton, Ontario
L6W 1X9

Attention: Nasir Mahmood, Director & President

Re: Guarantee in respect of the Indebtedness of 1000122550 Ontario Inc. (the “Company”) to Royal Bank of Canada (the “Lender”)

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated July 21, 2023 by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by Ten 4 System Ltd., 1000043321 Ontario Inc., Nasir Mahmood and Rupinder Taggar, each as guarantors (the “**Credit Agreement**”). Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender also holds certain security and related documents in respect of the Company’s indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 15, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022.

We also refer to your guarantee and postponement of claim dated July 21, 2023 (the “**Guarantee**”) in respect of the Company’s obligations to the Lender. Pursuant to the terms of the Guarantee, you have guaranteed payment on demand of all present and future debts and liabilities owing by the Company to the Lender, together with interest thereon from the date of demand.

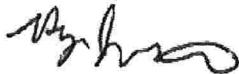
The Lender also holds certain security and related documents in respect of your indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022 (collectively, the “**Security**”).

The Lender has demanded repayment of the debts and liabilities owing by the Company to the Lender.

Accordingly, as of August 28, 2023, you are indebted, or otherwise liable to the Lender in the amount of CAD\$5,539,480.55, together with interest thereon from the date of demand in accordance with the terms of the Guarantee, but excluding any costs and expenses (including, without limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and all interest to which the Lender is entitled to under the Guarantee (the “**Guaranteed Indebtedness**”).

The Lender hereby demands the immediate payment of the Guaranteed Indebtedness in full. Payment of the Guaranteed Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including the commencement of legal proceedings for the recovery of the Guaranteed Indebtedness. In this regard, we enclose a Notice of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), and a waiver and consent to the immediate enforcement of the security.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)
Avtar S. Bhangal (by email)

550

FORM 86
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3.
(Subsection 244(1))

NOTICE OF INTENTION TO ENFORCE SECURITY

TO: Ten 4 System Ltd.
73 Eastern Avenue
Brampton, Ontario
L6W 1X9

TAKE NOTICE THAT:

1. Royal Bank of Canada (the “**Bank**”), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
 - all present and after-acquired assets, undertaking and property of the insolvent person
2. The security that is to be enforced includes the following:
 - a general security agreement dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all present and after-acquired personal property;
 - a guarantee and postponement of claim dated December 22, 2022 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000043321 Ontario Inc. to the Bank; and
 - a guarantee and postponement of claim dated July 21, 2023 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000122550 Ontario Inc. to the Bank,

(collectively, the “**Security**”).
3. The total amount of the indebtedness secured by the Security, as at August 28, 2023, is CAD\$5,539,480.55, plus accruing interest and fees payable in connection therewith.
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

[signature page follows]

DATED at Toronto, Ontario, on August 28, 2023.

ROYAL BANK OF CANADA, by its lawyers,
Borden Ladner Gervais LLP

Per:  _____
Roger Jaipargas

CONSENT AND WAIVER

THE UNDERSIGNED hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the ten-day period of notice required under Section 244(1) of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244(1) Notice dated August 28, 2023.

DATED at _____, Ontario, on _____, 2023.

TEN 4 SYSTEM LTD.

Per: _____

THIS IS EXHIBIT "MM" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adriane Pappas", written over a horizontal line.

A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com



August 28, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

1000043321 Ontario Inc.
3800 Steeles Avenue West
Suite 300
Vaughan, Ontario
L4L 4G9

1000043321 Ontario Inc.
73 Eastern Ave
Brampton, Ontario
L6W 1X9

Attention: Nasir Mahmood, Director & President

Re: Guarantee in respect of the Indebtedness of 1000122550 Ontario Inc. (the "Company") to Royal Bank of Canada (the "Lender")

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated July 21, 2023 by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by 1000043321 Ontario Inc., Ten 4 System Ltd., Nasir Mahmood and Rupinder Taggar, each as guarantors (the "**Credit Agreement**"). Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender also holds certain security and related documents in respect of the Company's indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 15, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022.

We also refer to your guarantee and postponement of claim dated July 21, 2023 (the "**Guarantee**") in respect of the Company's obligations to the Lender. Pursuant to the terms of the Guarantee, you have guaranteed payment on demand of all present and future debts and liabilities owing by the Company to the Lender, together with interest thereon from the date of demand.

A309

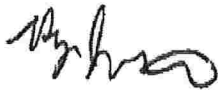
The Lender also holds certain security and related documents in respect of your indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 23, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022 (collectively, the “**Security**”).

The Lender has demanded repayment of the debts and liabilities owing by the Company to the Lender.

Accordingly, as of August 28, 2023, you are indebted, or otherwise liable to the Lender in the amount of CAD\$5,539,480.55, together with interest thereon from the date of demand in accordance with the terms of the Guarantee, but excluding any costs and expenses (including, without limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and all interest to which the Lender is entitled to under the Guarantee (the “**Guaranteed Indebtedness**”).

The Lender hereby demands the immediate payment of the Guaranteed Indebtedness in full. Payment of the Guaranteed Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including the commencement of legal proceedings for the recovery of the Guaranteed Indebtedness. In this regard, we enclose a Notice of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), and a waiver and consent to the immediate enforcement of the security.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)
Avtar S. Bhangal (by email)

550

FORM 86
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3.
(Subsection 244(1))

NOTICE OF INTENTION TO ENFORCE SECURITY

TO: 1000043321 Ontario Inc.
73 Eastern Ave
Brampton, Ontario
L6W 1X9

1000043321 Ontario Inc.
Suite 300
3800 Steeles Avenue West
Vaughn, Ontario
L4L 4G9

TAKE NOTICE THAT:

1. Royal Bank of Canada (the "**Bank**"), a secured creditor, intends to enforce its security on the property of the insolvent person described below:
 - all present and after-acquired assets, undertaking and property of the insolvent person
2. The security that is to be enforced includes the following:
 - a general security agreement dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all present and after-acquired personal property;
 - an assignment of insurance policies dated December 22, 2022 granted by the insolvent person in favour of the Bank with respect to all right, title and interest of the insolvent person in, to and under the policies set out therein;
 - an assignment of rents dated December 22, 2022 between the insolvent person and the Bank with respect to all rents reserved and payable under the leases set out therein and all benefits and advantages to be derived from such leases;
 - a charge/mortgage of land registered with Land Registry Office #58 on December 23, 2022 in favour of the Bank with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario;
 - a guarantee and postponement of claim dated July 21, 2023 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of Ten 4 System Ltd. to the Bank; and
 - a guarantee and postponement of claim dated July 21, 2023 granted by the insolvent person in favour of the Bank guaranteeing, among other things, the debts and liabilities of 1000122550 Ontario Inc. to the Bank,

(collectively, the “Security”).

3. The total amounts of the indebtedness secured by the Security, as at August 28, 2023, is CAD\$5,539,480.55, plus accruing interest and fees payable in connection therewith.
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

[signature page follows]

DATED at Toronto, Ontario, on August 28, 2023.

**ROYAL BANK OF CANADA, by its lawyers,
Borden Ladner Gervais LLP**

Per: 

Roger Jaipargas

CONSENT AND WAIVER

THE UNDERSIGNED hereby pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act* waives the ten-day period of notice required under Section 244(1) of the *Bankruptcy and Insolvency Act* and consents to the immediate enforcement by Royal Bank of Canada of the Security referred to in the Section 244(1) Notice dated August 28, 2023.

DATED at _____, Ontario, on _____, 2023.

1000043321 ONTARIO INC.

Per: _____

THIS IS EXHIBIT "NN" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrian J. ...", is written over a horizontal line.

A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com



August 28, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

Mr. Nasir Mahmood
584 Remembrance Road
Brampton, Ontario
L7A 4N2

Re: Guarantee in respect of the Indebtedness of 1000122550 Ontario Inc. (the “Company”) to Royal Bank of Canada (the “Lender”)

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated July 21, 2023 by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by Ten 4 System Ltd., 100043321 Ontario Inc., Nasir Mahmood and Rupinder Taggar, each as guarantors (the “**Credit Agreement**”). Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender also holds certain security and related documents in respect of the Company’s indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 15, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022.

We also refer to your guarantee and postponement of claim dated July 21, 2023 (the “**Guarantee**”) in respect of the Company’s obligations to the Lender. Pursuant to the terms of the Guarantee, you have guaranteed payment on demand of all present and future debts and liabilities owing by the Company to the Lender, up to CAD\$2,050,000, together with interest thereon from the date of demand.

The Lender has demanded repayment of the debts and liabilities owing by the Company to the Lender.

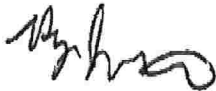
Accordingly, as of August 28, 2023, you are indebted, or otherwise liable to the Lender in the amount of CAD\$2,050,000, together with interest thereon from the date of demand in accordance with the terms of the Guarantee, but excluding any costs and expenses (including, without

A316

limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and all interest to which the Lender is entitled to under the Guarantee (the “**Guaranteed Indebtedness**”).

The Lender hereby demands the immediate payment of the Guaranteed Indebtedness in full. Payment of the Guaranteed Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including the commencement of legal proceedings for the recovery of the Guaranteed Indebtedness.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)
Avtar S. Bhangal (by email)

550

THIS IS EXHIBIT "OO" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023



A Commissioner for taking affidavits

Roger Jaipargas
T 416.367.6266
F 416.367.6749
rjaipargas@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada M5H 4E3
T 416.367.6000
F 416.367.6749
blg.com



August 28, 2023

Delivered by Courier and Hand Delivered

Private and Confidential

Ms. Rupinder Taggar
4 Action Drive
Brampton, Ontario
L7A 4X8

Re: Guarantee in respect of the Indebtedness of 1000122550 Ontario Inc. (the “Company”) to Royal Bank of Canada (the “Lender”)

We are the lawyers for the Lender in connection with the above-captioned matter.

We refer to the evidence of indebtedness dated July 21, 2023 by and among the Company, as borrower, and the Lender, as lender, as acknowledged and confirmed by Ten 4 System Ltd., 100043321 Ontario Inc., Nasir Mahmood and Rupinder Taggar, each as guarantors (the “**Credit Agreement**”). Capitalized terms that are not defined herein have the meanings given to them in the Credit Agreement.

The Lender also holds certain security and related documents in respect of the Company’s indebtedness to the Lender, including, but not limited to a general security agreement dated December 22, 2022, an assignment of rents dated December 22, 2022, a charge/mortgage of land registered with the Land Registry Office #58 on December 15, 2022 with respect to real property municipally known as 2396 Cedar Creek Road, Ayr, Ontario, and an assignment of insurance policies dated December 22, 2022.

We also refer to your guarantee and postponement of claim dated July 21, 2023 (the “**Guarantee**”) in respect of the Company’s obligations to the Lender. Pursuant to the terms of the Guarantee, you have guaranteed payment on demand of all present and future debts and liabilities owing by the Company to the Lender, up to CAD\$2,050,000, together with interest thereon from the date of demand.

The Lender has demanded repayment of the debts and liabilities owing by the Company to the Lender.

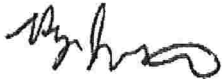
Accordingly, as of August 28, 2023, you are indebted, or otherwise liable to the Lender in the amount of CAD\$2,050,000, together with interest thereon from the date of demand in accordance with the terms of the Guarantee, but excluding any costs and expenses (including, without

A319

limitation, legal fees and expenses) incurred to date and that will be incurred after the date hereof and all interest to which the Lender is entitled to under the Guarantee (the "**Guaranteed Indebtedness**").

The Lender hereby demands the immediate payment of the Guaranteed Indebtedness in full. Payment of the Guaranteed Indebtedness is to be made forthwith to the Lender. If payment is not paid forthwith, the Lender intends to take such steps as are necessary or appropriate to obtain payment thereof, including the commencement of legal proceedings for the recovery of the Guaranteed Indebtedness.

Yours very truly,



Roger Jaipargas

Attachments

cc: Client (with attachments by email)

550

THIS IS EXHIBIT "PP" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrian Gypis", written over a horizontal line.

A Commissioner for taking affidavits

Search ID #: Z16473751

Transmitting Party

WEST-END REGISTRATIONS LICENSING & SEARCHES
LTD. (P158)

10011 170 STREET
EDMONTON, AB T5P 4R5

Party Code: 50076967

Phone #: 780 483 8211

Reference #: 04761938-EDD3 5
3569

Search ID #: Z16473751

Date of Search: 2023-Aug-18

Time of Search: 10:28:56

Business Debtor Search For:

TEN 4 SYSTEM LTD.

Exact Result(s) Only Found

NOTE:

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



Search ID #: Z16473751

Business Debtor Search For:

TEN 4 SYSTEM LTD.

Search ID #: Z16473751

Date of Search: 2023-Aug-18

Time of Search: 10:28:56

Registration Number: 22081928763

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Aug-19

Registration Status: Current

Expiry Date: 2025-Aug-19 23:59:59

Exact Match on: Debtor No: 1

Exact Match on: Debtor No: 2

Debtor(s)

Block

Status
Current

1 TEN 4 SYSTEM LTD.
584 REMEMBRANCE RD
BRAMPTON, ON L7A 4N2

Block

Status
Current

2 TEN 4 SYSTEM LTD.
3456 91 ST NW
EDMONTON, AB T6E 5R1

Block

Status
Current

3 MAHMOOD, NASIR
584 REMEMBRANCE RD
BRAMPTON, ON L7A 4N2

Birth Date:
1980-Jul-17

Secured Party / Parties

Block

Status
Current

1 BODKIN, A DIVISION OF BENNINGTON FINANCIAL CORP.
102-1465 NORTH SERVICE RD E
OAKVILLE, ON L6H 1A7
Email: funding@bodkin.com

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	4V4NC9EJ9CN547606	2012	VOLVO 670	MV - Motor Vehicle	Current

Search ID #: Z16473751

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	PURSUANT TO LEASE AGREEMENT 50022454, ALL PRESENT AND FUTURE EQUIPMENT ENCOMPASSED BY LEASE AGREEMENT 50022454 TOGETHER WITH ALL ATTACHMENTS ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL INCLUDING BUT NOT LIMITED TO THE FOLLOWING ONE 1 2012 VOLVO 670 (HIGHWAY SLEEPER)	Current

Search ID #: Z16473751

Business Debtor Search For:

TEN 4 SYSTEM LTD.

Search ID #: Z16473751

Date of Search: 2023-Aug-18

Time of Search: 10:28:56

Registration Number: 22082306096

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Aug-23

Registration Status: Current

Expiry Date: 2027-Aug-23 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 TEN 4 SYSTEM LTD.
584 REMEMBRANCE RD
BRAMPTON, ON L7A 4N2

Current

Secured Party / Parties

Block

Status

1 TPINE LEASING CAPITAL CORPORATION
6050 DIXIE ROAD
MISSISSAUGA, ON L5T 1A6
Email: absecparties@avssystems.ca

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	3AKJHHDR3JSJM0562	2018	FREIGHTLINER CASCADIA	MV - Motor Vehicle	Current

Search ID #: Z16473751

Business Debtor Search For:

TEN 4 SYSTEM LTD.

Search ID #: Z16473751

Date of Search: 2023-Aug-18

Time of Search: 10:28:56

Registration Number: 22113020769

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Nov-30

Registration Status: Current

Expiry Date: 2027-Nov-30 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 TEN 4 SYSTEM LTD.
584 REMEMBRANCE RD
BRAMPTON, ON L7A 4N2

Current

Secured Party / Parties

Block

Status

1 TPINE LEASING CAPITAL CORPORATION
6050 DIXIE ROAD
MISSISSAUGA, ON L5T 1A6
Email: absecparties@avssystems.ca

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	3AKJHHDR3JSJM0562	2018	FREIGHTLINER CASCADIA	MV - Motor Vehicle	Current

Search ID #: Z16473751

Business Debtor Search For:

TEN 4 SYSTEM LTD.

Search ID #: Z16473751

Date of Search: 2023-Aug-18

Time of Search: 10:28:56

Registration Number: 22121408708

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Dec-14

Registration Status: Current

Expiry Date: 2027-Dec-14 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 TEN 4 SYSTEM LTD.
73 EASTERN AVE
BRAMPTON, ON L6W1X9

Current

Secured Party / Parties

Block

Status

1 ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO, ON M2P 0A4
Email: albertaprod@teranet.ca

Current

Collateral: General

Block

Description

Status

1 All present and after-acquired personal property, all proceeds including, without limitation, all present and after-acquired personal property that may be derived from the sale or other disposition of the collateral, including inventory, equipment, intangibles, money, chattel papers, documents of title, securities, licences, crops and instruments

Current

Search ID #: Z16473751

Business Debtor Search For:

TEN 4 SYSTEM LTD.

Search ID #: Z16473751

Date of Search: 2023-Aug-18

Time of Search: 10:28:56

Registration Number: 23010532089

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jan-05

Registration Status: Current

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

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 TEN 4 SYSTEM LTD.
73 EASTERN AVE
BRAMPTON, ON L6W 1X9

Current

Block

Status

2 MAHMOOD, NASIR
73 EASTERN AVE
BRAMPTON, ON L6W 1X9

Current

Birth Date:
1980-Jul-17

Secured Party / Parties

Block

Status

1 TFG FINANCIAL CORPORATION
400 - 4180 LOUGHEED HIGHWAY
BURNABY, BC V5C 6A7
Email: absecparties@avssystems.ca

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1GRAA0627CB701076	2012	GREAT DANE TRAILER	MV - Motor Vehicle	Current
2	1GRAA0623CB701074	2012	GREAT DANE TRAILER	MV - Motor Vehicle	Current
3	527SR5328LM021791	2020	VANGUARD TRAILER	MV - Motor Vehicle	Current
4	6001095781	2012	THERMO KING SB-230	MV - Motor Vehicle	Current
5	6001099152	2012	THERMO KING SB-230	MV - Motor Vehicle	Current

Search ID #: Z16473751

6 331907197 2020 CARRIER 750 MV - Motor Vehicle Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE (1) TWO (2) 2012 GREAT DANE TRAILER VIN: 1GRAA0627CB701076 C/W THERMO KING SB-230SN:6001095781, VIN: 1GRAA0623CB701074 C/W THERMO KING SB-230 SN:6001099152 ONE (1) ONE (1) 2020 VANGUARD TRAILER VIN: 527SR5328LM021791 C/W CARRIER 750 SN: 331907197 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS, AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL OR PROCEEDS OF THE COLLATERAL AND A RIGHT TO ANY INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z16473751

Business Debtor Search For:

TEN 4 SYSTEM LTD.

Search ID #: Z16473751

Date of Search: 2023-Aug-18

Time of Search: 10:28:56

Registration Number: 23061608193

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jun-16

Registration Status: Current

Expiry Date: 2026-Jun-16 23:59:59

Exact Match on: Debtor No: 1

Exact Match on: Debtor No: 2

Amendments to Registration

23072029885	Amendment	2023-Jul-20
23072628958	Amendment	2023-Jul-26

Debtor(s)

Block

Status

1 TEN 4 SYSTEM LTD.
3456 91 ST NW
EDMONTON, AB T6E5R1

Current

Block

Status

2 TEN 4 SYSTEM LTD.
73 EASTERN AVENUE
BRAMPTON, ON L6W1X9

Current

Secured Party / Parties

Block

Status

1 PRIDE FLEET SOLUTIONS INC.
1450 MEYERSIDE DR., SUITE 401
MISSISSAUGA, ON L5T1A6
Email: GURLEEN@PRIDEFLEETSOLUTIONS.COM

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	3AKJHHDR5JSJJ3900	2018	FREIGHTLINER TT	MV - Motor Vehicle	Current
2	3AKJHHDRXJSJM0560	2018	FREIGHTLINER TT	MV - Motor Vehicle	Current

Search ID #: Z16473751

3	3AKJHHDR6LSLR6391	2020	FREIGHTLINER TT	MV - Motor Vehicle	Current
4	3AKJHHDR8LSLR6392	2020	FREIGHTLINER TT	MV - Motor Vehicle	Current
5	3AKJHHDRXLSLR6393	2020	FREIGHTLINER TT	MV - Motor Vehicle	Current
6	3AKJHHDR1LSLR6394	2020	FREIGHTLINER TT	MV - Motor Vehicle	Current
7	1FUJHHDR5MLLX1480	2021	FREIGHTLINER TT	MV - Motor Vehicle	Current
8	1FUJHHDR7MLLX1481	2021	FREIGHTLINER TT	MV - Motor Vehicle	Current
9	1FUJHHDR0MLLX1483	2021	FREIGHTLINER TT	MV - Motor Vehicle	Current
10	1FUJHHDR2MLME4445	2021	FREIGHTLINER TT	MV - Motor Vehicle	Current
11	1FUJHHDR8NLMW4561	2022	FREIGHTLINER TT	MV - Motor Vehicle	Current
12	3AKJHHDR8KSJZ7342	2019	FREIGHTLINER TT	MV - Motor Vehicle	Deleted By 23072628958
13	3AKJHHDRXKSKL0356	2019	FREIGHTLINER TT	MV - Motor Vehicle	Deleted By 23072029885
14	1FUJHHDR0LLKY6223	2020	FREIGHTLINER TT	MV - Motor Vehicle	Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	<p>1. THE DEBTOR GRANTS IN FAVOR OF THE SECURED CREDITOR, ALL PRESENT FUTURE CLAIMS OF THE DEBTOR INCLUDING, WITHOUT LIMITATION, ALL PRESENT AND FUTURE CUSTOMER ACCOUNTS, ACCOUNTS RECEIVABLE, RIGHTS OF ACTION, DEMANDS, JUDGMENTS, CONTRACT RIGHTS, AMOUNTS ON DEPOSIT, PROCEEDS OF SALE, ASSIGNMENT OR LEASE OF ANY PROPERTY, AND ANY INDEMNITIES PAYABLE UNDER ANY CONTRACT OF INSURANCE WHETHER OR NOT SUCH INSURANCE IS ON PROPERTY FORMING PART OF THE DEBTOR'S PROPERTY, THE WHOLE WHICH ARE NOW DUE OR WHICH MAY BECOME DUE TO THE DEBTOR, TOGETHER WITH ALL JUDGMENT AND ALL OTHER RIGHTS, BENEFITS, GUARANTEES AND SECURITIES FOR THE SAID CLAIMS WHICH ARE NOW OR MAY HEREAFTER EXIST IN FAVOR OF THE DEBTOR, AND TOGETHER WITH ALL BOOKS AND ACCOUNTS, TITLES, LETTERS, INVOICES, PAPERS AND DOCUMENTS IN ANY WAY EVIDENCING OR RELATING TO ALL OR ANY CLAIMS (THE DEBTOR PARTY)</p> <p>2. THE OBLIGOR/DEBTOR HEREBY GRANTS, SELLS, ASSIGNS, CONVEYS, TRANSFERS, MORTGAGES, PLEDGES AND CHARGES, AS AND BY WAY OF FIXED AND SPECIFIC MORTGAGE, PLEDGE AND CHARGE TO AND IN FAVOUR OF THE CREDITOR, AND GRANTS TO THE CREDITOR A SECURITY INTEREST IN, THE WHOLE OF THE UNDERTAKING OF THE GURANTOR AND ALL OF ITS PROPERTY AND ASSETS, REAL AND PERSONAL, MOVABLE AND IMMOVABLE, TANGIBLE AND INTANGIBLE, OF EVERY NATURE AND KIND WHATSOEVER AND WHERESOEVER SITUATE, BOTH PRESENT AND FUTURE, NOW OR AT ANY TIME AND FROM TIME TO TIME OWNED BY THE OBLIGOR/DEBTOR OR IN WHICH OR IN RESPECT OF WHICH THE GURANTOR HAS ANY INTEREST OR RIGHTS OF ANY KIND.</p>	Current

Search ID #: Z16473751

2 3. THE COMPANY HEREBY GRANTS TO PRIDE FLEET SOLUTIONS AND ALL OF ITS AFFILIATES (AS DEFINED IN THE BUSINESS CORPORATIONS ACT (ONTARIO) HEREINAFTER REFERRED TO AS THE PRIDE GROUP) A SECURITY INTEREST IN ALL OF ITS PROPERTY AND ASSETS, REAL AND PERSONAL, MOVABLE, AND IMMOVABLE, TANGIBLE, AND INTANGIBLE, OF EVERY NATURE AND KIND WHATSOEVER AND WHERESOEVER SITUATE, BOTH PRESENT AND FUTURE, NOW OR AT ANY TIME FROM TIME TO TIME OWNED BY THE COMPANY OR IN WHICH OR IN RESPECT OF WHICH THE COMPANY HAS ANY INTEREST OR RIGHTS OF ANY KIND, INCLUDING BUT NOT LIMITED TO THE PROPERTY AND/OR ASSETS IDENTIFIED IN THE SCHEDULE "A" TO THIS AGREEMENT, TO SECURE ALL OBLIGATIONS UNDER THIS AGREEMENT AND ANY OTHER OBLIGATIONS WHICH COMPANY MAY HAVE TO PRIDE GROUP AT ANY TIME AND COMPANY AGREES THAT ANY SECURITY INTEREST GRANTED OR WHICH IS HEREAFTER GRANTED TO PRIDE GROUP SHALL ALSO SECURE THE COMPANY'S OBLIGATIONS UNDER THIS AGREEMENT. Current

ACCORDINGLY, THE ACCEPTANCE OF ANY SUCH SECURITY INTEREST BY ANYONE OTHER THAN THE ABOVE SECURED PARTY MAY CONSTITUTE THE TORTIOUS INTERFERENCE WITH SECURED PARTY'S RIGHTS. IN THE EVENT THAT ANY ENTITY IS GRANTED A SECURITY INTEREST IN DEBTOR'S ACCOUNTS, CHATTEL PAPER OR GENERAL INTANGIBLES CONTRARY TO THE ABOVE, THE SECURED PARTY ASSERTS A CLAIM TO ANY PROCEEDS THEREOF RECEIVED BY SUCH ENTITY.

Result Complete

THIS IS EXHIBIT "QQ" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023



A Commissioner for taking affidavits

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(8498)

A334

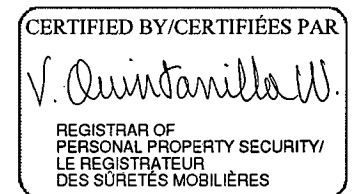
THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

ENQUIRY NUMBER 20230818130500.53 CONTAINS 78 PAGE(S), 14 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.

BORDEN LADNER GERVAIS LLP - GLORIA DI GIROLAMO
22 ADELAIDE STREET WEST, SUITE 3400
TORONTO ON M5H 4E3



(crj6 05/2022)

CONTINUED... 2

Ontario **A334**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(8499)

A335

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN ** THIS REGISTRATION HAS BEEN DISCHARGED **

00 FILE NUMBER
795190167

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
001 5 20230712 1025.1532 0403 P PPSA 10

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME TEN 4 SYSTEM LTD.

04 ADDRESS 73 EASTERN AVENUE BRAMPTON ONTARIO CORPORATION NO.
ON L6W1X9

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / ROYAL BANK OF CANADA
09 LIEN CLAIMANT

ADDRESS 5575 NORTH SERVICE RD, STE 300 BURLINGTON ON L7L 6M1

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO. FIXED
GOODS INVENTORY EQUIPMENT ACCOUNT'S OTHER INCLUDED MATURITY OR MATURITY DATE
X X X X

11 YEAR MAKE MODEL V.I.N.
12 MOTOR VEHICLE

13 GENERAL AS PER MASTER LEASE AGREEMENT DATED JULY 11 2023 TOGETHER WITH ALL
14 COLLATERAL INVENTORY AND EQUIPMENT NOW OR HEREAFTER ACQUIRED BY THE DEBTOR AND
15 DESCRIPTION FINANCED BY THE SECURED PARTY TOGETHER WITH ALL ATTACHMENTS,

16 REGISTERING D + H LIMITED PARTNERSHIP
17 AGENT

ADDRESS 2 ROBERT SPECK PARKWAY, 15TH FLOOR MISSISSAUGA ON L4Z 1H8

*** 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

(cij1fv 05/2022)

Ontario A335

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A336

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN ** THIS REGISTRATION HAS BEEN DISCHARGED **

FILE NUMBER
795190167

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	5		20230712 1025 1532 0403		

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

04

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

07

ADDRESS

SECURED PARTY / LIEN CLAIMANT

ADDRESS

09

COLLATERAL CLASSIFICATION

CONSUMER GOODS	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE

10

YEAR MAKE MODEL V.I.N.

MOTOR VEHICLE

GENERAL COLLATERAL DESCRIPTION ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS

REGISTERING AGENT

ADDRESS

17

*** 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)

Ontario **A336**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A337

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN ** THIS REGISTRATION HAS BEEN DISCHARGED **

00 FILE NUMBER
795190167

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
003 5 20230712 1025 1532 0403

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

04 ADDRESS

ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

07 ADDRESS

ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE

13 GENERAL THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN
14 COLLATERAL DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR
15 DESCRIPTION OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL

16 REGISTERING AGENT
17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

5

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A337

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
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CERTIFICATE

REPORT : PSSR060
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A338

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN ** THIS REGISTRATION HAS BEEN DISCHARGED **

00 FILE NUMBER
795190167

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
004 5 20230712 1025 1532 0403

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

04 ADDRESS

ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

07 ADDRESS

ONTARIO CORPORATION NO.

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

10 COLLATERAL CLASSIFICATION
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL VIN
12 VEHICLE

13 GENERAL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND
14 COLLATERAL RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR
15 DESCRIPTION COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE

16 REGISTERING
17 AGENT ADDRESS

*** 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 : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
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A339

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN ** THIS REGISTRATION HAS BEEN DISCHARGED **

00 FILE NUMBER
795190167

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
005 5 20230712 1025 1532 0403

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

04 ADDRESS

ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

07 ADDRESS

ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL COLLATERAL.

14 COLLATERAL DESCRIPTION

16 REGISTERING AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

7

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A339

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

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A340

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

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01	001	1		20230810 1608 1532 1300	
21	RECORD REFERENCED	FILE NUMBER	795190167		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
			C DISCHARGE		
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	TEN 4 SYSTEM LTD.		
25	OTHER CHANGE				
26	REASON/				
27	DESCRIPTION				
28					
02/	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME	
05/	DEBTOR/	BUSINESS NAME			
03/	TRANSFeree	BUSINESS NAME			
06					ONTARIO CORPORATION NO.
04/07	ADDRESS				
29	ASSIGNOR				
08	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE				
09	ADDRESS				
	COLLATERAL CLASSIFICATION				
	CONSUMER GOODS	MOTOR VEHICLE	DATE OF MATURITY	NO FIXED MATURITY DATE	
10	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	INCLUDED	AMOUNT OR
	YEAR	MAKE	MODEL	V.I.N.	
11	MOTOR VEHICLE				
12	GENERAL				
13	COLLATERAL				
14	DESCRIPTION				
15	REGISTERING AGENT OR	D + H LIMITED PARTNERSHIP			
16	SECURED PARTY/	ADDRESS	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON L4Z 1H8
17	LIEN CLAIMANT				

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

8

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(cri2iv 05/2022)

Ontario **A340**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A341

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN ** THIS REGISTRATION HAS BEEN DISCHARGED **

FILE NUMBER
795190554

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	7		20230712 1037 1532 0432	P PPSA	06

DEBTOR NAME
DATE OF BIRTH
FIRST GIVEN NAME
INITIAL
SURNAME

BUSINESS NAME
TEN 4 SYSTEM LTD.

ADDRESS
73 EASTERN AVENUE
BRAMPTON

ONTARIO CORPORATION NO.
ON L6W1X9

DEBTOR NAME
DATE OF BIRTH
FIRST GIVEN NAME
INITIAL
SURNAME

BUSINESS NAME

ADDRESS

ONTARIO CORPORATION NO.

SECURED PARTY / LIEN CLAIMANT
ROYAL BANK OF CANADA

ADDRESS
5575 NORTH SERVICE RD, STE 300
BURLINGTON

ON L7L 6M1

COLLATERAL CLASSIFICATION		MOTOR VEHICLE		AMOUNT	DATE OF	NO. FIXED			
CONSUMER	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	INCLUDED	MATURITY	OR	MATURITY DATE
		X				X			

MOTOR VEHICLE
YEAR MAKE
2024 DOONAN
MODEL
ALL-ALUMINUM FLATBE
V.I.N.
1D9BV5326R1609411

VEHICLE
2024 DOONAN
ALL-ALUMINUM FLATBE
1D9BV5328R1609412

GENERAL DESCRIPTION
2024 DOONAN ALL-ALUMINUM FLATBEDS 1D9BV5326R1609411 2024 DOONAN
ALL-ALUMINUM FLATBEDS 1D9BV5328R1609412 2024 DOONAN ALL-ALUMINUM
FLATBEDS 1D9BV5320R1609954 2024 GREAT DANE COMBO FLATBEDS

REGISTERING AGENT
D + H LIMITED PARTNERSHIP

ADDRESS
2 ROBERT SPECK PARKWAY, 15TH FLOOR
MISSISSAUGA
ON L4Z 1H8

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 9

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A3417

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A342

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN ** THIS REGISTRATION HAS BEEN DISCHARGED **

FILE NUMBER
795190554

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	7		20230712 1037 1532 0432		

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
-------------	---------------	------------------	---------	---------

DEBTOR NAME	BUSINESS NAME
-------------	---------------

ADDRESS

ONTARIO CORPORATION NO.

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
-------------	---------------	------------------	---------	---------

DEBTOR NAME	BUSINESS NAME
-------------	---------------

ADDRESS

ONTARIO CORPORATION NO.

SECURED PARTY / LIEN CLAIMANT	ADDRESS
-------------------------------	---------

ADDRESS

COLLATERAL CLASSIFICATION		CONSUMER	MOTOR VEHICLE	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
		GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	INCLUDED

MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.
	2024	DOONAN	ALL-ALUMINUM FLATBE	1D9BV5320R1609954
	2024	GREAT DANE	COMBO FLATBEDS	1GR4M0629RH602382

GENERAL COLLATERAL DESCRIPTION	DESCRIPTION
	1GR4M0629RH602382 2024 GREAT DANE COMBO FLATBEDS 1GR4M0620RH602383 EQUIPMENT AS FURTHER DESCRIBED UNDER LEASE CONTRACT # 201000075178
	EQUIPMENT DESCRIPTION, 3 -NEW 2024 DOONAN ALL-ALUMINUM FLATBEDS

REGISTERING AGENT	ADDRESS
-------------------	---------

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 10

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(rj1fv 05/2022)

Ontario **A342**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A343

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN ** THIS REGISTRATION HAS BEEN DISCHARGED **

00 FILE NUMBER
795190554

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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003 7 20230712 1037 1532 0432

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO. FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE 2024 GREAT DANE COMBO FLATBEDS 1GR4M0620RH602383

13 GENERAL 2 - NEW 2024 GREAT DANE COMBO FLATBEDS WITH A SLIDING TARP
14 COLLATERAL SYSTEM C/W 53 X CUSTOM EAGLE SLIDER SIDE , SECTIONAL SYSTEM BLACK
15 DESCRIPTION 905 QUILTED STAINLESS STEEL HEADBOARD TOGETHER WITH ALL

16 REGISTERING AGENT
17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 11

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A343

RUN NUMBER : 230
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PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
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CERTIFICATE

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A344

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN ** THIS REGISTRATION HAS BEEN DISCHARGED **

00 FILE NUMBER
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01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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004 7 20230712.1037 1532 0432

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME

04 ADDRESS ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT
09 ADDRESS

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO. FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE

13 GENERAL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS,
14 COLLATERAL ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM
15 DESCRIPTION DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL

16 REGISTERING AGENT
17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 12

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A344

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PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
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REPORT : PSSR060
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A345

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN ** THIS REGISTRATION HAS BEEN DISCHARGED **

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01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME

04 ADDRESS ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY /
09 LIEN CLAIMANT ADDRESS

10 COLLATERAL CLASSIFICATION
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 YEAR MAKE MODEL V.I.N.
12 MOTOR VEHICLE

13 GENERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS
14 COLLATERAL IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR
15 DESCRIPTION OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL

16 REGISTERING
17 AGENT ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 13

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A345

RUN NUMBER : 230
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PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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(8510)

A346

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN ** THIS REGISTRATION HAS BEEN DISCHARGED **

00 FILE NUMBER
795190554

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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006 7 20230712 1037 1532 0432

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

10 COLLATERAL CLASSIFICATION
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO. FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND
14 COLLATERAL RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR
15 DESCRIPTION COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE

16 REGISTERING AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 14

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A346

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A347

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN ** THIS REGISTRATION HAS BEEN DISCHARGED **

00 FILE NUMBER
795190554

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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007 7 20230712 1037 1532 0432

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

04 ADDRESS

ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

07 ADDRESS

ONTARIO CORPORATION NO.

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

10 COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL COLLATERAL.

14 COLLATERAL
15 DESCRIPTION

16 REGISTERING
AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

15

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario **A347**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 15
(8512)

A348

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	001	1		20230810 1610 1532 1304	
21	RECORD REFERENCED	FILE NUMBER	795190554		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED B RENEWAL	RENEWAL YEARS 1	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	TEN 4 SYSTEM LTD.		
25	OTHER CHANGE REASON/ DESCRIPTION				
02/	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME	
05	DEBTOR/ TRANSFEREE	BUSINESS NAME			
06					ONTARIO CORPORATION NO.
04/07	ADDRESS				
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08					
09	ADDRESS				
10	COLLATERAL CLASSIFICATION	CONSUMER GOODS	MOTOR VEHICLE INCLUDED	DATE OF MATURITY OR	NO FIXED MATURITY DATE
11	MOTOR VEHICLE GENERAL	YEAR MAKE	MODEL	V.I.N.	
12					
13					
14					
15					
16	REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT	ADDRESS	D + H LIMITED PARTNERSHIP 2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON L4Z 1H8

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 16

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES.

(crj2iv 05/2022)

Ontario **A348**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A349

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	001	1		20230817 0851 1532 9591	
21	RECORD REFERENCED	FILE NUMBER	795190554		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
			C DISCHARGE		
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	TEN 4 SYSTEM LTD.		
25	OTHER CHANGE				
26	REASON/				
27	DESCRIPTION				
28					
02/	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME	
05	DEBTOR/				
03/	TRANSFeree	BUSINESS NAME			
06					ONTARIO CORPORATION NO.
04/07	ADDRESS				
29	ASSIGNOR				
08	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE				
09	ADDRESS				
	COLLATERAL CLASSIFICATION				
	CONSUMER		MOTOR VEHICLE	DATE OF	NO FIXED
10	GOODS	INVENTORY	EQUIPMENT	AMOUNT	MATURITY OR MATURITY DATE
	YEAR	MAKE	MODEL	V. I. N.	
11	MOTOR				
12	VEHICLE				
13	GENERAL				
14	COLLATERAL				
15	DESCRIPTION				
16	REGISTERING AGENT OR	D + H LIMITED PARTNERSHIP			
17	SECURED PARTY/ LIEN CLAIMANT	ADDRESS	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON L4Z 1H8

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 17

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2fv 05/2022)

Ontario A349

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
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REPORT : PSSR060
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A350

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
794386989

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
001 15 20230616 0908 1793 1152 P PPSA 3

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME TEN 4 SYSTEM LTD.
04 ADDRESS 73 EASTERN AVENUE BRAMPTON ONTARIO CORPORATION NO. L5T1A6
ON L5T1A6

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME TEN 4 SYSTEM LTD.
07 ADDRESS 3456 91 ST NW EDMONTON ONTARIO CORPORATION NO. T6E5R1
AB T6E5R1

08 SECURED PARTY / PRIDE FLEET SOLUTIONS INC.
09 LIEN CLAIMANT ADDRESS 1450 MEYERSIDE DR., SUITE 401 MISSISSAUGA ON L5T1A6
ON L5T1A6

10 COLLATERAL CLASSIFICATION
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X X X X

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE 2018 FREIGHTLINER TT 3AKJHHR5JSJJ3900
2018 FREIGHTLINER TT 3AKJHHRXJSJM0560

13 GENERAL 1. THE DEBTOR GRANTS IN FAVOR OF THE SECURED CREDITOR, ALL PRESENT
14 COLLATERAL FUTURE CLAIMS OF THE DEBTOR INCLUDING, WITHOUT LIMITATION, ALL
15 DESCRIPTION PRESENT AND FUTURE CUSTOMER ACCOUNTS, ACCOUNTS RECEIVABLE, RIGHTS OF

16 REGISTERING PRIDE FLEET SOLUTIONS INC.
17 AGENT ADDRESS 1450 MEYERSIDE DR., SUITE 401 MISSISSAUGA ON L5T1A6
ON L5T1A6

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 18

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A350

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
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CERTIFICATE

REPORT : PSSR060
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A351

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
794386989

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
002 15 20230616 0908 1793 1152

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

04 ADDRESS

ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

07 ADDRESS

ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

10 CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.
2020 FREIGHTLINER TT 3AKJHHR6LSLR6391
12 VEHICLE 2020 FREIGHTLINER TT 3AKJHHR8LSLR6392

13 GENERAL ACTION, DEMANDS, JUDGMENTS, CONTRACT RIGHTS, AMOUNTS ON DEPOSIT,
14 COLLATERAL PROCEEDS OF SALE, ASSIGNMENT OR LEASE OF ANY PROPERTY, AND ANY
15 DESCRIPTION INDEMNITIES PAYABLE UNDER ANY CONTRACT OF INSURANCE WHETHER OR NOT

16 REGISTERING AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

19

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A351

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A352

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
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CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	003	15		20230616 0908 1793 1152		

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR NAME

BUSINESS NAME

03

ONTARIO CORPORATION NO.

04

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR NAME

BUSINESS NAME

06

ONTARIO CORPORATION NO.

07

ADDRESS

08 SECURED PARTY / LIEN CLAIMANT

ADDRESS

09

COLLATERAL CLASSIFICATION

CONSUMER	MOTOR VEHICLE	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
GOODS	INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED			

10

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.
2020 FREIGHTLINER	2020 FREIGHTLINER	TT	3AKJHHRXLSLR6393
2020 FREIGHTLINER		TT	3AKJHHR1LSLR6394

11

12

13 GENERAL COLLATERAL DESCRIPTION SUCH INSURANCE IS ON PROPERTY FORMING PART OF THE DEBTOR'S PROPERTY, THE WHOLE WHICH ARE NOW DUE OR WHICH MAY BECOME DUE TO THE DEBTOR, TOGETHER WITH ALL JUDGMENT AND ALL OTHER RIGHTS, BENEFITS,

16 REGISTERING AGENT

ADDRESS

17

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

20

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A352

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A353

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
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00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	004	15		20230616 0908 1793 1152		

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

03

ADDRESS

02

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

04

ADDRESS

05

SECURED PARTY / LIEN CLAIMANT

ADDRESS

06

COLLATERAL CLASSIFICATION

CONSUMER GOODS	MOTOR VEHICLE	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE

07

08

MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.
	2021	FREIGHTLINER	TT	1FUJHHR5MLLX1480
	2021	FREIGHTLINER	TT	1FUJHHR7MLLX1481

09

GENERAL COLLATERAL DESCRIPTION: GUARANTEES AND SECURITIES FOR THE SAID CLAIMS WHICH ARE NOW OR MAY HEREAFTER EXIST IN FAVOR OF THE DEBTOR, AND TOGETHER WITH ALL BOOKS AND ACCOUNTS, TITLES, LETTERS, INVOICES, PAPERS AND DOCUMENTS IN ANY

REGISTERING AGENT

ADDRESS

16

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

21

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A353

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
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A354

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
794386989

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	005	15		20230616 0908 1793 1152		

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

04

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

07

ADDRESS

SECURED PARTY / LIEN CLAIMANT

ADDRESS

09

COLLATERAL CLASSIFICATION

CONSUMER	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
----------	-------	-----------	-----------	----------	-------	------------------------	--------	------------------	----	------------------------

10

MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.
	2021	FREIGHTLINER	TT	1FUJHHDR0MLLX1483
	2021	FREIGHTLINER	TT	1FUJHHDR2MLME4445

11

12

GENERAL COLLATERAL DESCRIPTION
WAY EVIDENCING OR RELATING TO ALL OR ANY CLAIMS (THE DEBTOR PARTY)
2. THE OBLIGOR/DEBTOR HEREBY GRANTS, SELLS, ASSIGNS, CONVEYS, TRANSFERS, MORTGAGES, PLEDGES AND CHARGES, AS AND BY WAY OF FIXED

REGISTERING AGENT

17

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

22

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTREUR DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A354

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A355

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
794386989

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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006 15 20230616 0908 1793 1152

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

04 ADDRESS

ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

07 ADDRESS

ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

10 CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.
VEHICLE 2022 FREIGHTLINER TT 1FDJHHR8NLMW4561

12 2019 FREIGHTLINER TT 3AKJHHR8KSJZ7342

13 GENERAL AND SPECIFIC MORTGAGE, PLEDGE AND CHARGE TO AND IN FAVOUR OF THE
14 COLLATERAL CREDITOR, AND GRANTS TO THE CREDITOR A SECURITY INTEREST IN, THE
15 DESCRIPTION WHOLE OF THE UNDERTAKING OF THE GURANTOR AND ALL OF ITS PROPERTY AND

16 REGISTERING AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 23

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(cr11fv 05/2022)

Ontario A355

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
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CERTIFICATE

REPORT : PSSR060
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A356

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
794386989

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CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	007	15		20230616 0908 1793 1152		

01

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
-------------	---------------	------------------	---------	---------

02

BUSINESS NAME

03

ADDRESS

04

ONTARIO CORPORATION NO.

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
-------------	---------------	------------------	---------	---------

05

BUSINESS NAME

06

ADDRESS

07

ONTARIO CORPORATION NO.

SECURED PARTY / LIEN CLAIMANT

08

ADDRESS

09

COLLATERAL CLASSIFICATION

10

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
----------------	-----------	-----------	----------------	------------------------	--------	---------------------	------------------------

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.
	2019 FREIGHTLINER	TT	3AKJHHRXKSKL0356
	2020 FREIGHTLINER	TT	1FUJHHR0LLKY6223

13 GENERAL ASSETS, REAL AND PERSONAL, MOVABLE AND IMMOVABLE, TANGIBLE AND
14 COLLATERAL INTANGIBLE, OF EVERY NATURE AND KIND WHATSOEVER AND WHERESOEVER
15 DESCRIPTION SITUATE, BOTH PRESENT AND FUTURE, NOW OR AT ANY TIME AND FROM TIME

16 REGISTERING AGENT

17

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

24

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A356

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A357

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
794386989

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	008	15		20230616 0908 1793 1152		

01

DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02

DEBTOR NAME

BUSINESS NAME

03

ADDRESS

04

ONTARIO CORPORATION NO.

DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05

DEBTOR NAME

BUSINESS NAME

06

ADDRESS

07

ONTARIO CORPORATION NO.

SECURED PARTY / LIEN CLAIMANT

08

ADDRESS

09

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
----------------	-----------	-----------	----------------	------------------------	--------	---------------------	------------------------

10

MOTOR VEHICLE YEAR MAKE MODEL V.I.N.

11

GENERAL COLLATERAL DESCRIPTION TO TIME OWNED BY THE OBLIGOR/DEBTOR OR IN WHICH OR IN RESPECT OF WHICH THE GURANTOR HAS ANY INTEREST OR RIGHTS OF ANY KIND.
3. THE COMPANY HEREBY GRANTS TO PRIDE FLEET SOLUTIONS AND ALL OF ITS

13

14

15

REGISTERING AGENT

16

ADDRESS

17

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

25

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A357

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A358

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
794386989

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
009 15 20230616 0908 1793 1152

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME

04 ADDRESS ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY /
LIEN CLAIMANT
09 ADDRESS

10 COLLATERAL CLASSIFICATION
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE

13 GENERAL AFFILIATES (AS DEFINED IN THE BUSINESS CORPORATIONS ACT (ONTARIO)
14 COLLATERAL HEREINAFTER REFERRED TO AS THE PRIDE GROUP) A SECURITY INTEREST IN
15 DESCRIPTION ALL OF ITS PROPERTY AND ASSETS, REAL AND PERSONAL, MOVABLE, AND

16 REGISTERING
AGENT
17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 26

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A358

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A359

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
794386989

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
010 15 20230616 0908 1793 1152

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

04 ADDRESS

ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

07 ADDRESS

ONTARIO CORPORATION NO.

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

10 CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL VIN

12 VEHICLE

13 GENERAL IMMOVABLE, TANGIBLE, AND INTANGIBLE, OF EVERY NATURE AND KIND
14 COLLATERAL WHATSOEVER AND WHERESOEVER SITUATE, BOTH PRESENT AND FUTURE, NOW OR
15 DESCRIPTION AT ANY TIME FROM TIME TO TIME OWNED BY THE COMPANY OR IN WHICH OR IN

16 REGISTERING
AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY ***

CONTINUED...

27

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crl1fv 05/2022)

Ontario A359

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 27
(8524)

A360

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
794386989

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	011	15		20230616 0908 1793 1152		

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02

DEBTOR

03

NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

04

ADDRESS

05

DEBTOR

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06

NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

07

ADDRESS

08

SECURED PARTY /

09

LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

10

CONSUMER	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
----------	-------	-----------	-----------	----------	-------	------------------------	--------	------------------	----	------------------------

11

MOTOR

YEAR MAKE

MODEL

V.I.N.

12

VEHICLE

13

GENERAL

RESPECT OF WHICH THE COMPANY HAS ANY INTEREST OR RIGHTS OF ANY KIND, INCLUDING BUT NOT LIMITED TO THE PROPERTY AND/OR ASSETS IDENTIFIED IN THE SCHEDULE "A" TO THIS AGREEMENT, TO SECURE ALL OBLIGATIONS

14

COLLATERAL

15

DESCRIPTION

16

REGISTERING

17

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

28

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A360

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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(8525)

A361

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
794386989

00

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	012	15		20230616 0908 1793 1152		

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02

DEBTOR NAME

BUSINESS NAME

03

ONTARIO CORPORATION NO.

04

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05

DEBTOR NAME

BUSINESS NAME

06

ONTARIO CORPORATION NO.

07

ADDRESS

08

SECURED PARTY / LIEN CLAIMANT

ADDRESS

09

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
----------------	-----------	-----------	----------------	------------------------	--------	---------------------	------------------------

10

YEAR MAKE MODEL V.I.N.

11

MOTOR VEHICLE

12

GENERAL UNDER THIS AGREEMENT AND ANY OTHER OBLIGATIONS WHICH COMPANY MAY
COLLATERAL HAVE TO PRIDE GROUP AT ANY TIME AND COMPANY AGREES THAT ANY SECURITY
DESCRIPTION INTEREST GRANTED OR WHICH IS HEREAFTER GRANTED TO PRIDE GROUP SHALL

13

14

15

16

REGISTERING AGENT

17

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

29

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(crlfv 05/2022)

Ontario A361

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 29
(8526)

A362

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
794386989

01 CAUTION FILING PAGE NO. TOTAL OF PAGES MOTOR VEHICLE SCHEDULE REGISTRATION NUMBER REGISTERED UNDER REGISTRATION PERIOD
013 15 20230616 0908 1793 1152

02 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

05 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

10 COLLATERAL CLASSIFICATION CONSUMER GOODS MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

11 MOTOR VEHICLE YEAR MAKE MODEL V.I.N.

12

13 GENERAL ALSO SECURE THE COMPANY'S OBLIGATIONS UNDER THIS AGREEMENT.

14 COLLATERAL

15 DESCRIPTION ACCORDINGLY, THE ACCEPTANCE OF ANY SUCH SECURITY INTEREST BY ANYONE

16 REGISTERING AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

30

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A362

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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(8527)

A363

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
794386989

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	014	15		20230616 0908 1793 1152		

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02

DEBTOR NAME

BUSINESS NAME

03

ONTARIO CORPORATION NO.

04

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05

DEBTOR NAME

BUSINESS NAME

06

ONTARIO CORPORATION NO.

07

ADDRESS

08

SECURED PARTY / LIEN CLAIMANT

ADDRESS

09

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
----------------	-----------	-----------	----------------	------------------------	--------	---------------------	------------------------

10

YEAR MAKE MODEL V.I.N.

11

MOTOR VEHICLE

12

GENERAL DESCRIPTION OTHER THAN THE ABOVE SECURED PARTY MAY CONSTITUTE THE TORTIOUS INTERFERENCE WITH SECURED PARTY'S RIGHTS. IN THE EVENT THAT ANY ENTITY IS GRANTED A SECURITY INTEREST IN DEBTOR'S ACCOUNTS, CHATTEL

13

14

15

REGISTERING AGENT

16

ADDRESS

17

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY ***

CONTINUED...

31

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A363

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A364

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
794386989

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	015	15		20230616 0908 1793 1152		

01

DEBTOR NAME
DATE OF BIRTH
FIRST GIVEN NAME
INITIAL
SURNAME

02

BUSINESS NAME

03

ONTARIO CORPORATION NO.

04

ADDRESS

05

DEBTOR NAME
DATE OF BIRTH
FIRST GIVEN NAME
INITIAL
SURNAME

06

BUSINESS NAME

07

ADDRESS

ONTARIO CORPORATION NO.

08

SECURED PARTY /
LIEN CLAIMANT

09

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
----------------	-----------	-----------	----------------	------------------------	--------	---------------------	-------------------------

10

MOTOR VEHICLE
YEAR MAKE
MODEL
V.I.N.

11

GENERAL COLLATERAL DESCRIPTION
PAPER OR GENERAL INTANGIBLES CONTRARY TO THE ABOVE, THE SECURED PARTY ASSERTS A CLAIM TO ANY PROCEEDS THEREOF RECEIVED BY SUCH ENTITY.

13

14

15

16

REGISTERING AGENT

17

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

32

CERTIFIED BY/CERTIFIÉES PAR

V. Quintanilla W.

REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(cij1fv 05/2022)

Ontario **A364**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A365

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	001	1		20230705 1041 1793 2763	
21	RECORD REFERENCED	FILE NUMBER	794386989		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
			F PART DISCH		
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	TEN 4 SYSTEM LTD.		
25	OTHER CHANGE REASON/ DESCRIPTION				
02/	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/	TRANSFEE	BUSINESS NAME			
04/07	ADDRESS				ONTARIO CORPORATION NO.
29	ASSIGNOR				
08	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE				
09	ADDRESS				
10	COLLATERAL CLASSIFICATION				
	CONSUMER GOODS	MOTOR VEHICLE	DATE OF MATURITY	NO FIXED MATURITY DATE	
	INVENTORY	EQUIPMENT	AMOUNT	OR	
	ACCOUNTS	OTHER	INCLUDED		
11	MOTOR VEHICLE	YEAR MAKE	MODEL	V. I. N.	
12	GENERAL	2018 FREIGHTLINER	TT	3AKJHHRXJSJM0560	
13	COLLATERAL DESCRIPTION				
14	REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT	ADDRESS	PRIDE FLEET SOLUTIONS INC. 1450 MEYERSIDE DR., SUITE 401	MISSISSAUGA	ON L5T2N5

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 33

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2tv 05/2022)

Ontario A365

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A366

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL MOTOR VEHICLE REGISTRATION REGISTERED
	PAGES	SCHEDULE NUMBER UNDER
01	001	1
21	RECORD FILE NUMBER	794386989
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED
		CHANGE REQUIRED RENEWAL CORRECT
		F PART DISCH YEARS PERIOD
23	REFERENCE	FIRST GIVEN NAME INITIAL SURNAME
24	DEBTOR/ TRANSFEROR	BUSINESS NAME TEN 4 SYSTEM LTD.
25	OTHER CHANGE	
26	REASON/	
27	DESCRIPTION	
28		
02/	DATE OF BIRTH	FIRST GIVEN NAME INITIAL SURNAME
05	DEBTOR/	
03/	TRANSFeree	BUSINESS NAME
06		
04/07	ADDRESS	ONTARIO CORPORATION NO.
29	ASSIGNOR	
08	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE	
09	ADDRESS	
	COLLATERAL CLASSIFICATION	
	CONSUMER	MOTOR VEHICLE
	GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER	INCLUDED AMOUNT DATE OF NO FIXED
10		MATURITY OR MATURITY DATE
11	MOTOR YEAR MAKE	MODEL V.I.N.
12	VEHICLE 2019 FREIGHTLINER	TT 3AKJHHRXKSKL0356
13	GENERAL	
14	COLLATERAL	
15	DESCRIPTION	
16	REGISTERING AGENT OR	PRIDE FLEET SOLUTIONS INC.
17	SECURED PARTY/ LIEN CLAIMANT	ADDRESS 6050 DIXIE ROAD MISSISSAUGA ON L5T2N5

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 34

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(cri2tv 05/2022)

Ontario A366

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 34
(8531)

A367

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL MOTOR VEHICLE REGISTRATION REGISTERED
		SCHEDULE NUMBER UNDER
01	001	1 20230726 1702 1793 5023
21	RECORD FILE NUMBER	794386989
	REFERENCED	
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED
		CHANGE REQUIRED RENEWAL CORRECT
		F PART DISCH YEARS PERIOD
23	REFERENCE	FIRST GIVEN NAME INITIAL SURNAME
24	DEBTOR/ TRANSFEROR	BUSINESS NAME TEN 4 SYSTEM LTD.
25	OTHER CHANGE	
26	REASON/	
27	DESCRIPTION	
28		
02/	DATE OF BIRTH	FIRST GIVEN NAME INITIAL SURNAME
05/	DEBTOR/	
03/	TRANSFeree	BUSINESS NAME
06		
04/07	ADDRESS	ONTARIO CORPORATION NO.
29	ASSIGNOR	
	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE	
08		
09	ADDRESS	
	COLLATERAL CLASSIFICATION	
	CONSUMER	MOTOR VEHICLE
	GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER	INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE
10		
11	MOTOR YEAR MAKE MODEL	V.I.N. 3AKJHHR8KSJZ7342
12	VEHICLE	
13	GENERAL	
14	COLLATERAL	
15	DESCRIPTION	
16	REGISTERING AGENT OR	PRIDE FLEET SOLUTIONS INC.
17	SECURED PARTY/ LIEN CLAIMANT	ADDRESS 6050 DIXIE ROAD MISSISSAUGA ON L5T2N5

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 35

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2tv 05/2022)

Ontario A367

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A368

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
792850896

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
001 2 20230501 1204 1901 3238 P PPSA 05

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME TEN 4 SYSTEM LTD.

04 ADDRESS 73 EASTERN AVE BRAMPTON ONTARIO CORPORATION NO. L6W 1X9
ON L6W 1X9

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME NASIR MAHMOOD

07 ADDRESS 584 REMEMBRANCE RD BRAMPTON ONTARIO CORPORATION NO. L7A 4N2
ON L7A 4N2

08 SECURED PARTY / AXIOM LEASING INC
LIEN CLAIMANT

09 ADDRESS 4 ROBERT SPECK PARKWAY, 15TH FLOOR MISSISSAUGA ON L4Z 1S1

COLLATERAL CLASSIFICATION

10 CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X X

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE 2018 CIMC REEFER 527SR5321JM013853
2018 CIMC REEFER 527SR5323JM012588

13 GENERAL 2018 CIMC REEFER TRAILER VIN 527SR5323JM012588 2018 CIMC REEFER
14 COLLATERAL TRAILER VIN 527SR5321JM013853
15 DESCRIPTION

16 REGISTERING ESC CORPORATE SERVICES LTD.
AGENT

17 ADDRESS 201-1325 POLSON DR. VERNON BC V1T 8H2

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 36

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A368

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A369

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
792850896

01 CAUTION FILING PAGE NO. TOTAL OF PAGES MOTOR VEHICLE SCHEDULE REGISTRATION NUMBER REGISTERED UNDER REGISTRATION PERIOD
002 2 20230501 1204 1901 3238

02 DEBTOR NAME DATE OF BIRTH BUSINESS NAME FIRST GIVEN NAME INITIAL SURNAME
25FEB1971 HARDEV S TAGGAR

03 ADDRESS 4 ACTION DR BRAMPTON ONTARIO CORPORATION NO. ON L7A 4X8

05 DEBTOR NAME DATE OF BIRTH BUSINESS NAME FIRST GIVEN NAME INITIAL SURNAME
25FEB1971 HARDEV SINGH TAGGAR

06 ADDRESS 4 ACTION DR BRAMPTON ONTARIO CORPORATION NO. ON L7A 4X8

08 SECURED PARTY / LIEN CLAIMANT
09 ADDRESS

10 COLLATERAL CLASSIFICATION CONSUMER GOODS MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO. FIXED MATURITY DATE

11 MOTOR VEHICLE YEAR MAKE MODEL VIN

13 GENERAL COLLATERAL DESCRIPTION

16 REGISTERING AGENT ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 37

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(c)1fv 05/2022



RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A370

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
791246034

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	4		20230306 1350 9102 4114	P PPSA	05

01

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
-------------	---------------	------------------	---------	---------

02

03

BUSINESS NAME : TEN 4 SYSTEM LTD.

04

ADDRESS : 73 EASTERN AVE BRAMPTON ON L6X 1X9

05

06

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
	17JUL1980	NASIR		MAHMOOD

07

ADDRESS : 584 REMEMBRANCE ROAD BRAMPTON ON L7A 4N2

08

09

SECURED PARTY / LIEN CLAIMANT : MERCADO CAPITAL CORPORATION
ADDRESS : SUITE 1900, 13450 102 AVE SURREY BC V3T 5Y1

10

COLLATERAL CLASSIFICATION		MOTOR VEHICLE	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER INCLUDED		
	X	X	X		

11

12

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.
	2018 VANGUARD	C600	527SR5323JM013854
	2018 THERMOKING	REEFER	600F25635

13

14

15

GENERAL COLLATERAL DESCRIPTION : TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE

16

17

REGISTERING AGENT : ADDRESS :

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 38

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario **A370**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 38
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A371

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
791246034

00

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	4		20230306 1350 9102 4114		

01

02 DEBTOR NAME
03 BUSINESS NAME
04 ADDRESS
05 DATE OF BIRTH
06 FIRST GIVEN NAME
07 INITIAL
08 SURNAME

02

03

04

05

06

07

08

09

ONTARIO CORPORATION NO.

ONTARIO CORPORATION NO.

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
----------------	-----------	-----------	----------------	------------------------	--------	---------------------	------------------------

10

11

12

13

14

15

16

17

MOTOR VEHICLE

YEAR MAKE

MODEL

V.I.N.

GENERAL COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE

REGISTERING AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

39

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A371

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 39
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A372

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
791246034

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
003 4 20230306 1350 9102 4114

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

10 CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 YEAR MAKE MODEL V.I.N.

12 MOTOR
VEHICLE

13 GENERAL COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF
14 COLLATERAL TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER
15 DESCRIPTION PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE

16 REGISTERING
AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

40

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY /
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A372

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 40
(8537)

A373

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
791246034

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
004 4 20230306 1350 9102 4114

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

04 ADDRESS

ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

07 ADDRESS

ONTARIO CORPORATION NO.

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

10 COLLATERAL CLASSIFICATION
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL COLLATERAL OR PROCEEDS OF THE COLLATERAL.

14 COLLATERAL
15 DESCRIPTION

16 REGISTERING
17 AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

41

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario **A373**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 41
(8538)

A374

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
789831495

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	4		20230109 1546 5064 9270	P PPSA	06

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME TEN 4 SYSTEM LTD.

04 ADDRESS 73 EASTERN AVE BRAMPTON ON L6W 1X9
ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME NASIR MAHMOOD

07 ADDRESS 73 EASTERN AVE BRAMPTON ON L6W 1X9
ONTARIO CORPORATION NO.

08 SECURED PARTY / TFG FINANCIAL CORPORATION
LIEN CLAIMANT

09 ADDRESS 400 - 4180 LOUGHEED HIGHWAY BURNABY BC V5C 6A7

COLLATERAL CLASSIFICATION

CONSUMER GOODS	MOTOR VEHICLE	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE 2012 GREAT DANE TRAILER 1GRAA0627CB701076
2012 GREAT DANE TRAILER 1GRAA0623CB701074

13 GENERAL ONE (1) TWO (2) 2012 GREAT DANE TRAILER VIN 1GRAA0627CB701076 C/W
14 COLLATERAL THERMO KING SB-230SN 6001095781, VIN 1GRAA0623CB701074 C/W THERMO
15 DESCRIPTION KING SB-230 SN 6001099152 ONE (1) ONE (1) 2020 VANGUARD TRAILER VIN

16 REGISTERING ESC CORPORATE SERVICES LTD.
AGENT

17 ADDRESS 445 KING STREET WEST, SUITE 400 TORONTO ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY ***

CONTINUED... 42

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(c/11v 05/2022)

Ontario A374

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 42
(8539)

A375

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
789831495

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	4		20230109 1546 5064 9270		

02 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 BUSINESS NAME

04 ADDRESS

ONTARIO CORPORATION NO.

05 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 BUSINESS NAME

07 ADDRESS

ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

10 COLLATERAL CLASSIFICATION
CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.
11	2020 VANGUARD	TRAILER	527SR5328LM021791
12	2012 THERMO KING	SB-230	6001095781

13 GENERAL COLLATERAL DESCRIPTION
527SR5328LM021791 C/W CARRIER 750 SN 331907197 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS, AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM

16 REGISTERING AGENT
17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 43

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(c/11v 05/2022)



RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A376

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
789831495

00

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	003	4		20230109 1546 5064 9270		

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

03

ADDRESS

04

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

05

ADDRESS

06

SECURED PARTY / LIEN CLAIMANT

ADDRESS

07

COLLATERAL CLASSIFICATION

CONSUMER GOODS	MOTOR VEHICLE	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
INVENTORY EQUIPMENT ACCOUNTS OTHER	INCLUDED			

08

09

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.
2020 THERMO KING CARRIER	2012	SB-230	6001099152
		750	331907197

10

11

GENERAL COLLATERAL DESCRIPTION DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL OR PROCEEDS OF THE COLLATERAL AND A RIGHT TO ANY INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES

12

REGISTERING AGENT

ADDRESS

13

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

44

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF PERSONAL PROPERTY SECURITY / LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crlfv 05/2022)



RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 44
(8541)

A377

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
789831495

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	004	4		20230109 1546 5064 9270		

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02

DEBTOR NAME

BUSINESS NAME

03

ONTARIO CORPORATION NO.

04

ADDRESS

05

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06

DEBTOR NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

07

ADDRESS

08

SECURED PARTY / LIEN CLAIMANT

09

ADDRESS

COLLATERAL CLASSIFICATION

10

CONSUMER GOODS	MOTOR VEHICLE	AMOUNT	DATE OF MATURITY	NO FIXED MATURITY DATE
INVENTORY EQUIPMENT ACCOUNTS OTHER	INCLUDED		OR	

11

MOTOR VEHICLE

YEAR MAKE

MODEL

V.I.N.

12

13

GENERAL

FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.

14

COLLATERAL

15

DESCRIPTION

16

REGISTERING

17

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

45

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A377

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 45
(8542)

A378

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	001	4		20230126 1543 5064 9354	
21	RECORD REFERENCED	FILE NUMBER	789831495		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED A AMENDMENT	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	TEN 4 SYSTEM LTD.		
25	OTHER CHANGE REASON/ DESCRIPTION	CORRECTION IN GENERAL COLLATERAL			
02/	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME	
05	DEBTOR/ TRANSFEREE	BUSINESS NAME			
06					ONTARIO CORPORATION NO.
04/07	ADDRESS				
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08					
09	ADDRESS				
10	COLLATERAL CLASSIFICATION	CONSUMER GOODS	MOTOR VEHICLE	DATE OF MATURITY	NO FIXED MATURITY DATE
11	YEAR	MAKE	MODEL	V. I. N.	
12	MOTOR VEHICLE				
13	GENERAL DESCRIPTION	ONE (1) TWO (2) 2012 GREAT DANE TRAILER	VIN 1GRAA0627CB701076	C/W	
14	COLLATERAL DESCRIPTION	THERMO KING SB-230SN 6001095781,	VIN 1GRAA0623CB701074	C/W THERMO KING SB-230 SN 6001099152	ONE (1) ONE (1) 2020 VANGUARD TRAILER
15	REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT	ADDRESS	445 KING STREET WEST, SUITE 400	TORONTO	ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 46

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2tv 05/2022)

Ontario A378

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 46
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A379

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	002	4		20230126 1543 5064 9354	
21	RECORD REFERENCED	FILE NUMBER	789831495		
22	PAGE AMENDED	NO. SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME			
25	OTHER CHANGE				
26	REASON/ DESCRIPTION				
28					
02/	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME	
05	DEBTOR/ TRANSFEREE	BUSINESS NAME			
06					ONTARIO CORPORATION NO.
04/07	ADDRESS				
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08					
09	ADDRESS				
	COLLATERAL CLASSIFICATION				
	CONSUMER	MOTOR VEHICLE	DATE OF	NO. FIXED	
10	GOODS	INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED	AMOUNT	MATURITY OR	MATURITY DATE
	YEAR	MAKE	MODEL	V.I.N.	
11	MOTOR VEHICLE				
12	GENERAL DESCRIPTION	527SR5328LM021791 C/W CARRIER 750 SN 331907197 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS, AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM			
13	REGISTERING AGENT OR SECURED PARTY/LIEN CLAIMANT	ADDRESS			
14					
15					
16					
17					

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

47

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2tv 05/2022)

Ontario **A379**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 47
(8544)

A380

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	003	4		20230126 1543 5064 9354	
21	RECORD REFERENCED	FILE NUMBER	789831495		
22	PAGE AMENDED	NO. SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME			
25	OTHER CHANGE REASON/ DESCRIPTION				
02/05	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/06	TRANSFEE	BUSINESS NAME			
04/07	ADDRESS				ONTARIO CORPORATION NO.
29	ASSIGNOR				
08	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE				
09	ADDRESS				
10	COLLATERAL CLASSIFICATION	CONSUMER	MOTOR VEHICLE	DATE OF MATURITY	NO. FIXED MATURITY DATE
		GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER	INCLUDED	AMOUNT	OR
11	MOTOR VEHICLE	YEAR MAKE	MODEL	V. I. N.	
12	GENERAL COLLATERAL DESCRIPTION	DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL OR PROCEEDS OF THE COLLATERAL AND A RIGHT TO ANY INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES			
13	REGISTERING AGENT OR SECURED PARTY/LIEN CLAIMANT	ADDRESS			

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

48

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2iv 05/2022)

Ontario **A380**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 48
(8545)

A381

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	004	4		20230126 1543 5064 9354	
21	RECORD REFERENCED	FILE NUMBER	789831495		
22	PAGE AMENDED	NO. SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME			
25	OTHER CHANGE REASON/ DESCRIPTION				
02/05	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/06	TRANSFEE	BUSINESS NAME			
04/07	ADDRESS				ONTARIO CORPORATION NO.
29	ASSIGNOR				
08	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE				
09	ADDRESS				
10	COLLATERAL CLASSIFICATION				
	CONSUMER GOODS	MOTOR VEHICLE INCLUDED	DATE OF MATURITY OR	NO. FIXED MATURITY DATE	
11	MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.	
13	GENERAL DESCRIPTION	FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.			
14	COLLATERAL DESCRIPTION				
16	REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT	ADDRESS			

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

49

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2lv 05/2022)

Ontario **A381**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 49
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A382

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER		
01	001	3		20230801 1828 1465 3760			
21	RECORD REFERENCED	FILE NUMBER	789831495				
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED F PART DISCH	RENEWAL YEARS	CORRECT PERIOD		
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME			
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	TEN 4 SYSTEM LTD.				
25	OTHER CHANGE REASON/ DESCRIPTION						
02/05	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME		
03/06	TRANSFEE	BUSINESS NAME					
04/07	ADDRESS				ONTARIO CORPORATION NO.		
29	ASSIGNOR						
08	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE						
09	ADDRESS						
10	COLLATERAL CLASSIFICATION						
	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	DATE OF MATURITY OR	NO FIXED MATURITY DATE
11	MOTOR VEHICLE	YEAR MAKE	2012 GREAT DANE	MODEL	TRAILER	V. I. N.	1GRAA0623CB701074
12	GENERAL COLLATERAL DESCRIPTION	2020 VANGUARD	TRAILER	527SR5328LM021791			
13			ONE (1) VIN 1GRAA0623CB701074 C/W THERMO KING SB-230 SN 6001099152,				
14			ONE (1) 2020 VANGUARD TRAILER VIN 527SR5328LM021791 C/W CARRIER 750				
15			SN 331907197 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS,				
16	REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT	ADDRESS	445 KING STREET WEST, SUITE 400	TORONTO	ON	M5V 1K4	
17							

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 50

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2iv 05/2022)

Ontario A382

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 50
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A383

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER		
01	002	3		20230801 1828 1465 3760			
21	RECORD REFERENCED	FILE NUMBER	789831495				
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD		
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME			
24	DEBTOR/ TRANSFEROR	BUSINESS NAME					
25	OTHER CHANGE REASON/ DESCRIPTION						
02/05	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME		
03/06	TRANSFEE	BUSINESS NAME					
04/07	ADDRESS				ONTARIO CORPORATION NO.		
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE					
08	ADDRESS						
09	COLLATERAL CLASSIFICATION						
10	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
11	MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.		
12		2012	THERMO KING	SB-230	6001099152		
13	GENERAL COLLATERAL DESCRIPTION	2020	CARRIER	750	331907197		
14			REPLACEMENTS, SUBSTITUTIONS, ADDITIONS, AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL OR PROCEEDS OF THE				
15	REGISTERING AGENT OR SECURED PARTY/LIEN CLAIMANT	ADDRESS					

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY ***

CONTINUED...

51

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(cri2iv 05/2022)

Ontario **A383**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A384

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL MOTOR VEHICLE REGISTRATION REGISTERED
	PAGES	SCHEDULE NUMBER UNDER
01	003	3
21	789831495	20230801 1828 1465 3760
22		
23		
24		
25		
26		
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02/		
05/		
03/		
06		
04/07		
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11		
12		
13		
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15		
16		
17		

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

52

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2iv 05/2022)

Ontario A384

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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(8549)

A385

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
789340599

00
01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
001 4 20221215 1616 5064 8766 P PPSA 06

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME TEN 4 SYSTEM LTD.

04 ADDRESS 73 EASTERN AVE, BRAMPTON ON L6W 1X9

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME NASIR MAHMOOD

07 ADDRESS 73 EASTERN AVE, BRAMPTON ON L6W 1X9

08 SECURED PARTY / TFG FINANCIAL CORPORATION
LIEN CLAIMANT

09 ADDRESS 400 - 4180 LOUGHEED HIGHWAY BURNABY BC V5C 6A7

COLLATERAL CLASSIFICATION

10 CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

11 YEAR MAKE MODEL V.I.N.
12 MOTOR 2012 GREAT DANE TRAILER 1GRAA0625CB701075
VEHICLE 2012 GREAT DANE TRAILER 1GRAA0627CB701076

13 GENERAL TWO (2) 2012 GREAT DANE TRAILER VIN 1GRAA0625CB701075/REEFER SN
14 COLLATERAL 6001099156, VIN 1GRAA0627CB701076/REEFER SN 6001095781 ONE (1) 2020
15 DESCRIPTION CIMC TRAILER VIN 527SR53Z8LMD21791/REEFER SN 331907197 TOGETHER

16 REGISTERING ESC CORPORATE SERVICES LTD.
AGENT

17 ADDRESS 445 KING STREET WEST, SUITE 400 TORONTO ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 53

CERTIFIED BY/CERTIFIÉES PAR

V. Quintanilla

REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crlfv 05/2022)

Ontario A385

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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(8550)

A386

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
789340599

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	4		20221215 1616 5064 8766		

01

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
-------------	---------------	------------------	---------	---------

02

BUSINESS NAME

03

ADDRESS

04

ONTARIO CORPORATION NO.

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
-------------	---------------	------------------	---------	---------

05

BUSINESS NAME

06

ADDRESS

07

ONTARIO CORPORATION NO.

SECURED PARTY / LIEN CLAIMANT

08

ADDRESS

09

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
----------------	-----------	-----------	----------------	------------------------	--------	---------------------	------------------------

10

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.
2012 GREAT DANE	2020 CMC	TRAILER REEFER	527SR5328LM021791 6001099156

11

12

13 GENERAL WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS,
14 COLLATERAL SUBSTITUTIONS, ADDITIONS, AND IMPROVEMENTS THERETO, AND ALL PROCEEDS
15 DESCRIPTION IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR

16 REGISTERING AGENT

17

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

54

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A386

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A387

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
789340599

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	003	4		20221215 1616 5064 8766		

01

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

04

ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

07

ADDRESS

08 SECURED PARTY / LIEN CLAIMANT

09

ADDRESS

COLLATERAL CLASSIFICATION

10

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
----------------	-----------	-----------	----------------	------------------------	--------	---------------------	------------------------

11 MOTOR YEAR MAKE 2012 GREAT-DANE

12 VEHICLE 2020 CARRIER

MODEL REEFER 750
V.I.N. 6001095781
331907197

13 GENERAL COLLATERAL DESCRIPTION DEALINGS WITH THE COLLATERAL OR PROCEEDS OF THE COLLATERAL AND A RIGHT TO ANY INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE

16 REGISTERING AGENT

17

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY ***

CONTINUED...

55

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A387

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A388

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
789340599

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	004	4		20221215 1616 5064 8766		

01

02 DEBTOR NAME
03 BUSINESS NAME
04 ADDRESS
05 DATE OF BIRTH
06 FIRST GIVEN NAME
07 INITIAL
08 SURNAME

02

03

04

05

06

07

08

09

ONTARIO CORPORATION NO.

ONTARIO CORPORATION NO.

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
----------------	-----------	-----------	----------------	------------------------	--------	---------------------	-------------------------

10

11

12

13

14

15

16

17

YEAR MAKE MODEL V.I.N.

GENERAL COLLATERAL.
COLLATERAL DESCRIPTION

REGISTERING AGENT ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

56

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A388

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A389

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL MOTOR VEHICLE REGISTRATION REGISTERED
		SCHEDULE NUMBER UNDER
01	001	4
21	789340599	20221229 1559 5064 5355
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED
23	REFERENCE	FIRST GIVEN NAME
24	DEBTOR/ TRANSFEROR	BUSINESS NAME: TEN 4 SYSTEM LTD.
25	OTHER CHANGE	
26	REASON/ DESCRIPTION	AMEND GENERAL COLLATERAL AMEND ASSET FROM 2012 GREAT DANE TRAILER (1GRAA0627CB701076) TO 2012 GREAT DANE TRAILER (1GRAA0623CB701074) AMEND ASSET FROM 2020 CIMC TRAILER
02/	DATE OF BIRTH	FIRST GIVEN NAME
05	DEBTOR/ TRANSFEREE	BUSINESS NAME
06		ONTARIO CORPORATION NO.
04/07	ADDRESS	
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08		
09	ADDRESS	
10	COLLATERAL CLASSIFICATION	CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER
11	MOTOR VEHICLE	YEAR MAKE MODEL V.I.N.
12	2012 GREAT DANE TRAILER	1GRAA0623CB701074
13	2020 VANGUARD TRAILER	527SR5328LM021791
14	GENERAL DESCRIPTION	TWO (2) 2012 GREAT DANE TRAILER VIN 1GRAA0625CB701075/REEFER SB-230 SN 6001099156, VIN 1GRAA0623CB701074/REEFER SB-230 SN 6001099152 ONE (1) 2020 VANGUARD TRAILER VIN 527SR5328LM021791/REEFER CARRIER 750 SN
15	REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT	ESC CORPORATE SERVICES LTD. 445 KING STREET WEST, SUITE 400 TORONTO ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 57

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(crj2fv 05/2022)

Ontario **A389**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A390

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	002	4		20221229 1559 5064 5355	

RECORD REFERENCED	FILE NUMBER	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
21	789340599					

REFERENCE	DEBTOR/ TRANSFEROR	BUSINESS NAME	FIRST GIVEN NAME	INITIAL	SURNAME
23					
24					

OTHER CHANGE REASON/ DESCRIPTION	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
25				
26				
27				
28				

DEBTOR/ TRANSFEREE	BUSINESS NAME	ADDRESS	ONTARIO CORPORATION NO.
02/			
05/			
03/			
06			
04/07			

ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
29	

COLLATERAL CLASSIFICATION	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10									

YEAR	MAKE	MODEL	V.I.N.	
11	2012	GREAT DANE	REEFER	6001099152

GENERAL DESCRIPTION	REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT	ADDRESS
12		
13		
14		
15		
16		
17		

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

58

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(crj2fv 05/2022)

Ontario A390

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A391

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL MOTOR VEHICLE REGISTRATION REGISTERED
	PAGES	SCHEDULE NUMBER UNDER
01	003	4
21	RECORD FILE NUMBER	789340599
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED
23	REFERENCE	FIRST GIVEN NAME INITIAL SURNAME
24	DEBTOR/ TRANSFEROR	BUSINESS NAME
25	OTHER CHANGE	
26	REASON/	
27	DESCRIPTION	
28		
02/	DATE OF BIRTH	FIRST GIVEN NAME INITIAL SURNAME
05	DEBTOR/	
03/	TRANSFeree	BUSINESS NAME
06		
04/07	ADDRESS	ONTARIO CORPORATION NO.
29	ASSIGNOR	
08	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE	
09	ADDRESS	
10	COLLATERAL CLASSIFICATION	
	CONSUMER	MOTOR VEHICLE
	GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER	INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE
11	MOTOR	YEAR MAKE MODEL V.I.N.
12	VEHICLE	
13	GENERAL	SALE AND OR DEALINGS WITH THE COLLATERAL OR PROCEEDS OF THE
14	COLLATERAL	COLLATERAL AND A RIGHT TO ANY INSURANCE PAYMENT OR OTHER PAYMENT THAT
15	DESCRIPTION	INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR
16	REGISTERING AGENT OR	
17	SECURED PARTY/	ADDRESS
	LIEN CLAIMANT	

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

59

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(cri2iv 05/2022)

Ontario A391

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
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CERTIFICATE

REPORT : PSSR060
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A392

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER			
01	004	4		20221229 1559 5064 5355				
21	RECORD REFERENCED	FILE NUMBER	789340599					
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD			
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME				
24	DEBTOR/ TRANSFEROR	BUSINESS NAME						
25	OTHER CHANGE REASON/ DESCRIPTION							
02/05	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME			
03/06	TRANSFEE	BUSINESS NAME						
04/07	ADDRESS				ONTARIO CORPORATION NO.			
29	ASSIGNOR							
08	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE							
09	ADDRESS							
10	COLLATERAL CLASSIFICATION							
	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
11	MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.			
13	GENERAL DESCRIPTION							
14	COLLATERAL							
15	DESCRIPTION							
16	REGISTERING AGENT OR							
17	SECURED PARTY/ LIEN CLAIMANT	ADDRESS						

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

60

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2lv 05/2022)

Ontario **A392**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A393

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	001	1		20230105 1828 1465 3384	
21	RECORD REFERENCED	FILE NUMBER	789340599		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED F PART DISCH	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE DEBTOR/ TRANSFEROR	BUSINESS NAME	FIRST GIVEN NAME	INITIAL	SURNAME
24		TEN 4 SYSTEM LTD.			
25	OTHER CHANGE REASON/ DESCRIPTION				
02/	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/		BUSINESS NAME			
04/07	ADDRESS				ONTARIO CORPORATION NO.
29	ASSIGNOR SECURED PARTY/LIEN CLAIMANT/ASSIGNEE				
08	ADDRESS				
09	COLLATERAL CLASSIFICATION				
10	CONSUMER GOODS	MOTOR VEHICLE	DATE OF MATURITY OR	NO FIXED MATURITY DATE	
11	MOTOR VEHICLE	YEAR MAKE	MODEL	V. I. N.	
12		2012 GREAT DANE	TRAILER	1GRAA0625CB701075	
13	GENERAL COLLATERAL	2012 GREAT DANE TRAILER	REEFER	6001099156	
14	DESCRIPTION	2012 GREAT DANE TRAILER VIN# 1GRAA0625CB701075	C/W REEFER SB-230 SN		
15	REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT	ADDRESS	445 KING STREET WEST, SUITE 400	TORONTO	ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 61

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(crj2lv 05/2022)

Ontario **A393**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
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A394

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
789289965

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	1		20221214 1016 4085 6875	P PPSA	05

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02

DEBTOR NAME

BUSINESS NAME TEN 4 SYSTEM LTD.

03

ADDRESS 73 EASTERN AVE BRAMPTON

04

ONTARIO CORPORATION NO.
ON L6W1X9

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05

DEBTOR NAME

BUSINESS NAME

06

ADDRESS

ONTARIO CORPORATION NO.

07

SECURED PARTY / LIEN CLAIMANT ROYAL BANK OF CANADA

08

LIEN CLAIMANT

ADDRESS 36 YORK MILLS ROAD, 4TH FLOOR TORONTO ON M2P 0A4

09

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
X	X	X	X				

10

YEAR MAKE MODEL V.I.N.

11

MOTOR VEHICLE

12

GENERAL COLLATERAL DESCRIPTION

13

14

15

REGISTERING AGENT D + H LIMITED PARTNERSHIP

16

AGENT

17

ADDRESS 2 ROBERT SPECK PARKWAY, 15TH FLOOR MISSISSAUGA ON L4Z 1H8

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 62

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A394

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 62
(8559)

A395

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
788592582

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	2		20221118 1710 1532 8317	P PPSA	06

02 DEBTOR NAME
03 BUSINESS NAME
04 ADDRESS

DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
	TEN 4 SYSTEMS LTD.		

ONTARIO CORPORATION NO.
ON L6W1X9

05 DEBTOR NAME
06 BUSINESS NAME
07 ADDRESS

DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME

ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT
09 ADDRESS

DAIMLER TRUCK FINANCIAL SERVICES CANADA CORPORATION
2680 MATHESON BLVD. E. STE 202

ON L4W0A5

COLLATERAL CLASSIFICATION

CONSUMER	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
		X			X	X				

MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.
	2020	VANGUARD	BOX	527SR5327LM021040
	2020	VANGUARD	BOX	527SR5329LM021038

13 GENERAL DESCRIPTION
14 COLLATERAL DESCRIPTION
15 DESCRIPTION

INCLUDES ONE 2020 VANGUARD BOX WITH SN 527SR5327LM021040 INCLUDES ONE 2022 REEFER UNIT 7300 WITH SN TAR91613224 INCLUDES ONE 2020 VANGUARD BOX WITH SN 527SR5329LM021038 INCLUDES ONE 2022 REEFER UNIT

16 REGISTERING AGENT
17 ADDRESS

D + H LIMITED PARTNERSHIP
2 ROBERT SPECK PARKWAY, 15TH FLOOR MISSISSAUGA ON L4Z 1H8

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY ***

CONTINUED... 63

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A395

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 63
(8560)

A396

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
780592582

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	2		20221118 1710 1532 8317		

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02

DEBTOR NAME

BUSINESS NAME

03

ONTARIO CORPORATION NO.

04

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05

DEBTOR NAME

BUSINESS NAME

06

ONTARIO CORPORATION NO.

07

ADDRESS

08

SECURED PARTY / LIEN CLAIMANT

ADDRESS

09

COLLATERAL CLASSIFICATION

CONSUMER GOODS	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
----------------	------------------------	--------	---------------------	-------------------------

10

YEAR MAKE
2020 VANGUARD

MODEL
BOX

V.I.N.
527SR5324LM018970

11

MOTOR VEHICLE

12

GENERAL DESCRIPTION
7300 WITH SN 2317U0665 INCLUDES ONE 2022 VANGUARD BOX WITH SN 527SR5324LM018970 INCLUDES ONE 2020 REEFER UNIT 7300 WITH SN TAN91602902

13

14

15

REGISTERING AGENT

16

17

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

64

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario **A396**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 64
(8561)

A397

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL MOTOR VEHICLE PAGES SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	
01	001	3	20221228 0907 4085 0150		
21	RECORD REFERENCED	FILE NUMBER	788592582		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED A AMENDMENT	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	TEN 4 SYSTEMS LTD.		
25	OTHER CHANGE	CORRECTED ALL ASSETS TO YEAR 2020 FROM 2022			
26	REASON/ DESCRIPTION				
27					
28					
02/	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME	
05	DEBTOR/ TRANSFEREE	BUSINESS NAME			
03/					
06					ONTARIO CORPORATION NO.
04/07	ADDRESS				
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08					
09	ADDRESS				
	COLLATERAL CLASSIFICATION				
	CONSUMER GOODS	MOTOR VEHICLE INCLUDED	DATE OF MATURITY OR	NO FIXED MATURITY DATE	
10		X	X	X	
	YEAR	MAKE	MODEL	V.I.N.	
11	MOTOR VEHICLE	DELETED			
12	GENERAL				
13	COLLATERAL DESCRIPTION	INCLUDES ONE 2022 REEFER UNIT 7300 WITH SN TAR91613224 INCLUDES ONE 2022 REEFER UNIT 7300 WITH SN 2317U0665 INCLUDES ONE 2022 VANGUARD			
14	REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT	D + H LIMITED PARTNERSHIP			
15		ADDRESS	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON L4Z 1H8

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 65

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2iv 05/2022)

Ontario A397

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 65
(8562)

A398

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	002	3		20221228 0907 4085 0150	
21	RECORD REFERENCED	FILE NUMBER	788592582		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME			
25	OTHER CHANGE REASON/ DESCRIPTION				
02/05	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/06	TRANSFEE	BUSINESS NAME			
04/07	ADDRESS				ONTARIO CORPORATION NO.
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08	ADDRESS				
09	COLLATERAL CLASSIFICATION				
10	CONSUMER GOODS	MOTOR VEHICLE	DATE OF MATURITY	NO FIXED MATURITY DATE	
11	MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.	
12	GENERAL DESCRIPTION	BOX WITH SN 527SR5324LM018970			
13	COLLATERAL	ADDED			
14	DESCRIPTION	INCLUDES ONE 2020 REEFER UNIT 7300			
15	REGISTERING AGENT OR SECURED PARTY/LIEN CLAIMANT	ADDRESS			

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

66

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(cri2lv 05/2022)

Ontario **A398**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 66
(8563)

A399

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	003	3		20221228 0907 4085 0150	
21	RECORD REFERENCED	FILE NUMBER	788592582		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME			
25	OTHER CHANGE REASON/ DESCRIPTION				
02/05	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/06	TRANSFEE	BUSINESS NAME			
04/07	ADDRESS				ONTARIO CORPORATION NO.
29	ASSIGNOR				
08	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE				
09	ADDRESS				
10	COLLATERAL CLASSIFICATION	CONSUMER GOODS	MOTOR VEHICLE	DATE OF MATURITY OR	NO FIXED MATURITY DATE
11	MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.	
12	GENERAL COLLATERAL DESCRIPTION	WITH SN TAR91613224 INCLUDES ONE 2020 REEFER UNIT 7300 WITH SN 2317U0665 INCLUDES ONE 2020 VANGUARD BOX WITH SN 527SR5324LM018970			
16	REGISTERING AGENT OR SECURED PARTY/LIEN CLAIMANT	ADDRESS			

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

67

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2fv 05/2022)

Ontario **A399**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 67
(8564)

A400

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
780546763

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	2	X	20221117 1114 1532 3643	P PPSA	06

DEBTOR NAME
DATE OF BIRTH
FIRST GIVEN NAME
INITIAL
SURNAME

BUSINESS NAME
TEN 4 SYSTEMS LTD.

ADDRESS
73 EASTERN AVE. BRAMPTON

ONTARIO CORPORATION NO.
ON L6W1X9

DEBTOR NAME
DATE OF BIRTH
FIRST GIVEN NAME
INITIAL
SURNAME

BUSINESS NAME

ADDRESS

ONTARIO CORPORATION NO.

SECURED PARTY / LIEN CLAIMANT
DAIMLER TRUCK FINANCIAL SERVICES CANADA CORPORATION

ADDRESS
2680 MATHESON BLVD. E. STE 202 MISSISSAUGA

ON L4W0A5

COLLATERAL CLASSIFICATION

CONSUMER GOODS	MOTOR VEHICLE	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
	X			X

MOTOR VEHICLE
YEAR MAKE
2019 FREIGHTLINER
MODEL
CASCADIA
V.I.N.
3AKJHHR1KSKC5557

VEHICLE
2019 FREIGHTLINER
CASCADIA
3AKJHHR5KSKC5626

GENERAL COLLATERAL DESCRIPTION

REGISTERING AGENT
D + H LIMITED PARTNERSHIP

ADDRESS
2 ROBERT SPECK PARKWAY, 15TH FLOOR MISSISSAUGA

ON L4Z 1H8

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 68

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A400

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 68
(8565)

A401

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 4C MOTOR VEHICLE SCHEDULE

FILE NUMBER
788546763

00

PAGE TOTAL
NO. OF PAGES
002 2

REGISTRATION
NUMBER
20221117 1114 1532 3643

01

YEAR	MAKE	MODEL	VIN	
41	2019	FREIGHTLINER	CASCADIA	3AKJHHDR3KSKC5088
42	2019	FREIGHTLINER	CASCADIA	3AKJHHDR3KSKC5334
43	2019	FREIGHTLINER	CASCADIA	3AKJHHDR0KSKC5372
44	2019	FREIGHTLINER	CASCADIA	3AKJHHDR0KSKC5081
45	2019	FREIGHTLINER	CASCADIA	3AKJHHDR5KSKC5352
46	2019	FREIGHTLINER	CASCADIA	3AKJHHDR4KSKJ5061
47				
48				
49				
50				
51				
52				
53				
54				
55				
56				

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

69

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj4fv 05/2022)

Ontario **A401**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 69
(8566)

A402

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
785973069

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	5		20220819 1740 5064 6915	P PPSA	03

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
		TEN 4 SYSTEM LTD.		

DEBTOR NAME	BUSINESS NAME	ADDRESS	CITY	ONTARIO CORPORATION NO.
	TEN 4 SYSTEM LTD.	584 REMEMBRANCE RD	BRAMPTON	ON L7A 4N2

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
	17JUL1980	NASIR		MAHMOOD

DEBTOR NAME	BUSINESS NAME	ADDRESS	CITY	ONTARIO CORPORATION NO.
		584 REMEMBRANCE RD	BRAMPTON	ON L7A 4N2

SECURED PARTY / LIEN CLAIMANT : BODKIN, A DIVISION OF BENNINGTON FINANCIAL CORP.

SECURED PARTY / LIEN CLAIMANT	ADDRESS	CITY	ON	L7A 4N2
	102-1465 NORTH SERVICE RD E	OAKVILLE	ON	L6H 1A7

COLLATERAL CLASSIFICATION

CONSUMER	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
						X		18AUG2025		

MOTOR VEHICLE	YEAR MAKE	MODEL	V.I.N.
	2012 VOLVO	670	4V4NC9EJ9CN547606

GENERAL COLLATERAL DESCRIPTION : PURSUANT TO LEASE AGREEMENT 50022454, ALL PRESENT AND FUTURE EQUIPMENT ENCOMPASSED BY LEASE AGREEMENT 50022454 TOGETHER WITH ALL ATTACHMENTS ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS,

REGISTERING AGENT	ADDRESS	CITY	ON	M5V 1K4
	ESC CORPORATE SERVICES LTD.	445 KING STREET WEST, SUITE 400	TORONTO	ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 70

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(or11fv 05/2022)

Ontario A402

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 70
(8567)

A403

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
785973069

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
002 5 20220819 1740 5064 6915

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME TEN 4 SYSTEM LTD.

04 ADDRESS 3456 91 ST NW EDMONTON

ONTARIO CORPORATION NO.
AB T6E 5R1

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

10 CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE,
14 COLLATERAL ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY
15 DESCRIPTION DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS.

16 REGISTERING
AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

71

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A403

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 71
(8568)

A404

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
785973069

00

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	003	5		20220819 1740 5064 6915		

01

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03

NAME BUSINESS NAME

04

ADDRESS

ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06

NAME BUSINESS NAME

07

ADDRESS

ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT

09

ADDRESS

COLLATERAL CLASSIFICATION

10

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
----------------	-----------	-----------	----------------	------------------------	--------	---------------------	------------------------

11

MOTOR YEAR MAKE MODEL V.I.N.
VEHICLE

13 GENERAL EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS,
14 COLLATERAL ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF
15 DESCRIPTION TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY

16

REGISTERING AGENT

17

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY ***

CONTINUED...

72

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A404

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 72
(8569)

A405

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
785973069

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	004	5		20220819 1740 5064 6915		

01

02 DEBTOR NAME
03 BUSINESS NAME
04 ADDRESS
05 DATE OF BIRTH
06 FIRST GIVEN NAME
07 INITIAL
08 SURNAME

02

03

04

05

06

07

08

09

ONTARIO CORPORATION NO.

ONTARIO CORPORATION NO.

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
----------------	-----------	-----------	----------------	------------------------	--------	---------------------	-------------------------

10

11

12

13

14

15

16

17

MOTOR VEHICLE
YEAR MAKE
MODEL
V.I.N.

GENERAL COLLATERAL DESCRIPTION
INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL INCLUDING BUT NOT LIMITED TO THE FOLLOWING ONE 1

REGISTERING AGENT
ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

73

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A405

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 73
(8570)

A406

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
785973069

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
005 5 20220819 1740 5064 6915

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME

04 ADDRESS ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY /
LIEN CLAIMANT
09 ADDRESS

10 COLLATERAL CLASSIFICATION
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO. FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 YEAR MAKE MODEL V.I.N.
12 MOTOR VEHICLE

13 GENERAL 2012 VOLVO 670 (HIGHWAY SLEEPER)
14 COLLATERAL
15 DESCRIPTION

16 REGISTERING
AGENT
17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 74

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A406

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 74
(8571)

A407

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
785752308

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	1		20220812 1057 5064 3273	P PPSA	05

01

02
03

DEBTOR NAME
DATE OF BIRTH
FIRST GIVEN NAME
INITIAL
SURNAME
BUSINESS NAME
TEN 4 SYSTEM LTD.

04

ADDRESS
584 REMEMBRANCE RD
BRAMPTON
ONTARIO CORPORATION NO.
ON L7A 4N2

05
06

DEBTOR NAME
DATE OF BIRTH
FIRST GIVEN NAME
INITIAL
SURNAME
BUSINESS NAME

07

ADDRESS
ONTARIO CORPORATION NO.

08

SECURED PARTY / LIEN CLAIMANT
TPINE LEASING CAPITAL CORPORATION

09

ADDRESS
6050 DIXIE ROAD
MISSISSAUGA
ON L5T 1A6

COLLATERAL CLASSIFICATION

10

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
				X	153250		

11
12

MOTOR VEHICLE
YEAR MAKE
2018 FREIGHTLINER
MODEL
CASCADIA
V.I.N.
3AKJHHR3JSJM0562

13
14
15

GENERAL COLLATERAL DESCRIPTION

16

REGISTERING AGENT
ESC CORPORATE SERVICES LTD.

17

ADDRESS
445 KING STREET WEST, SUITE 400
TORONTO
ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 75

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(c)11v 05/2022

Ontario A407

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 75
(8572)

A408

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
785696121

00
01 CAUTION FILING PAGE NO. OF FILING TOTAL PAGES MOTOR VEHICLE SCHEDULE REGISTRATION NUMBER REGISTERED UNDER PERIOD REGISTRATION PERIOD
001 1 20220810 1703 5064 2278 P PPSA 05

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME TEN 4 SYSTEM LTD.

04 ADDRESS 584 REMEMBRANCE RD BRAMPTON ON L7A 4N2 ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT TPINE LEASING CAPITAL CORPORATION

09 ADDRESS 6050 DIXIE ROAD MISSISSAUGA ON L5T 1A6

COLLATERAL CLASSIFICATION

10 CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED AMOUNT DATE OF MATURITY OR MATURITY DATE NO FIXED MATURITY DATE
X X 153250

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE 2018 FREIGHTLINER CASCADIA 3AKJHHR3JSJM0562

13 GENERAL COLLATERAL DESCRIPTION

16 REGISTERING AGENT ESC CORPORATE SERVICES LTD.

17 ADDRESS 445 KING STREET WEST, SUITE 400 TORONTO ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 76

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario A408

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 76
(8573)

A409

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN ** THIS REGISTRATION HAS BEEN DISCHARGED **

00 FILE NUMBER
785444823

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
001 1 20220802 1703 5064 7883 P PPSA 04

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME TEN 4 SYSTEM LTD.

04 ADDRESS 584 REMEMBRANCE RD BRAMPTON ON L7A 4N2
ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / TPINE LEASING CAPITAL CORPORATION
09 LIEN CLAIMANT

09 ADDRESS 6050 DIXIE ROAD MISSISSAUGA ON L5T 1A6

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO. FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X 60250

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE 2015 WABASH DRY VAN 1JJV532D4FL879316

13 GENERAL
14 COLLATERAL
15 DESCRIPTION

16 REGISTERING ESC CORPORATE SERVICES LTD.
17 AGENT

17 ADDRESS 445 KING STREET WEST, SUITE 400 TORONTO ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 77

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(crjfv 05/2022)

Ontario A409

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 77
(8574)

A410

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01	001	1		20230628 1011 1465 2904	
21	RECORD REFERENCED	FILE NUMBER	785444823		
22	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED C DISCHARGE	RENEWAL YEARS	CORRECT PERIOD
23	REFERENCE	FIRST GIVEN NAME	INITIAL	SURNAME	
24	DEBTOR/ TRANSFEROR	BUSINESS NAME	TEN 4 SYSTEM LTD.		
25	OTHER CHANGE REASON/ DESCRIPTION				
02/05	DEBTOR/ TRANSFEREE	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
03/06	TRANSFEE	BUSINESS NAME			
04/07	ADDRESS				ONTARIO CORPORATION NO.
29	ASSIGNOR	SECURED PARTY/LIEN CLAIMANT/ASSIGNEE			
08	ADDRESS				
10	COLLATERAL CLASSIFICATION	CONSUMER GOODS	MOTOR VEHICLE INVENTORY EQUIPMENT ACCOUNTS OTHER	DATE OF MATURITY OR	NO FIXED MATURITY DATE
11	MOTOR VEHICLE GENERAL DESCRIPTION	YEAR MAKE	MODEL	V. I. N.	
16	REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT	ADDRESS	ESC CORPORATE SERVICES LTD. 445 KING STREET WEST, SUITE 400	TORONTO	ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 78

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj2fv 05/2022)

Ontario A410

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130500.53

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 78
(8575)

A411

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TEN 4 SYSTEM LTD.
FILE CURRENCY : 17AUG 2023

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
795190167	20230712 1025 1532 0403	20230810 1608 1532 1300		
795190554	20230712 1037 1532 0432	20230810 1610 1532 1304	20230817 0851 1532 9591	
794386989	20230616 0908 1793 1152	20230705 1041 1793 2763	20230721 1047 1793 4497	20230726 1702 1793 5023
792850896	20230501 1204 1901 3238			
791246034	20230306 1350 9102 4114			
789831495	20230109 1546 5064 9270	20230126 1543 5064 9354	20230801 1828 1465 3760	
789340599	20221215 1616 5064 8766	20221229 1559 5064 5355	20230105 1828 1465 3384	
789289965	20221214 1016 4085 6875			
788592582	20221118 1710 1532 8317	20221228 0907 4085 0150		
788546763	20221117 1114 1532 3643			
785973069	20220819 1740 5064 6915			
785752308	20220812 1057 5064 3273			
785696121	20220810 1703 5064 2278			
785444823	20220802 1703 5064 7883	20230628 1011 1465 2904		

26 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

(crj6 05/2022)

Ontario **A411**

THIS IS EXHIBIT "RR" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adriana Lopez", written over a horizontal line.

A Commissioner for taking affidavits

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130524.45

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(8576)

A413

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 : 1000043321 ONTARIO INC.

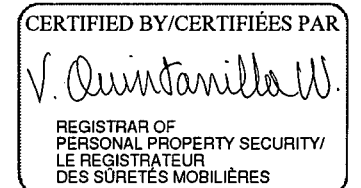
FILE CURRENCY : 17AUG 2023

ENQUIRY NUMBER 20230818130524.45 CONTAINS 5 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.

BORDEN LADNER GERVAIS LLP - GLORIA DI GIROLAMO

22 ADELAIDE STREET WEST, SUITE 3400
TORONTO ON M5H 4E3



(crj6 05/2022)

CONTINUED... 2

Ontario 

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130524.45

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(8577)

A414

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000043321 ONTARIO INC.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
789448986

00
01 CAUTION FILING PAGE NO. OF TOTAL PAGES MOTOR VEHICLE SCHEDULE REGISTRATION NUMBER REGISTERED UNDER REGISTRATION PERIOD
001 2 20221220 1400 1590 4043 P PPSA 6

02 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 DEBTOR NAME BUSINESS NAME 1000043321 ONTARIO INC.

04 DEBTOR NAME ADDRESS 2396 CEDAR CREEK ROAD AYR ONTARIO CORPORATION NO. ON N0B 1E0

05 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 DEBTOR NAME BUSINESS NAME

07 DEBTOR NAME ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT ROYAL BANK OF CANADA

09 SECURED PARTY / LIEN CLAIMANT ADDRESS 36 YORK MILLS ROAD, 4TH FLOOR TORONTO ON M2P 0A4

COLLATERAL CLASSIFICATION

10 CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE
X X

11 MOTOR VEHICLE YEAR MAKE MODEL V.I.N.

13 GENERAL DESCRIPTION GENERAL ASSIGNMENT OF RENTS AND LEASES RELATING TO THE PROPERTY
14 COLLATERAL DESCRIPTION MUNICIPALLY KNOWN AS 2396 CEDAR CREEK ROAD, AYR, ON N0B 1E0
15 COLLATERAL DESCRIPTION LEGALLY DESCRIBED AS PT LT 28 CON 11 PT 1 58R15460 NORTH DUMFRIES

16 REGISTERING AGENT HIMELFARB PROSZANSKI (20220939)

17 REGISTERING AGENT ADDRESS 1401 - 480 UNIVERSITY AVENUE TORONTO ON M5G 1V2

*** 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)

Ontario A414

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130524.45

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 3
(8578)

A415

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000043321 ONTARIO INC.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
789448986

01 CAUTION FILING PAGE NO. OF PAGES TOTAL PAGES MOTOR VEHICLE SCHEDULE REGISTRATION NUMBER REGISTERED UNDER REGISTRATION PERIOD
002 2 20221220 1400 1590 4043

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

04 ADDRESS

ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

07 ADDRESS

ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL PIN # 03848-0355

14 COLLATERAL DESCRIPTION

16 REGISTERING AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

4

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTREUR
DES SÛRETÉS MOBILIÈRES

(crj1fv_05/2022)

Ontario A415

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130524.45

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 4
(8579)

A416

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000043321 ONTARIO INC.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
789289551

00
01 CAUTION FILING PAGE NO. OF TOTAL PAGES MOTOR VEHICLE SCHEDULE REGISTRATION NUMBER REGISTERED UNDER REGISTRATION PERIOD
001 1 20221214 0957 1532 6589 P PPSA 05

02 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 DEBTOR NAME BUSINESS NAME 1000043321 ONTARIO INC.

04 DEBTOR NAME ADDRESS SUITE 300, 3800 STEELES AVE W VAUGHAN ONTARIO CORPORATION NO. ON L4L4G9

05 DEBTOR NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 DEBTOR NAME BUSINESS NAME

07 DEBTOR NAME ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT ROYAL BANK OF CANADA

09 SECURED PARTY / LIEN CLAIMANT 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

11 MOTOR VEHICLE YEAR MAKE MODEL V.I.N.

13 GENERAL COLLATERAL DESCRIPTION

16 REGISTERING AGENT D + H LIMITED PARTNERSHIP

17 REGISTERING AGENT ADDRESS 2 ROBERT SPECK PARKWAY, 15TH FLOOR MISSISSAUGA ON L4Z 1H8

*** 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)

Ontario A416

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130524.45

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 5
(8580)

A417

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000043321 ONTARIO INC.
FILE CURRENCY : 17AUG 2023

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
789448986	20221220 1400 1590 4043			
789289551	20221214 0957 1532 6589			

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

(crj6 05/2022)

Ontario  A417

THIS IS EXHIBIT "SS" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023



A Commissioner for taking affidavits

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130548.44

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(8581)

A419

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 : 1000122550 ONTARIO INC.

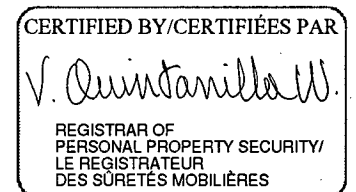
FILE CURRENCY : 17AUG 2023

ENQUIRY NUMBER 20230818130548.44 CONTAINS 5 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.

BORDEN LADNER GERVAIS LLP - GLORIA DI GIROLAMO

22 ADELAIDE STREET WEST, SUITE 3400
TORONTO ON M5H 4E3



(crj6 05/2022)

CONTINUED... 2

Ontario **A419**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130548.44

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(8582)

A420

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000122550 ONTARIO INC.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
789448761

00

CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	2		20221220 1356 1590 4040	P PPSA	6

01

DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
---------------	------------------	---------	---------

02

DEBTOR

03

NAME

BUSINESS NAME 1000122550 ONTARIO INC.

04

ADDRESS 3800 STEELES AVENUE WEST, SUITE 300 VAUGHAN

ONTARIO CORPORATION NO.
ON L4L 4G9

05

DEBTOR

06

NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

07

ADDRESS

08

SECURED PARTY /

ROYAL BANK OF CANADA

09

LIEN CLAIMANT

ADDRESS 36 YORK MILLS ROAD, 4TH FLOOR TORONTO

ON M2P 0A4

COLLATERAL CLASSIFICATION

10

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
			X	X			

11

MOTOR

12

VEHICLE

YEAR MAKE MODEL V.I.N.

13

GENERAL

GENERAL ASSIGNMENT OF RENTS AND LEASES RELATING TO THE PROPERTY
MUNICIPALLY KNOWN AS 2396 CEDAR CREEK ROAD, AYR, ON N0B 1E0
LEGALLY DESCRIBED AS PT LT 28 CON 11 NORTH DUMFRIES AS IN WS546774

14

COLLATERAL

15

DESCRIPTION

16

REGISTERING

HIMELFARB PROSZANSKI (20220936)

17

AGENT

ADDRESS 1401 - 480 UNIVERSITY AVENUE TORONTO ON M5G 1V2

*** 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)

Ontario A420

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130548.44

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 3
(8583)

A421

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000122550 ONTARIO INC.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
789448761

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
002 2 20221220 1356 1590 4040

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME

04 ADDRESS ONTARIO CORPORATION NO.

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY /
09 LIEN CLAIMANT

ADDRESS

10 COLLATERAL CLASSIFICATION
CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO. FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE

13 GENERAL NORTH DUMFRIES
14 COLLATERAL PIN # 03848-0068 (LT)
15 DESCRIPTION

16 REGISTERING
17 AGENT ADDRESS

*** 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)

Ontario **A421**

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130548.44

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 4
(8584)

A422

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000122550 ONTARIO INC.
FILE CURRENCY : 17AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
789289659

00
01 CAUTION FILING PAGE NO. OF TOTAL PAGES MOTOR VEHICLE SCHEDULE REGISTRATION NUMBER REGISTERED UNDER REGISTRATION PERIOD
001 1 20221214 1001 1532 6597 P PPSA 05

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME 1000122550 ONTARIO INC.

04 ADDRESS SUITE 300, 3800 STEELES AVE W VAUGHAN ONTARIO CORPORATION NO. ON L4L4G9

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 GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE
X X X X

11 MOTOR YEAR MAKE MODEL V.I.N.
12 VEHICLE

13 GENERAL
14 COLLATERAL
15 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... 5

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv, 05/2022)

Ontario A422

RUN NUMBER : 230
RUN DATE : 2023/08/18
ID : 20230818130548.44

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 5
(8585)

A423

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000122550 ONTARIO INC.
FILE CURRENCY : 17AUG 2023

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
789448761	20221220 1356 1590 4040			
789289659	20221214 1001 1532 6597			

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

(crj6 05/2022)

Ontario **A423**

THIS IS EXHIBIT "TT" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adriane Gopine", written over a horizontal line.

A Commissioner for taking affidavits

SHERIFF OF / SHÉRIF DE: REGIONAL MUNICIPALITY OF PEEL (BRAMPTON)

CERTIFICATE # / N° DE CERTIFICAT: 47874322-8224671B

DATE OF CERTIFICATE / DATE DU CERTIFICAT: 2023-AUG-21 / 2023-AOÛT-21

IF THERE IS INFORMATION CONTAINED IN THIS FORM IN FRENCH AND YOU REQUIRE IT IN ENGLISH, CONTACT THE SHERIFF

S'IL Y A DES INFORMATIONS EN ANGLAIS DANS CE FORMULAIRE ET QUE VOUS EN AVEZ BESOIN EN FRANÇAIS, CONTACTEZ LE SHÉRIF

SHERIFF'S STATEMENT

IT IS HEREBY CERTIFIED THAT THE INFORMATION CONTAINED BELOW IS A TRUE REPRESENTATION OF INFORMATION WITHIN THE ELECTRONIC DATABASE MAINTAINED BY THIS OFFICE IN ACCORDANCE WITH SECTION 10 OF THE EXECUTION ACT, AT THE TIME OF THE REPORT REQUEST.

DÉCLARATION DU SHÉRIF

IL EST CERTIFIÉ, PAR LA PRÉSENTE, QUE LES RENSEIGNEMENTS CI-APRÈS REPRODUISENT EXACTEMENT L'INFORMATION CONTENUE DANS LA BASE DE DONNÉES ÉLECTRONIQUE MAINTENUE PAR CE BUREAU AUX TERMES DE L'ARTICLE 10 DE LA LOI SUR L'EXÉCUTION FORCÉE AU MOMENT DE LA DEMANDE DE RAPPORT.

FILE DETAILS / DÉTAILS DU DOSSIER

EXECUTION # / N° D'EXÉCUTION FORCÉE : 23-0002235
 ISSUE DATE / DATE DE DÉLIVRANCE : 2023-AUG-10
 EXPIRY DATE / DATE D'EXPIRATION : 2029-AUG-09
 EFFECTIVE DATE / DATE DE PRISE D'EFFET : 2023-AUG-11
 COURT FILE OR REFERENCE # / N° DE DOSSIER DU TRIBUNAL OU DE RÉFÉRENCE : CV-23-00082075-0000
 COURT TYPE / TYPE DE TRIBUNAL : SCJ - CIVIL
 JURISDICTION / TERRITOIRE DE COMPÉTENCE : HAMILTON

DEBTOR SEARCH NAME(S) / NOM(S) DU(DES) DÉBITEUR(S) RECHERCHÉ(S)		
#	DEBTOR TYPE / TYPE DE DÉBITEUR	DEBTOR NAME(S) / NOM(S) DU(DES) DÉBITEUR(S)
1.	COMPANY / SOCIÉTÉ	CETE BLUE INC.
2.	COMPANY / SOCIÉTÉ	TEN 4 SYSTEM LTD.
3.	PERSON / PERSONNE	TAGGAR, HARDEV SINGH
4.	PERSON / PERSONNE	LATIF, KHIZRA

PARTY DETAILS / COORDONNÉES DES PARTIES

DEFENDANT / DÉFENDEUR		
1.	NAME / NOM :	CETE BLUE INC.
	ADDRESS / ADRESSE :	584 REMEMBRANCE ROAD, BRAMPTON, ONTARIO, CANADA, L7A 4N2

A425

DEFENDANT / DÉFENDEUR		A426
2.	NAME / NOM :	TEN 4 SYSTEM LTD.
	ADDRESS / ADRESSE :	73 EASTERN AVE, BRAMPTON, ONTARIO, CANADA, L6W 1X9
3.	NAME / NOM :	HARDEV SINGH TAGGAR
	ADDRESS / ADRESSE :	4 ACTION DR, BRAMPTON, ONTARIO, CANADA, L7A 4X8
4.	NAME / NOM :	KHIZRA LATIF
	ADDRESS / ADRESSE :	584 REMEMBRANCE RD, BRAMPTON, ONTARIO, CANADA, L7A 4N2

CREDITOR / CRÉANCIER		<input checked="" type="checkbox"/> C/O LAWYER/AGENT / A/S PROCUREUR/AGENT
1.	COMPANY / SOCIÉTÉ :	BVD CAPITAL CORPORATION
	ADDRESS / ADRESSE :	C/O SIMMONS DA SILVA LLP 200-201 COUNTY COURT BLVD, BRAMPTON, ON, L6W 4L2, CANADA EMAIL: PATHIK@SDSLAWFIRM.COM TEL: 905-861-2822

LAWYER/AGENT / PROCUREUR/AGENT		<input type="checkbox"/> SAME AS FIRST CREDITOR / MÊME QUE LE PREMIER CRÉANCIER
NAME / NOM :		
FIRM NAME / NOM DE L'ENTREPRISE :		SIMMONS DA SILVA LLP
ADDRESS / ADRESSE :		200-201 COUNTY COURT BLVD, BRAMPTON, ON, L6W 4L2, CANADA EMAIL: PATHIK@SDSLAWFIRM.COM TEL: 905-861-2822

JUDGMENT/COST DETAILS / DÉTAILS DU JUGEMENT/DÉPENS				
#	JUDGMENT OR COSTS / JUGEMENT OU DÉPENS	AMOUNT / MONTANT	INTEREST RATE / TAUX D'INTÉRÊT	START DATE / DATE DE DÉBUT
1.	JUDGMENT / JUGEMENT	CAD 1,099,763.44	16.0000%	2023-AUG-09
	COSTS / DÉPENS	CAD 1,820.94	6.0000%	2023-AUG-09
	AGAINST DEBTORS / CONTRE LES DÉBITEURS	ALL DEBTORS / TOUS LES DÉBITEURS		

FINANCIAL TRANSACTIONS / OPÉRATIONS FINANCIÈRES				
#	FEE OR PAYMENT / FRAIS OU PAIEMENT	TRANSACTION DATE / DATE D'OPÉRATION	AMOUNT / MONTANT	REFERENCE OR NOTES / RÉFÉRENCE OU NOTES
1.	FEE / FRAIS	2023-AUG-10	CAD 39.49	VALUE ADD FEE
2.	FEE / FRAIS	2023-AUG-10	CAD 50.00	PREPARATION FEE UNDER RULE 60.19
3.	FEE / FRAIS	2023-AUG-10	CAD 77.00	ISSUANCE FEE
4.	FEE / FRAIS	2023-AUG-10	CAD 100.00	FILING FEE

COMMENTS / REMARQUES

ISSUED & FILED BY PATHIK BAXI ON AUG 10, 2023 11:47 A.M. EST REMOTELY
FEE OF 216.49 COLLECTED

CAUTION:

ENSURE THAT THE NAME AND EXECUTION# (NUMBER) MATCH YOUR REQUEST.

AVERTISSEMENT :

ASSUREZ-VOUS QUE LE NOM ET LE NUMÉRO DU DOSSIER D'EXÉCUTION FORCÉE SONT LES MÊMES QUE **A426** QUI SE

TROUVENT DANS VOTRE DEMANDE.

A427

CHARGE FOR THIS REPORT / FRAIS POUR CE RAPPORT: CAD 6.90

REQUESTER REFERENCE / REFERENCE CONCERNANT L'AUTEUR(E) DE LA DEMANDE: null

A427

THIS IS EXHIBIT "UU" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adrian Gasparyan", written over a horizontal line.

A Commissioner for taking affidavits

Township of North Dumfries

2958 Greenfield Road

PO Box 1060

Ayr Ontario N0B 1E0

TAX CERTIFICATE

Roll Number: 020-006-05001-0000

A429

Certificate #: 1243

Requested ByBORDEN LADNER GERVAIS LLP
WATERLOO CITY CENTRE
100 REGINA ST S SUITE 220
WATERLOO ON N2J 4P9**Assessed Owners**

1000122550 ONTARIO INC

2592 BURSLEM RD

MISSISSAUGA ON L5A 2R6

Municipal Address

2396 CEDAR CREEK RD

Legal Description

CON 11 PT LOT 28

Statement of Current Taxes for 2023

Taxes Levied to Date	Special Charges	Penalty	Current Owing
\$1,712.52	\$0.00	\$0.00	\$1,762.88

Statement of Tax Arrears

Year	Taxes	Interest	Outstanding
2022			\$0.00
2021			\$0.00
2020 & prior			\$0.00

Total Taxes Owing and Billed at Date of Certification:	\$1,762.88
--	-------------------

Penalty at a rate of 1.25% of unpaid taxes will be added on the 1st day of default and on the 1st day of each calendar month thereafter.

Additional Information**Current Year Installment Breakdown**

	Interim		Final
3/1/2023	\$403.38	9/1/2023	\$454.14
5/1/2023	\$402.00	11/1/2023	\$453.00

Previous Year Taxes Levied

2022	\$1,610.76
------	------------

Special Charges Breakdown

Code	Description	Amount	Expires

Comments: the Township does not provided billing for water, hydro or utilities. Contact the Region of Waterloo- water dept

I hereby certify that, subject to the following qualifications, this statement shows:

1. All arrears of taxes returned to this office and due against the property described herein.
2. The current amount of taxes levied to date on the real property described herein and the amount of current year's and prior year's taxes owing as at the date of certification.
3. That no part of the lands described herein have been sold for taxes and no certificate of tax arrears has been registered against said lands unless specifically identified.

Certified as at: 8/28/2023

Heather Strassburger
Interim Tax Collector/ Revenue Clerk

Qualifications

1. The total taxes shown may include additions to the Tax Collector's roll as authorized by provincial legislation.
2. The information on this certificate is based on cheques tendered but not necessarily honoured by the institution upon which they were drawn, and may not reflect payment made in the last 2 days.

A429

Township of North Dumfries

2958 Greenfield Road

PO Box 1060

Ayr Ontario N0B 1E0

TAX CERTIFICATE

Roll Number: 020-006-05010-0000

A430

Certificate #: 1244

Requested ByBORDEN LADNER GERVAIS LLP
WATERLOO CITY CENTRE
100 REGINA ST S SUITE 220
WATERLOO ON N2J 4P9**Assessed Owners**

1000043321 ONTARIO INC

2592 BURSLEM RD
MISSISSAUGA ON L5A 2R6
CANADA**Municipal Address**

CEDAR CREEK RD

Legal DescriptionNORTH DUMFRIES CON 11 PT LOT
28 RP 58R15460 PART 1**Statement of Current Taxes for 2023**

Taxes Levied to Date	Special Charges	Penalty	Current Owing
\$2,573.73	\$0.00	\$0.00	\$2,649.39

Statement of Tax Arrears

Year	Taxes	Interest	Outstanding
2022			\$0.00
2021			\$0.00
2020 & prior			\$0.00

Total Taxes Owing and Billed at Date of Certification:	\$2,649.39
--	-------------------

Penalty at a rate of 1.25% of unpaid taxes will be added on the 1st day of default and on the 1st day of each calendar month thereafter.

Additional Information**Current Year Installment Breakdown**

	Interim		Final
3/1/2023	\$605.40	9/1/2023	\$682.33
5/1/2023	\$605.00	11/1/2023	\$681.00

Previous Year Taxes Levied

2022	\$2,420.80
------	------------

Special Charges Breakdown

Code	Description	Amount	Expires
------	-------------	--------	---------

Comments:

I hereby certify that, subject to the following qualifications, this statement shows:

1. All arrears of taxes returned to this office and due against the property described herein.
2. The current amount of taxes levied to date on the real property described herein and the amount of current year's and prior year's taxes owing as at the date of certification.
3. That no part of the lands described herein have been sold for taxes and no certificate of tax arrears has been registered against said lands unless specifically identified.

Certified as at: 8/28/2023

Heather Strassburger

Interim Tax Collector/ Revenue Clerk

Qualifications

1. The total taxes shown may include additions to the Tax Collector's roll as authorized by provincial legislation.
2. The information on this certificate is based on cheques tendered but not necessarily honoured by the institution upon which they were drawn, and may not reflect payment made in the last 2 days.

A430

THIS IS EXHIBIT "VV" TO THE AFFIDAVIT
OF TRO DERBEDROSSIAN SWORN BEFORE ME
ON THIS 12TH DAY OF SEPTEMBER, 2023

A handwritten signature in blue ink, appearing to read "Adriana Goyins", is written over a horizontal line.

A Commissioner for taking affidavits

Court File No.:

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

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION
243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3,
AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43, AS AMENDED**

**CONSENT
(Appointment of Receiver)**

msi Spergel Inc. hereby consents to act as the court-appointed receiver of the assets, properties and undertaking of Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc. in accordance with an order substantially in the form requested by the Applicant.

September 11, 2023

MSI SPERGEL INC.

By: 
Name: _____
Title: Managing Partner

Court File No.

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

ROYAL BANK OF CANADA

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND
1000122550 ONTARIO INC.

Applicant

Respondents

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

PROCEEDINGS COMMENCED AT TORONTO

**CONSENT
(Appointment of Receiver)**

BORDEN LADNER GERVAIS LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON M5H 4E3
Tel: (416) 367-6000
Fax: (416) 367-6749

ROGER JAIPARGAS – LSO No. 43275C
Tel: (416) 367-6266
Email: rjaipargas@blg.com

Lawyers for the Applicant

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

ROYAL BANK OF CANADA

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Applicant

Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDINGS COMMENCED AT TORONTO

AFFIDAVIT OF TRO DERBEDROSSIAN
(Sworn September 12, 2023)

BORDEN LADNER GERVAIS LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON M5H 4E3
Tel: (416) 367-6000
Fax: (416) 367-6749

ROGER JAIPARGAS – LSO No. 43275C
Tel: (416) 367-6266
Email: rjaipargas@blg.com

Lawyers for the Applicant

Tab 3

Court File No. CV-23-00705869-00CL

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

THE HONOURABLE ·) WEDNESDAY, THE 20th
)
MR. JUSTICE CAVANAGH) DAY OF SEPTEMBER, 2023
)

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

**ORDER
(Appointment Order)**

THIS APPLICATION made by the Applicant 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. as receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties of Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc. (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, was heard this day by Zoom videoconference.

ON READING the affidavit of Tro DerBedrossian sworn September 12, 2023 and the exhibits thereto and on hearing the submissions of counsel for Royal Bank of Canada and no one appearing for any other parties, although duly served, as appears from the affidavit of service of Mariela Adriana Gasparini sworn September , 2023 and on reading the consent of msi Spergel inc. 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, msi Spergel inc. 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 and without limiting the generality of the foregoing, the lands and premises described in Schedule "A" hereto, and all proceeds thereof (the "**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 \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; 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 make an assignment into bankruptcy on behalf of any of the Debtors;
- (p) 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;

- (q) 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;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that

nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** 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 Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the 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 shall remain the employees of the Debtors until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

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

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.

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

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

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 \$500,000 (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.

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.

23. **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.

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

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/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further

orders that a Case Website shall be established in accordance with the Protocol with the following URL '<https://www.spergelcorporate.ca/engagements>'.

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 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

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.

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

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.

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.

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

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.

33. **THIS COURT ORDERS** that this Order and all of its provisions shall take effect as of 12:01a.m on the date of this Order and shall be immediately enforceable without the need for further entry or filing.

SCHEDULE "A"

Cedar Creek Rd, Ayr, Ontario

PIN 03848-0355 (LT)

PT LT 28, CON 11, PT 1, 58R15460; NORTH DUMFRIES.

Registered Owner: 1000043321 Ontario Inc.

2396 Cedar Creek Rd, Ayr, Ontario

PIN 03848-0068 (LT)

PT LT 28 CON 11 NORTH DUMFRIES AS IN WS546774; NORTH DUMFRIES

Registered Owner: 1000122550 Ontario Inc.

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "**Receiver**") of the assets, undertakings and properties of acquired for, or used in relation to a business carried on Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc. (collectively, 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 20th day of September, 2023 (the "**Order**") made in an action 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__.

msi Spergel inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

ROYAL BANK OF CANADA

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Applicant

Respondents

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

PROCEEDING COMMENCED AT TORONTO

**ORDER
(Appointment Order)**

BORDEN LADNER GERVAIS LLP

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22 Adelaide St West
Toronto, Ontario M5H 4E3
Tel: 416-367-6000
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Lawyers for the Applicant

Tab 4

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

Court File No.

CV-23-00705869-00CL

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

THE HONOURABLE ~~—~~) ~~WEEKDAY~~WEDNESDAY, THE #20th
)
MR. JUSTICE ~~—~~CAVANAGH) DAY OF ~~MONTH~~SEPTEMBER,
) 20YR2023

PLAINTIFF[‡]

Plaintiff

ROYAL BANK OF CANADA

Applicant

- and -

DEFENDANT

Defendant

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

ORDER
(~~appointing Receiver~~Appointment Order)

[‡]The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.

THIS MOTION APPLICATION made by the **Plaintiff² Applicant** 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. as receiver ~~[and manager] (in such capacities,~~ (the "Receiver") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME] (Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario 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 Zoom videoconference.

ON READING the affidavit of ~~[NAME]~~ Tro DerBedrossian sworn ~~[DATE]~~ September 12, 2023 and the ~~Exhibits~~ exhibits thereto and on hearing the submissions of counsel for ~~[NAMES], Royal Bank of Canada and~~ no one appearing for ~~[NAME]~~ any other parties, although duly served, as appears from the affidavit of service of ~~[NAME]~~ Mariela Adriana Gasparini sworn ~~[DATE]~~ September , 2023 and on reading the consent of ~~[RECEIVER'S NAME]~~ msi Spergel inc. to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of ~~Motion~~ Application and the ~~Motion~~ Application Record is hereby abridged and validated³ so that this ~~motion~~ application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~ msi Spergel inc. is hereby appointed Receiver, without security,

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

³ ~~If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

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 and without limiting the generally of the foregoing, the lands and premises described in Schedule "A" hereto, and all proceeds thereof (the "**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.⁴ 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;

~~⁴This 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.~~

(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 \$~~_____~~250,000, provided that the aggregate consideration for all such transactions does not exceed \$~~_____~~500,000; 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*, ~~for section 31 of the Ontario *Mortgages Act*, as the case may be,~~⁵ shall not be required, ~~and in each case the Ontario *Bulk Sales Act* shall not apply.~~

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) to make an assignment into bankruptcy on behalf of any of the Debtors;

~~⁵ If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

- (p) ~~(p)~~ 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;
- (q) ~~(q)~~ 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;
- (r) ~~(r)~~ to exercise any shareholder, partnership, joint venture or other rights which the ~~Debtor~~Debtors may have; and
- (s) ~~(s)~~ to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the ~~Debtor~~Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the ~~Debtor~~Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or

affairs of the ~~Debtor~~Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** 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 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 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 shall remain the employees of the ~~Debtor~~Debtors until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

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

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

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

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.

⁶~~Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

FUNDING OF THE RECEIVERSHIP

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 \$~~_____~~500,000 (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.

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.

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

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

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/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ‘[@https://www.spergelcorporate.ca/engagements](https://www.spergelcorporate.ca/engagements)’.

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 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

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.

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

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.

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.

31. **THIS COURT ORDERS** that the ~~Plaintiff~~Applicant 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~~Applicant's security or, if not so provided by the ~~Plaintiff~~Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the ~~Debtor's~~Debtors' estate with such priority and at such time as this Court may determine.

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.

33. **THIS COURT ORDERS** that this Order and all of its provisions shall take effect as of 12:01a.m on the date of this Order and shall be immediately enforceable without the need for further entry or filing.

SCHEDULE "A"

Cedar Creek Rd, Ayr, Ontario

PIN 03848-0355 (LT)
PT LT 28, CON 11, PT 1, 58R15460; NORTH DUMFRIES.

Registered Owner: 1000043321 Ontario Inc.

2396 Cedar Creek Rd, Ayr, Ontario

PIN 03848-0068 (LT)
PT LT 28 CON 11 NORTH DUMFRIES AS IN WS546774; NORTH DUMFRIES

Registered Owner: 1000122550 Ontario Inc.

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that ~~{RECEIVER'S NAME}~~msi Spergel inc., the receiver (the "Receiver") of the assets, undertakings and properties ~~{DEBTOR'S NAME}~~of acquired for, or used in relation to a business carried on by Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc. (collectively, 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 20th day of September, ~~20~~2023 (the "Order") made in an action 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:

Court File No. CV-23-00705869-00CL

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED

ROYAL BANK OF CANADA

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Applicant

Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

ORDER
(Appointment Order)

BORDEN LADNER GERVAIS LLP

Bay Adelaide Centre, East Tower
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Lawyers for the Applicant

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Document 2 ID	iManage://blg-mobility.imatech.com/DOCUMENTS/139398450/6
Description	#139398450v6<blg-mobility.imatech.com> - RBC/Ten 4 - Appointment Order
Rendering set	Standard

Legend:	
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Statistics:	
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Insertions	132
Deletions	113
Moved from	0
Moved to	0
Style changes	0
Format changes	0
Total changes	245

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED

ROYAL BANK OF CANADA

- and -

**TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND
1000122550 ONTARIO INC.**

Applicant

Respondents

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

PROCEEDING COMMENCED AT TORONTO

**APPLICATION RECORD
(Returnable September 20, 2023)**

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Lawyers for the Applicant

Court File No.: CV-23-00705869-00CL

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION
243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3,
AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43, AS AMENDED**

FACTUM OF THE APPLICANT

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Lawyers for the Applicant

Court File No.: CV-23-00705869-00CL

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

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**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION
243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3,
AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43, AS AMENDED**

PART I – OVERVIEW

1. This Application is made by Royal Bank of Canada (“**RBC**” or the “**Bank**”) for an Order under subsection 243(1) of the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”) and section 101 of the *Courts of Justice Act* (Ontario) (“**CJA**”) appointing msi Spergel inc. (“**Spergel**”) as receiver (in such capacity, the “**Receiver**”), without security, of all the assets, undertakings, and properties (the “**Property**”) of Ten 4 Systems Ltd. (“**Ten 4**”), 1000043321 Ontario Inc. (“**321 Ontario**”) and 1000122550 Ontario Inc. (“**550 Ontario**” and, together with Ten 4 and 321 Ontario, the “**Debtors**”).
2. RBC seeks the appointment of Spergel as Receiver over the Property of the Debtors, in order to: (1) protect the Property and have same turned over to the Receiver to deal with the Property in an orderly manner, subject to further Orders of the Court; and (2) maximize value for the benefit of all of the stakeholders.
3. The appointment of Spergel as Receiver is just and convenient in the circumstances and granting the charge in favour of the Receiver over the Property is appropriate (the “**Receiver’s Charge**”).

PART II – FACTS

4. The relevant facts in connection with this Application are more fully set out in the Affidavit of Tro Derbedrossian, sworn September 12, 2023 (the “**Derbedrossian Affidavit**”).

PART III – ISSUES

5. This Application requires a resolution of the following issues:

- (a) Should this Court make an Order pursuant to subsection 243(1) of the BIA and section 101 of the CJA appointing Spergel as the Receiver over the Property of the Debtors?
- (b) Should this Court make an Order pursuant to subsection 243(6) of the BIA granting the Receiver’s Charge?

PART IV – LAW and ARGUMENT

1. THE TEST FOR THE APPOINTMENT OF A RECEIVER

6. This Court has the power to appoint a receiver or a receiver and manager under subsection 243(1) of the BIA and section 101 of the CJA.

Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended [BIA], subsection 243(1), Schedule B to this Factum.

Courts of Justice Act, R.S.O. 1990, c. C.43, as amended [CJA], section 101, Schedule B to this Factum.

7. Pursuant to subsection 243(1) of the BIA, the court may appoint a receiver where it considers it to be just or convenient to do so. Subsection 243(1) provides:

243(1) Subject to subsection (1.1), on application by a secured creditor, a court may appoint a receiver to do any or all of the following if it considers it to be just or convenient to do so:

- (a) take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;
- (b) exercise any control that the court considers advisable over that property and over the insolvent person’s or bankrupt’s business; or
- (c) take any other action that the court considers advisable.

BIA, subsection 243(1), Schedule B to this Factum.

8. As a threshold issue, where an appointment is to be made under section 243 of the BIA, the court must be satisfied that either: (i) the insolvent person received ten days' notice under section 244 of the BIA of the moving party's intention to enforce its security, (ii) the insolvent person consented to the appointment of a receiver prior to the expiry of the ten day period, or (iii) it is otherwise appropriate to order the appointment prior to the expiry of the ten day notice period.

BIA, sections 243(1.1) and 244, Schedule B to this Factum.

9. Similarly, the test for the appointment of a receiver under section 101 of the CJA is also whether such appointment would be just or convenient. Subsection 101(1) of the CJA provides as follows:

101(1) In the Superior Court of Justice, an interlocutory injunction or mandatory order may be granted or a receiver or receiver and manager may be appointed by an interlocutory order, where it appears to a judge of the court to be just or convenient to do so.

CJA, subsection 101(1), Schedule B to this Factum.

10. In determining whether it would be just, appropriate or convenient to appoint a receiver, Canadian Courts have historically considered a number of factors, including, but not limited to, whether:

- (i) the applicant has the power to appoint a receiver under its security instrument;
- (ii) the security held by the applicant is or may become insufficient to secure the indebtedness;
- (iii) the debtor has broken or otherwise failed to carry out its obligations;
- (iv) an appointment is necessary to protect the security from existing or realistically perceived jeopardy or danger;
- (v) the debtor has failed to account;
- (vi) the applicant will suffer irreparable harm or injury if a receiver is not appointed;
- (vii) there is demonstrated urgency for the appointment of a receiver;

- (viii) the cost to the parties of making the appointment is justified relative to the expected realization to be achieved from the appointment;
- (ix) the balance of convenience favours the appointment; and
- (x) the proposed appointee is capable of carrying out the purpose for which the appointment is sought.

Standard Trust Co. v. Pendency Holdings Ltd., 1988 CarswellSask 27 (Sask. Q.B.) at para 10, Applicant's Book of Authorities, Tab 1.

11. In deciding whether to appoint a receiver, the court must have regard to all the circumstances, but in particular to the nature of the property and the rights and interests of all parties in relation thereto. Typically, the issues for a court to determine on a receivership application include the following:

- (a) the existence of a debt and default;
- (a) the quality of the security; and
- (b) the need for the appointment of a receiver in view of alternate remedies available to the creditor, the nature of the property, the likelihood of maximizing the return to the parties, the costs associated with the appointment, and any need to preserve the property pending realization.

Bank of Montreal v. Carnival National Leasing Ltd., 2011 CarswellOnt 896 (Ont. S.C.J.) [*Carnival Leasing*] at para 24, Applicant's Book of Authorities, Tab 2.

Bank of Nova Scotia v. Freure Village on Clair Creek, 1996 CarswellOnt 2328 (Ont. Gen. Div. [Commercial List]) [*Freure Village*] at para 11, Applicant's Book of Authorities, Tab 3.

Central 1 Credit Union v. UM Financial Inc. and UM Capital Inc., 2011 CarswellOnt 11979 (Commercial List) [*UM Financial*] at para 22, Applicant's Book of Authorities, Tab 4.

12. Additionally, the fact that the moving party has a right under its security documentation to appoint a receiver is an important factor to be considered. While the appointment of a receiver is generally viewed as an extraordinary remedy, in cases where the security documentation of the moving party provides for a private or court-appointed receiver, the issue is reduced to a consideration of whether it is in the interests of all concerned to have the receiver appointed by the court. This involves an examination of, *inter alia*, (i) the potential cost of the receivership, (ii) the

relationship between the debtor and the creditors, (iii) the likelihood of maximizing the return on and preserving the subject property, and (iv) the best way of facilitating the work and duties of the receiver.

Carnival Leasing, supra at para 27, Applicant's Book of Authorities, Tab 2.

Freure Village, supra at para 13, Applicant's Book of Authorities, Tab 3.

13. It is not necessary for a creditor, whose security documentation provides for the appointment of a receiver, to demonstrate that it will suffer irreparable harm if the appointment of a receiver is not granted by the court.

Carnival Leasing, supra at para 28, Applicant's Book of Authorities, Tab 2.

Swiss Bank Corp. (Canada) v. Odyssey Industries Inc., 1995 CarswellOnt 39 (Ont. Gen. Div. [Commercial List]) at para 28, Applicant's Book of Authorities, Tab 5.

2. THE APPOINTMENT OF A RECEIVER IS JUST AND CONVENIENT

14. The appointment of a Receiver is just and convenient in this case. The general security agreement granted by Ten 4, 321 Ontario, and 550 Ontario (the "**Debtors GSA**") each provides RBC with the right to appoint a receiver pursuant to Section 13.

Debtors GSA, Section 13, Exhibits F, K, and T, as part of the Derbedrossian Affidavit.

15. In deciding whether it is just or convenient to appoint a receiver, the court will consider matters including the preservation and protection of the property and the balance of convenience.

Citibank Canada v. Calgary Auto Centre, 1989 CarswellAlta 343 at para 31 (Alta. Q.B.), Applicant's Book of Authorities, Tab 6.

A court-appointed receiver is an officer of the court and acts in a fiduciary capacity with respect to all interested parties.

Ostrander v. Niagara Helicopters Ltd. (1973), 1 O.R. (2d) 281 at para 6 (Ont. H.C.), Applicant's Book of Authorities, Tab 7.

16. The Debtors are in default of their obligation under the credit documents. RBC delivered demands and notices of intention to enforce its security. The defaults that have occurred are material and have not been waived by RBC. RBC is under no obligation, legal or otherwise, to continue to support the Debtors. RBC is entitled to seek the appointment of a receiver by the Court.

17. In light of the Debtors' events of default, the appointment of a receiver is both just and convenient. In addition, RBC has learned that a writ of execution has been filed against Ten 4 on August 10, 2023, in respect of a judgment in favour of BVD Capital Corporation ("BVD Capital") in the amount of CA\$1,099,763.44, plus costs and interests (the "**Writ of Execution**"). If BVD Capital takes steps to levy execution on the assets of Ten 4, this will erode the RBC security.

Writ of Execution Report, Exhibit TT, as part of the Derbedrossian Affidavit.

18. Accordingly, a court-appointed receiver is the only feasible method by which the Debtors Property can be dealt with in an orderly fashion, having regard to the interests of all stakeholders.

3. THE TERMS OF THE REQUESTED ORDER ARE APPROPRIATE

19. Subsection 243(6) of the BIA provides as follows with respect to granting a receiver's charge:

(6) If a receiver is appointed under subsection (1), the court may make any order respecting the payment of fees and disbursements of the receiver that it considers proper, including one that gives the receiver a charge, ranking ahead of any or all of the secured creditors, over all or part of the property of the insolvent person or bankrupt in respect of the receiver's claim for fees or disbursements, but the court may not make the 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.

BIA, section 243(6), Schedule B to this Factum.

20. In this case, it is appropriate for the Court to grant the Receiver's Charge over the Property, to ensure that the Receiver and its counsel, are able to recover any fees and disbursements owed to them. RBC is agreeable to the Receiver's Charge being granted. Furthermore, all secured creditors have been given notice of this Application and have been provided with an opportunity to make representations.

PART V – CONCLUSION

21. For the foregoing reasons, it is both just and convenient to appoint Spergel as Receiver over the Property of the Debtors in the circumstances and to grant the Receiver's Charge.

22. It is respectfully submitted that the relief requested by RBC should be granted and Spergel ought to be appointed as Receiver over the Property of the Debtors and the Receiver's Charge ought to be granted, on the terms of the Order sought.

PART VI – ORDER REQUESTED

23. The Applicant requests that this Court issue an Order substantially in the form attached at Tab 3 to the Application Record.

ALL OF WHICH IS RESPECTFULLY SUBMITTED



September 12, 2023

Roger Jaipargas
Lawyers for the Applicant

SCHEDULE “A” – AUTHORITIES CITED

1. *Standard Trust Co. v. Pendygrasse Holdings Ltd.*, 1988 CarswellSask 27 (Sask. Q.B.)
2. *Bank of Montreal v. Carnival National Leasing Ltd.*, 2011 CarswellOnt 896 (Ont. S.C.J.)
3. *Bank of Nova Scotia v. Freure Village on Clair Creek*, [1996] OJ No 5088 (Gen. Div.)
4. *Central 1 Credit Union v. UM Financial Inc. and UM Capital Inc.*, 2011 CarswellOnt 11979 (Commercial List)
5. *Swiss Bank Corp. (Canada) v. Odyssey Industries Inc.*, 1995 CarswellOnt 39 (Ont. Gen. Div. [Commercial List])
6. *Citibank Canada v. Calgary Auto Centre*, 1989 CarswellAlta 343 (Alta. Q.B.)
7. *Ostrander v. Niagara Helicopters Ltd.* (1973), 1 O.R. (2d) 281 at 286 (Ont. H.C.)

SCHEDULE “B” – LEGISLATION CITED**Bankruptcy and Insolvency Act, R.S.C., 1985, C. B-3, as amended****Section 243(1)**

Subject to subsection (1.1), on application by a secured creditor, a court may appoint a receiver to do any or all of the following if it considers it to be just or convenient to do so:

- (a) take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;
- (b) exercise any control that the court considers advisable over that property and over the insolvent person’s or bankrupt’s business; or
- (c) take any other action that the court considers advisable

Section 243(1.1)

(1.1) In the case of an insolvent person in respect of whose property a notice is to be sent under subsection 244(1), the court may not appoint a receiver under subsection (1) before the expiry of 10 days after the day on which the secured creditor sends the notice unless

- (a) the insolvent person consents to an earlier enforcement under subsection 244(2); or
- (b) the court considers it appropriate to appoint a receiver before then.

Section 243(6)

(6) If a receiver is appointed under subsection (1), the court may make any order respecting the payment of fees and disbursements of the receiver that it considers proper, including one that gives the receiver a charge, ranking ahead of any or all of the secured creditors, over all or part of the property of the insolvent person or bankrupt in respect of the receiver’s claim for fees or disbursements, but the court may not make the 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.

Section 244

244 (1) A secured creditor who intends to enforce a security on all or substantially all of

- (a) the inventory,
- (b) the accounts receivable, or
- (c) the other property

of an insolvent person that was acquired for, or is used in relation to, a business carried on by the insolvent person shall send to that insolvent person, in the prescribed form and manner, a notice of that intention.

Period of notice

(2) Where a notice is required to be sent under subsection (1), the secured creditor shall not enforce the security in respect of which the notice is required until the expiry of ten days after sending that notice, unless the insolvent person consents to an earlier enforcement of the security.

No advance consent

(2.1) For the purposes of subsection (2), consent to earlier enforcement of a security may not be obtained by a secured creditor prior to the sending of the notice referred to in subsection (1).

Exception

(3) This section does not apply, or ceases to apply, in respect of a secured creditor

(a) whose right to realize or otherwise deal with his security is protected by subsection 69.1(5) or (6); or

(b) in respect of whom a stay under sections 69 to 69.2 has been lifted pursuant to section 69.4.

Idem

(4) This section does not apply where there is a receiver in respect of the insolvent person.

Courts of Justice Act, R.S.O. 1990, c. C.43, as amended

Section 101

(1) In the Superior Court of Justice, an interlocutory injunction or mandatory order may be granted or a receiver or receiver and manager may be appointed by an interlocutory order, where it appears to a judge of the court to be just or convenient to do so.

(2) An order under subsection (1) may include such terms as are considered just.

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

ROYAL BANK OF CANADA

- and -

**TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND
1000122550 ONTARIO INC.**

Applicant

Respondents

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

PROCEEDINGS COMMENCED AT TORONTO

FACTUM OF THE APPLICANT

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Court File No.:CV-23-00705869-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

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**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION
243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3,
AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43, AS AMENDED**

I N D E X

Tab	Document
1.	<i>Standard Trust Co. v. Pendygrasse Holdings Ltd.</i> , 1988 CarswellSask 27 (Sask. Q.B.)
2.	<i>Bank of Montreal v. Carnival National Leasing Ltd.</i> , 2011 CarswellOnt 896 (Ont. S.C.J.)
3.	<i>Bank of Nova Scotia v. Freure Village on Clair Creek</i> , [1996] OJ No 5088 (Gen. Div.)
4.	<i>Central 1 Credit Union v. UM Financial Inc. and UM Capital Inc.</i> , 2011 CarswellOnt 11979 (Commercial List)
5.	<i>Swiss Bank Corp. (Canada) v. Odyssey Industries Inc.</i> , 1995 CarswellOnt 39 (Ont. Gen. Div. [Commercial List])
6.	<i>Citibank Canada v. Calgary Auto Centre</i> , 1989 CarswellAlta 343 (Alta. Q.B.)
7.	<i>Ostrander v. Niagara Helicopters Ltd.</i> (1973), 1 O.R. (2d) 281 at 286 (Ont. H.C.)

Tab 1

1988 CarswellSask 27
Saskatchewan Court of Queen's Bench

Standard Trust Co. v. Pendygrasse Holdings Ltd.

1988 CarswellSask 27, [1988] C.L.D. 1921, 11 A.C.W.S. (3d) 447, 71 C.B.R. (N.S.) 65

STANDARD TRUST COMPANY v. PENDYGRASSE HOLDINGS LTD.

Grotsky J.

Judgment: September 19, 1988

Docket: Saskatoon No. 2445

Counsel: *G. Scharfstein*, for applicant.

B. Wirth, for respondent.

Grotsky J.:

Background

1 In the fall of 1987 a motion was launched on behalf of the applicant pursuant to the provisions of:

- a. Sections 234(2) or 95 of the Business Corporations Act, R.S.S. 1978, c. B-10; or alternatively
- b. Section 45(8) of the Queen's Bench Act, R.S.S. 1978, c. Q-1; or alternatively
- c. Section 56(2) of the Personal Property Security Act, S.S. 1979-80, c. P-6.1

for an order appointing Annaheim Properties Ltd., with an office at the city of Saskatoon, in the province of Saskatchewan, as receiver-manager of all present and future undertakings, property and assets of the respondent which are presently located on premises legally described as Condominium Units Nos. 1 to 144, both inclusive, each of which said condominium units are included in Condominium Plan No. 82-S-23659 and therein more particularly described.

2 This application was, thereafter, on a number of occasions, adjourned from time to time. Ultimately it was heard concurrently with a number of other applications, in several other actions, brought at the suit of either Standard or Pendygrasse. Particularly, an application at the suit of Standard in Q.B. Action No. 1465 of 1988 wherein, amongst other things, Standard sought as against Pendygrasse, et al., an interlocutory mandatory injunction to compel those respondents to call, convene and conduct an annual general meeting in compliance with the statutory requirements of the Condominium Property Act, R.S.S. 1978, c. C-26, and applicable bylaws in that regard.

3 On 3rd June 1988 I delivered my reasons for decision (not yet reported) on the application for injunctive relief in Action No. 1465/88. I directed the respondents to call an annual general meeting. I further directed that notice of the meeting be given in accordance with the requirements of the Act and bylaws in sufficient time to permit the meeting to be properly convened, held and conducted by or before 30th June 1988.

4 In view of my disposition of the application in Action No. 1465/88, and my perceived expectations therefrom, in reasons delivered by me on 9th June 1988 in respect of the application for appointment of a receiver-manager in Action No. 2445/87 (not yet reported), I directed that this application be adjourned sine die with leave to either counsel, if so advised, on not less than five days' notice to the other, to return this application to the chamber's list.

5 On 8th September 1988 counsel for Standard gave notice to Pendygrasse through counsel of its intention to return its application for appointment of a receiver-manager to the chamber's list. In due course this matter came before me on 15th September 1988.

Conclusion

6 For the reasons which follow, this application is dismissed without any order as to costs.

The facts

7 The facts pertinent to this application, as they existed prior to June of 1988, are contained in my reasons for decision delivered on 9th June 1988. There is no need to repeat them. Suffice it to add to them that as directed by me, on 29th June 1988, pursuant to notices properly given (or properly waived) an annual general meeting of the owners: Condominium Plan No. 82-S-23659 ("the condominium association") was convened, held and properly conducted at the city of Winnipeg, in the province of Manitoba in accordance with the applicable bylaws and statutory requirements.

8 At this meeting, amongst other things, it was proposed, discussed, and ultimately unanimously agreed (passed) that "Bylaw Number 26 in Condominium Plan Number 82-S-23659", which had previously been passed on 18th August 1982, be repealed and replaced with a new Bylaw No. 26 to read:

The Board shall consist of not less than one and not more than seven persons who are owners or registered mortgagees and shall be elected at each general meeting.

9 Following passage of new Bylaw No. 26, a discussion followed re specting the composition and election of a board of directors. Eventually, four names were put into nomination. Three of the nominees were identified as being from Standard Trust Company. The other was identified as being from Pendygrasse. In time it was agreed that a board of three would be sufficient at this time. In due course three persons were elected as the board. Two of those elected were proposed by Standard. The other elected member was proposed by Pendygrasse. These three persons are now the board.

The law

10 Generally, there are a number of principles which guide the court in determining whether it should exercise its discretion in favour of an application to appoint a receiver-manager. In appropriate circumstances one or more of a number of factors will be required to be shown. These include: (1) the fact that under its security instrument the applicant has not the power to appoint a receiver-manager; (2) the security may at the time of the application be, or have become, insufficient to secure the indebtedness; (3) the debtor may have broken or otherwise failed to carry out its obligations; (4) an appointment is necessary to protect the security from existing or realistically perceived jeopardy or danger; (5) the debtor's failure to account; (6) the applicant will suffer irreparable harm or injury if that which is sought is not granted; (7) there is a demonstrated urgency for that which is sought; (8) the costs (to the parties) of making the appointment sought, in the context that such an appointment might, if granted, lead to dissipation instead of preservation of the secured assets; (9) the balance of convenience is a factor to be given proper weight; (10) whether the proposed appointee is capable of carrying out the purpose for which the appointment is sought.

11 The foregoing is not an exhaustive list of factors to be considered but are some which come to mind on this application which, as required, is made in the context of an existing action.

12 Whatever may have been the situation prior to the annual meeting of 29th June 1988, that situation has now undergone a significant change. While, under its mortgage security, the applicant does not possess the power to appoint a receiver-manager, since 29th June 1988 it, through its members on the condominium association board of directors, now has significant control of the security. It, through its dominated board, has access to the records of the association; the board will now be in a position to determine how the complex ought to be managed; any previously complained of non-compliance by the mortgagor can be effectively addressed and dealt with. If the security is, or has been, in any danger or jeopardy, that concern too can now be addressed and dealt with.

13 In short, with the election and present composition of the condominium association new board of directors, all of Standard's previous alleged concerns can now, without this court's intervention, be adequately dealt with.

14 The renewal of this application is not founded upon any of the previously expressed concerns as delineated in my reasons delivered on 9th June 1988. Rather, this application is founded upon a letter recently received by Standard's solicitors from Pendygrasse's solicitors. It reads as follows:

Enclosed is a copy of the Management Agreement between Duraps Corporation and the investors (hereinafter referred to as the "Management Agreement"). This Agreement was assigned by Duraps Corporation to Pine Hill Management Ltd. and must be read in conjunction with the Agreement between the Owners: Condominium Plan No. 82-S-23659 and Pine Hill Management Ltd. (hereinafter referred to as the "Condominium Corporation Agreement").

For the record, the position of Pendygrasse Holdings Ltd. and Pine Hill Management Ltd. with respect to these agreements is as follows:

1. There is no basis upon which the newly-elected Board of Directors of the Condominium Corporation can legally or justifiably terminate the Condominium Corporation Agreement;
2. Even if the Board of Directors could terminate the Condominium Corporation Agreement, any new management agreement entered into would have to exclude those management functions provided for in the Management Agreement, since those functions are the subject of an agreement between Pine Hill Management Ltd. and the investors, and the Board of Directors has no legal right to interfere with that agreement;
3. If as a result of the actions of Standard Trust Company, either through the newly-elected Board of Directors or otherwise, Pine Hill Management Ltd. is prevented from carrying out its contractual duties under the Management Agreement with the result that it becomes disentitled to the remuneration provided for under that agreement, Pine Hill Management Ltd. will be forced to sue Standard Trust Company for the loss of all such remuneration and all other damages it suffers. As you will appreciate, the amount involved would be substantial.

15 I am satisfied that the renewal of this application has its real root in the above letter because in the supporting affidavit deposed to by Standard's mortgage manager on 7th September 1988 he deposes to the following:

6. By letter of June 30, 1988 the solicitors for Pendygrasse Holdings Ltd. wrote our solicitors advising of the legal repercussions and recourse of Pine Hill Management Ltd. and Pendygrasse Holdings Ltd. should the new Board of Directors of the Condominium Corporation terminate the Agreements exhibited hereto as Exhibits "C" and "D". Attached hereto as Exhibit "E" is a true copy of the said letter.

7. The appointment of a Receiver/Manager *appears necessary to preclude legal action* against Standard Trust Company and/or the Condominium Corporation *and that would be the only way the current management could be replaced until December 31, 1989 whereupon the Management Agreement will be terminated pursuant to paragraph 13 of Exhibit "C".* [emphasis added]

Disposition

16 Clearly, Standard seeks to avoid possible future legal liability for anticipated future action by it, under the protection of a judicial umbrella.

17 Standard and Pendygrasse each have their own legal counsel. It is for their counsel to read, consider, interpret and thereafter to advise them of their legal duties, obligations and responsibilities arising under their various agreements with each other or others party to and/or affected thereby. If, under the existing contractual, or other relationship between them, the right exists to terminate Pine Hill Management Ltd. as the complex manager, then, whether or not that right can now, or should in the circumstances, be exercised by Standard, is a matter for its decision based upon the advice it receives from its own solicitors.

If the advice it receives and acts upon is called into question by Pine Hill Management Ltd., and/or Pendygrasse on its behalf, if indeed Pendygrasse is able so to do, or others entitled so to do on its behalf, and legal action follows, then, and only then, in the context of the nature of the proceedings brought for determination, will this court, if required so to do, be required to determine the issues then raised thereby.

18 In the circumstances, this application will be, as it is, dismissed.

Costs

19 When this application was first brought forward, and, indeed, until the meeting held on 29th June 1988, there appears to have been some basis for that which was being sought. However, since the 29th June meeting, any basis for the appointment sought has disappeared. In these circumstances, the renewal of the application appears not to have been necessary. As there has, therefore, to some extent been divided success on this application, and, as well, as neither counsel pressed the issue of costs, there will not be any order as to costs of or incidental to the application, either in its original form or as brought forward.

Application dismissed.

Tab 2

2011 ONSC 1007
Ontario Superior Court of Justice

Bank of Montreal v. Carnival National Leasing Ltd.

2011 CarswellOnt 896, 2011 ONSC 1007, [2011] O.J. No. 671, 198 A.C.W.S. (3d) 79, 74 C.B.R. (5th) 300

**Bank of Montreal (Applicant) and Carnival National Leasing
Limited and Carnival Automobiles Limited (Respondents)**

Newbould J.

Heard: February 11, 2011
Judgment: February 15, 2011
Docket: CV-10-9029-00CL

Counsel: John J. Chapman, Arthi Sambasivan for Applicants
Fred Tayar, Colby Linthwaite for Respondents
Rachelle F. Mancur for Royal Bank of Canada

Newbould J.:

1 Bank of Montreal ("BMO") applies for the appointment of PriceWaterhouse Coopers Inc. as national receiver of the respondents Carnival National Leasing Limited ("Carnival") and Carnival Automobiles Limited ("Automobiles") under sections 243 (1) of the *Bankruptcy and Insolvency Act* and 101 of the *Courts of Justice Act*.

2 Carnival is in the business of leasing new and used passenger cars, trucks, vans and equipment vehicles. It has approximately 1300 vehicles in its fleet. Carnival is indebted to BMO for approximately \$17 million pursuant to demand loan facilities. Automobiles guaranteed the indebtedness of Carnival to BMO limited to \$1.5 million. David Hirsh is the president and sole director of Carnival and has guaranteed its indebtedness to BMO limited to \$700,000. BMO holds security over the assets of Carnival and Automobiles, including a general security agreement under which it has the right to appoint a receiver of the debtors or to apply to court for the appointment of a receiver. On November 30, 2010 BMO delivered demands for payment to Carnival, Automobiles and Mr. Hirsh.

3 The respondents contend that no receiver should be appointed. In my view BMO is entitled to appoint PWC as a receiver of the respondents and it is so ordered for the reasons that follow.

Events leading to demand for payment

4 The respondents quarrel with the actions of BMO leading to the demands for payment and assert that as a result a receiver should not be appointed.

5 BMO has been Carnival's banker for 21 years. Loans were made annually on terms contained in a term sheet. Each year BMO did an annual review of the account, after which a new term sheet for the following year was signed. The last term sheet was signed on January 29, 2010 and was for the 2010 calendar year. The last annual review, completed on October 27, 2010, recommended a renewal of the credits with various changes being proposed, including a risk rating upgrade from 45 to 40 and a reduction in the demand wholesale leasing facility from \$21.9 million to \$20 million. That review, however, was not sent to senior management for approval and no agreement was made extending the credit facilities to Carnival for the 2011 calendar year.

6 The 2010 term sheet provided for two major lines of credit. The larger facility was a demand wholesale leasing facility with a limit of \$21.9 million, under which Carnival submitted vehicle leases to BMO. If a lease was approved BMO advanced up

to 100% of the cost of the vehicle and in return received security over the vehicle. The second facility was a general overdraft facility described as a demand operating loan with a limit of \$1.15 million. The term sheet provided that all lines of credit were made on a demand loan basis and that BMO reserved the right to cancel the lines of credit "at any time at its sole discretion".

7 Under the terms of the wholesale leasing facility, total advances for used vehicle financing were not to exceed 30% of the approved lease portfolio credit line. That apparently had been a term of the facility for many years. The annual review of October 27, 2010 stated that for the past year, the concentration of used leases was 27.8%. In the previous annual review in 2009, the figure for used lease concentration was 11.6%. Mr. Findlay of the BMO special accounts management unit (SAMU) said on cross-examination that while he could not say as a fact where those percentages came from, the routine for annual reviews was for the person preparing the annual review to obtain such figures from the support staff of the bank's automotive centre.

8 Shortly after the 2010 annual review had been completed, and before it was sent to higher levels of the bank for approval, Mr. Lavery, the account manager at BMO for Carnival, received information from someone at BMO, the identity of whom I do not believe is in the record, informing him that the used car lease portfolio was approximately 60% of the leases financed by BMO, well in excess of the 30% condition of the loan. That led Mr. Lavery to call Mr. Findlay of SAMU. On November 17, 2010 BMO engaged PWC to review the operations of Carnival. On November 26, 2010 BMO's solicitors delivered to Carnival a letter which stated, amongst other things, that BMO would not finance any future leases until PWC's review engagement was completed, that BMO would no longer allow any overdraft on Carnival's operating line and that the bank reserved its right to demand payment of any indebtedness at any time in the future.

9 On November 29, 2010 PWC provided its initial report to BMO. It contained a number of matters of concern to BMO, including itemizing a number of breaches of the lending agreements that Carnival had with BMO. On November 30, 2010 BMO's solicitors delivered to Carnival a letter itemizing a number of breaches of the loan agreements, one of which was that advances for used vehicle financing were in excess of 30% of the approved lease portfolio credit line. Demand for payment under the lines of credit totalling \$17,736,838.45 was made. Following the demand, PWC continued its engagement and discovered a number of irregularities in the Carnival business, some of which are contained in the affidavit of Mr. Findlay.

10 It turns out that the 30% limit for used vehicle leases had not been met for some time. Carnival provided to BMO's automotive centre copies of the individual leases and bills of sale which showed the model year of the car to be financed and this information was in the BMO automotive centre computer records. Reports on BMO's website as at December 31, 2008 demonstrated 45% of Carnival's BMO financed leases were for used vehicles. At December 31, 2009 it was 73% and as at October 31, 2001 it was 60%. The evidence of Mr. Findlay on cross-examination was that while that information was on the computer system, it was not known by the account management responsible for the Carnival credits. He acknowledged that if the account management went to the computer system they would have seen that information but if they did not they would not have known of it. There is no evidence that Mr. Lavery or others in the account management of BMO responsible for the Carnival credit were aware before late October, 2010 of the true percentage of the used car lease portfolio.

11 Mr. Hirsh said on cross-examination that he assumed somebody in control at the bank knew the percentage of used vehicle leases. Although the loan terms he signed each year contained the 30% condition, he never suggested that the percentage should be changed to a higher figure. One can argue that Mr. Hirsh should have told his account manager at BMO that the condition he was agreeing to was not being met. Of course if he had done so he could well have faced a likely loss of credit needed to run his business. The loan terms included a requirement that Carnival provide an annual detailed analysis of the entire lease portfolio, including a breakdown of the lease concentrations. Had those been provided, it would appear that the percentage of used vehicle leases would have been reported by Carnival. While the record does not indicate whether such reports were provided, I think it can be assumed that if they had been, Mr. Hirsh would have provided that information in his affidavit.

12 Since November 26, 2010, BMO has not financed any further vehicles under the demand wholesale line of credit. Pending the application to appoint a receiver, BMO has continued to extend the \$1.15 million operating facility, in spite of its demand. Under the terms of the demand wholesale line of credit, Carnival is obliged after selling vehicles financed by BMO to pay down the wholesale leasing line within 30 days by transferring the money received from its operating line account to the wholesale

leasing line. It has not always done so and PWC estimates the amount involved to be \$814,000. The operating facility is now in overdraft as a result of the demand for payment.

Issues

(a) Right to enforce payment

13 On a demand loan, a debtor must be allowed a reasonable time to raise the necessary funds to satisfy the demand. Reasonable time will generally be of a short duration, not more than a few days and not encompassing anything approaching 30 days. See *Kavcar Investments Ltd. v. Aetna Financial Services Ltd.* (1989), 70 O.R. (2d) 225 (Ont. C.A.) per McKinley J.A. See also *Toronto Dominion Bank v. Pritchard*, [1997] O.J. No. 4622 (Ont. Div. Ct.) per Farley J.:

5. It is clear therefore that the reasonable time to repay after demand is a very finite time measured in days, not weeks, and it is not "open ended" beyond this by the difficulties that a borrower may have in seeking replacement financing, be it bridge or permanent.

14 Under the loan agreements, the credits were on demand and as well BMO had the right to cancel the credits at any time at its sole discretion. It is now over 70 days since demand for payment was made.

15 I do not see the issue of BMO management not being aware of the percentage of used car leases as affecting BMO's rights under its loan agreements, even assuming it was all BMO's fault, which I am not at all sure is the case. There is no evidence that BMO in any way intentionally waived its 30% loan condition, nor is it the case that it was only a breach of the 30% condition that led to the demand for payment being delivered to Carnival. There were a number of other concerns that BMO had. In any event, there was no requirement before demand or termination of the credits that BMO had to have justification to demand payment. To the contrary, the agreement provided that BMO had the right to terminate the credits at any time at its sole discretion.

16 In argument, Mr. Tayar said that Carnival needs just a little more time to obtain financing to pay out the BMO loans. From a legal point of view Carnival has been provided more time than is required. From a practical point of view, it is very unlikely that Carnival will be able in any reasonably foreseeable period of time to pay out BMO.

17 The car leasing business for businesses such as Carnival has been very difficult for a number of years, as acknowledged by Mr. Hirsh. Competitors such as Ford, GM and Chrysler began offering very low interest rates for new vehicles that Carnival could not provide. The economy led to more customers missing payments. There were lower sales generally. Carnival's leased assets fell from \$49 million in 2006 to \$35 million in 2009. Carnival had a profit of \$1.2 million in 2006 but in the years 2007 through 2009 had a cumulative net loss of \$244,000. While its business was shrinking, Carnival's accounts receivable grew significantly, from \$1.5 million in 2006 to \$2.8 million in 2009, indicating, as Mr. Hirsh acknowledged on cross-examination, that customers owed more than in the past for lease payments because of difficult economic times.

18 Carnival also borrowed from RBC to finance its lease portfolio. Some leases were financed with BMO and some with RBC. In the mid-2000s, the size of Carnival's loan facility with BMO and RBC was about even. In 2008 RBC stopped lending to Carnival on new leases and since then Carnival has been paying down its RBC loans. Today Carnival owes RBC approximately \$5.6 million. Thus Carnival owes the two banks approximately \$22.6 million.

19 In an affidavit sworn February 8, 2011, Mr. Hirsh disclosed that he has had discussions with TD Bank and has an indication of a loan of approximately \$11.5 million. A deal sheet has yet to be provided to TD's credit department for approval, but is expected to be considered by the end of February. If approved, it is contemplated that funds could be advanced sometime in April. Mr. Hirsh states that the TD guidelines allow TD to advance (i) on new vehicles \$6.5 million on leases currently financed by BMO and \$1.9 million on leases currently financed by RBC and (ii) on used vehicles, \$2 million on leases currently financed by BMO and \$392,000 on leases currently financed by RBC. A further \$2 million would be available on non-bank financed leases. Thus if a TD loan were granted, at most the amount that would be available to pay down BMO would be \$10.5 million and it might be less if, as is likely, there are not \$6.5 million worth of new car leases currently being financed by BMO.

20 Mr. Hirsh further states in his affidavit that he believes he will be able to pay off the balance of BMO loans through a combination of TD financing new Carnival leases and the payout of existing leases and/or sales of Carnival vehicles. No time estimate is given for this and one can only conclude that it would not be soon.

21 In these circumstances, assuming that it is permissible to consider the chances of refinancing in considering what a reasonable time would be to permit enforcement of security after a demand for payment, I do not consider the chances of refinancing in this case to prevent BMO from acting on its security.

22 BMO had the right under its loan agreements to stop financing new vehicle leases and to demand payment of the outstanding loans. No new term sheet was signed for 2011. Since the demand for payment, it has provided far more time than required in order to enforce its security. In my view, BMO is entitled to payment of the outstanding loans and to enforce its security including, if it wished to do so, to privately appoint a receiver of the assets of Carnival and Automobile or serve notices to the large number of lessees of the assignment of the leases and require payment directly to BMO.

(b) Court appointed receiver

23 Under section 243 of the *BIA* and section 101 of the *Courts of Justice Act*, a court may appoint a receiver if it is "just and convenient" to do so.

24 In *Bank of Nova Scotia v. Freure Village on Clair Creek* (1996), 40 C.B.R. (3d) 274 (Ont. Gen. Div. [Commercial List]), Blair J. (as he then was) dealt with a similar situation in which the bank held security that permitted the appointment of a private receiver or an application to court to have a court appointed receiver. He summarized the legal principles involved as follows:

10 The Court has the power to appoint a receiver or receiver and manager where it is "just or convenient" to do so: the Courts of Justice Act, R.S.O. 1990, c. 43, s. 101. In deciding whether or not to do so, it must have regard to all of the circumstances but in particular the nature of the property and the rights and interests of all parties in relation thereto. The fact that the moving party has a right under its security to appoint a receiver is an important factor to be considered but so, in such circumstances, is the question of whether or not an appointment by the Court is necessary to enable the receiver-manager to carry out its work and duties more efficiently; see generally *Third Generation Realty Ltd. v. Twigg* (1991) 6 C.P.C. (3d) 366 at pages 372-374; *Confederation Trust Co. v. Dentbram Developments Ltd.* (1992), 9 C.P.C. (3d) 399; *Royal Trust Corp. of Canada v. D.Q. Plaza Holdings Ltd.* (1984), 54 C.B.R. (N.S.) 18 at page 21. It is not essential that the moving party, a secured creditor, establish that it will suffer irreparable harm if a receiver-manager is not appointed: *Swiss Bank Corp. (Canada) v. Odyssey Industries Inc.* (1995), 30 C.B.R. (3d) 49.

25 It is argued on behalf of Carnival that the appointment of a receiver is an extraordinary remedy to be granted sparingly and that as it amounts to execution before judgment, there must be strong evidence that the plaintiff's right to judgment must be exercised sparingly. The cases that support this proposition, however, are not applicable as they do not deal with a secured creditor with the right to enforce its security.

26 *Ryder Truck Rental Canada Ltd. v. 568907 Ontario Ltd.* (1987), 16 C.P.C. (2d) 130 (Ont. H.C.) is relied on by Carnival as supporting its position. That case however dealt with a disputed claim to payments said to be owing and a claim for damages. The plaintiff had no security that permitted the appointment of a receiver and requested a court appointed receiver until trial. Salhany L.J.S.C. likened the situation to a plaintiff seeking execution before judgment and considered that the test to support the appointment of a receiver was no less stringent than the test to support a Mareva injunction. With respect, that is not the law of Ontario so far as enforcing security is concerned. The same situation pertained in *Anderson v. Hunking*, 2010 ONSC 4008 (Ont. S.C.J.) cited by Mr. Tayar. I have serious doubts whether *1468121 Ontario Ltd. v. 663789 Ontario Ltd.*, 2008 CarswellOnt 7601 (Ont. S.C.J.) cited by Mr. Tayar was correctly decided and would not follow it.

27 In *Bank of Nova Scotia v. Freure Village on Clair Creek*, Blair J. dealt with an argument similar to the one advanced by Carnival and stated that the extraordinary nature of the remedy sought was less essential where the security provided for a

private or court appointed receiver and the issue was essentially whether it was preferable to have a court appointed receiver rather than a private appointment. He stated:

11. The Defendants and the opposing creditor argue that the Bank can perfectly effectively exercise its private remedies and that the Court should not intervene by giving the extraordinary remedy of appointing a receiver when it has not yet done so and there is no evidence its interest will not be well protected if it did. They also argue that a Court appointed receiver will be more costly than a privately appointed one, eroding their interests in the property.

12. While I accept the general notion that the appointment of a receiver is an extraordinary remedy, it seems to me that where the security instrument permits the appointment of a private receiver - and even contemplates, as this one does, the secured creditor seeking a court appointed receiver - and where the circumstances of default justify the appointment of a private receiver, the "extraordinary" nature of the remedy sought is less essential to the inquiry. Rather, the "just or convenient" question becomes one of the Court determining, in the exercise of its discretion, whether it is more in the interests of all concerned to have the receiver appointed by the Court or not. This, of course, involves an examination of all the circumstances which I have outlined earlier in this endorsement, including the potential costs, the relationship between the debtor and the creditors, the likelihood of maximizing the return on and preserving the subject property and the best way of facilitating the work and duties of the receiver-manager

28 In *Swiss Bank Corp. (Canada) v. Odyssey Industries Inc.* (1995), 30 C.B.R. (3d) 49 (Ont. Gen. Div. [Commercial List]), in which the bank held security that permitted the appointment of a private or court ordered receiver, Ground J. made similar observations:

28. The first submission of counsel for Odyssey and Weston is that there is no risk of irreparable harm to Swiss Bank if a receiver is not appointed as certificates of pending litigation have been filed against the real estate properties involved, and there is an existing order restraining the disposition of other assets. I know of no authority for the proposition that a creditor must establish irreparable harm if the appointment of a receiver is not granted by the court. In fact, the authorities seem to support the proposition that irreparable harm need not be demonstrated. (see *Bank of Montreal v. Appcon* (1981), 33 O.R. (2d) 97).

29 See also *Bank of Nova Scotia v. D.G. Jewelry Inc.* (2002), 38 C.B.R. (4th) 7 (Ont. S.C.J.) in which Ground J. rejected the notion that it is necessary where there is security that permits the appointment of a private or court ordered receiver to establish that the property is threatened with danger, and said that the test was whether a court ordered receiver could more effectively carry out its duties than it could if privately appointed. He stated:

I do not think that, in order to appoint an Interim Receiver pursuant to Section 47 of the BIA, I must be satisfied that there is an actual and immediate danger of a dissipation of assets. The decision of Nova Scotia Registrar Smith in *Royal Bank v. Zutphen Brothers*, [1993] N.S.J. No. 640, is not, in my view, the law of Ontario.

...

On the main issue of the test to be applied by the court in determining whether to appoint a Receiver, I do not think the Ontario courts have followed the Saskatchewan authorities cited by Mr. Tayar which require a finding that the legal remedies available to the party seeking the appointment are defective or that the appointment is necessary to preserve the property from some danger which threatens it, neither of which could be established in the case before this court. The test, which I think this court should apply, is whether the appointment of a court - appointed Receiver will enable that Receiver to more effectively and efficiently carry out its duties and obligations than it could do if privately appointed.

30 This is not a case like *Royal Bank v. Chongsim Investments Ltd.* (1997), 32 O.R. (3d) 565 (Ont. Gen. Div.) in which Epstein J. (as she then was) dismissed a motion to appoint a receiver. While the loan was a demand loan and the bank's security permitted the appointment of a receiver, the parties had agreed that the loan would not be demanded absent default, and Epstein J. held that the bank, acting in bad faith, had set out to do whatever was necessary to create a default. Thus she held it was not equitable to grant the relief sought. That case is not applicable to the facts of this case.

31 Carnival relies on a decision in *Royal Bank v. Boussoulas*, [2010] O.J. No. 3611 (Ont. S.C.J.), in which Stinson J. was highly critical of the actions of the bank and its counsel in overstating its case and making unsupportable allegations of fraud in its motion affidavit material and facta filed before him and previously before Cumming J. He thus declined to continue a Mareva injunction earlier ordered by Cumming J. or appoint an interim receiver over the defendant's assets. There is no question but that a court can decline to order equitable relief in the face of misconduct on the part of a party seeking equitable relief.

32 In my view, there is no basis to refuse the order sought because of alleged misconduct on the part of BMO or its counsel. To the contrary, if anything, the shoe is on the other foot. The factum filed on behalf of Carnival is replete with allegations of false assertions on behalf of BMO, none of which have been established.

33 Carnival says the first affidavit of Mr. Findlay was false when it said that the bank first discovered the high concentration of used cars in late October, 2010, because it says the concentration was on the bank's website. This ignores the fact that the account management personnel responsible for the Carnival account did not know of the high concentration of used car leases in excess of the 30% limit, as testified to by Mr. Findlay and evident from the loan reviews for the past two years prepared by account management which stated that the used car concentration was 27.8 and 11.6 %. Although the BMO internal auditors had conducted quarterly audits, the unchallenged evidence of Mr. Findlay is that the purpose of each audit was to review whether each individual lease has been properly papered and handled. The audit did not look at the Carnival portfolio as a whole or to see what percentage of leases were for new or used vehicles.

34 It is argued that BMO has tried to mislead the Court by suggesting that payments received by Carnival after a leased vehicle was sold were to be held in trust for BMO. There is nothing in this allegation. Mr. Findlay referred in his affidavit to the term "sold out of trust", or SOT, a term apparently widely used in the automobile industry, to refer to the situation in which a borrower such as Carnival fails to remit to its lender the proceeds of sale of a financed vehicle. Mr. Findlay did not say that there was any type of legal trust, nor did he imply it. He identified what he said were SOTs, as did PWC in its report, and while he said on cross-examination that he understood that all proceeds from sales of vehicles were paid into Carnival's account at BMO, Carnival had not paid down its loans with these proceeds as it was required to do under the loan terms, but rather had kept the money in its operating account available for its operating purposes. The fact that some of Mr. Findlay's calculations of amounts involved differ from the calculations of PWC after it was sent in to investigate the situation hardly makes the case that BMO set out to mislead the Court by a fabrication and by use of falsified numbers, as was alleged in Mr. Tayar's factum.

35 In his first affidavit Mr. Findlay referred to a concern of BMO as set out in the initial report that Mr. Hirsh was using the Carnival operating line to pay personal mortgages on his home. On cross-examination he said he understood that the money from the mortgages was put into the Carnival account as an injection of capital and he agreed that the payment of interest on the mortgages from Carnival's account was not an improper use of its resources. This is somewhat different from the statement of concern in his affidavit, but I do not see it as terribly important and as Mr. Findlay was in special account management and not managing the account, it is quite possible that the difference was due to learning more and changing his mind. I do not conclude that he set out to mislead the Court.

36 In my view, it would be preferable to have a court appointed receiver rather than a privately appointed one. Mr. Tayar said that if a private appointment were made, Carnival would litigate its right to do so. This would not at all be helpful when it is recognized that there are some 1300 vehicles under lease and any dispute as to whom lease payments were to be paid could quickly dry up or lessen the payments made. There are already a number of leases in default, and people might opportunistically decide not to pay if there were a dispute as to who was in control. The prospect of more litigation was a consideration that led Blair J. to ordering the appointment of a receiver in *Bank of Nova Scotia v. Freure Village on Clair Creek*.

37 While there may be increased costs over a private receivership, it would appear that this may well be at the expense of BMO and RBC, the other secured creditor. RBC supports the appointment of a receiver by the Court. Carnival has accounts receivable of some \$4.4 million. As at November 25, approximately \$3 million was more than 120 days old. The book value of the leases of \$30 million is therefore questionable, and the repayment of \$22.6 owing to BMO and RBC is not assured.

Further, a court appointed receiver would have borrowing powers, which might be required as Cardinal has not so far been able to obtain new operating credit lines.

38 In the circumstances the order sought by BMO is granted in the form contained in tab 3 of the application record.

Application granted.

Tab 3

1996 CarswellOnt 2328
Ontario Court of Justice (General Division — Commercial List)

Bank of Nova Scotia v. Freure Village on Clair Creek

1996 CarswellOnt 2328, [1996] O.J. No. 5088, 40 C.B.R. (3d) 274

Bank of Nova Scotia v. Freure Village on Clair Creek et al

Blair J.

Judgment: May 31, 1996

Docket: none given

Counsel: *John J. Chapman* and *John R. Varley*, for Bank of Nova Scotia.

J. Gregory Murdoch, for Freure Group (all defendants).

John Lancaster, for Boehmers, a Division of St. Lawrence Cement.

Robb English, for Toronto-Dominion Bank.

William T. Houston, for Canada Trust

Blair J.:

1 There are two companion motions here, namely:

(i) the within motion by the Bank for summary judgment on the covenants on mortgages granted by "Freure Management" and "Freure Village" to the Bank, which mortgages have been guaranteed by Freure Investments; and

(ii) the motion for appointment by the Court of a receiver-manager over five different properties which are the subject matter of the mortgages (four of which properties are apartment/townhouse complexes totalling 286 units and one of which is an as yet undeveloped property).

2 This endorsement pertains to both motions.

The Motion for Summary Judgment

3 Three of the mortgages have matured and have not been repaid. The fourth has not yet matured but, along with the first three, is in default as a result of the failure to pay tax arrears. The total tax arrears outstanding are in excess of \$850,000. The Bank is owed in excess of \$13,200,000. There is no question that the mortgages are in default. Nor is it contested that the monies are presently due and owing. The Defendants argue, however, that the Bank had agreed to forebear or to stand-still for six months to a year in May, 1995 and therefore submit the monies were not due and owing at the time demand was made and proceedings commenced.

4 There is simply no merit to this defence on the evidence and there is no issue with respect to it which survives the "good hard look at the evidence" which the authorities require the Court to take and which requires a trial for its disposition: see Rule 20.01 and Rule 20.04, *Pizza Pizza Ltd. v. Gillespie* (1990), 75 O.R. (2d) 225 (Gen. Div.); *Irving Ungerman Ltd. v. Galanis* (1993) 4 O.R. (3d) 545 (C.A.).

5 On his cross-examination, Mr. Freure admitted:

(i) that he knew the Bank had not entered into any agreement whereby it had waived its rights under its security or to enforce its security; and

(ii) that he realized the Bank was entitled to make demand, that the individual debtors in the Freure Group owed the money, that they did not have the money to pay and the \$13,200,000 indebtedness was "due and owing" (see cross-examination questions 46-54, 88-96, 233-243).

6 As to the guarantees of Freure Investments, an argument was put forward that the Bank changed its position with regard to the accumulation of tax arrears without notice to the guarantor, and accordingly that a triable issue exists in that regard.

7 No such triable issue exists. The guarantee provisions of the mortgage itself permit the Bank to negotiate changes in the security with the principal debtor. Moreover, the principal of the principal debtor and the principal of the guarantor - Mr. Freure - are the same. Finally, the evidence which is relied upon for the change in the Bank's position - an internal Bank memo from the local branch to the credit committee of the Bank in Toronto - is not proof of any such agreement with the debtor or change; it is merely a recitation of various position proposals and a recommendation to the credit committee, which was not followed.

8 Accordingly, summary judgment is granted as sought in accordance with the draft judgment filed today and on which I have placed my fiat. The cost portion of the judgment will bear interest at the *Courts of Justice Act* rate.

Receiver/Manager

9 The more difficult issue for determination is whether or not the Court should appoint a receiver/manager.

10 It is conceded, in effect, that if the loans are in default and not saved from immediate payment by the alleged forbearance agreement - which they are, and are not, respectively - the Bank is entitled to move under its security and appoint a receiver-manager privately. Indeed this is the route which the Defendants - supported by the subsequent creditor on one of the properties (Boehmers, on the Glencairn property) - urge must be taken. The other major creditors, TD Bank and Canada Trust, who are owed approximately \$20,000,000 between them, take no position on the motion.

11 The Court has the power to appoint a receiver or receiver and manager where it is "just or convenient" to do so: the *Courts of Justice Act*, R.S.O. 1990, c. 43, s. 101. In deciding whether or not to do so, it must have regard to all of the circumstances but in particular the nature of the property and the rights and interests of all parties in relation thereto. The fact that the moving party has a right under its security to appoint a receiver is an important factor to be considered but so, in such circumstances, is the question of whether or not an appointment by the Court is necessary to enable the receiver-manager to carry out its work and duties more efficiently; see generally *Third Generation Realty Ltd. v. Twigg* (1991) 6 C.P.C. (3d) 366 (Ont. Gen. Div.) at pages 372-374; *Confederation Trust Co. v. Dentbram Developments Ltd.* (1992), 9 C.P.C. (3d) 399 (Ont. Gen. Div.); *Royal Trust Corp. of Canada v. D.Q. Plaza Holdings Ltd.* (1984), 54 C.B.R. (N.S.) 18 (Sask. Q.B.) at page 21. It is not essential that the moving party, a secured creditor, establish that it will suffer irreparable harm if a receiver-manager is not appointed: *Swiss Bank Corp. (Canada) v. Odyssey Industries Inc.* (1995), 30 C.B.R. (3d) 49 (Ont. Gen. Div. [Commercial List]).

12 The Defendants and the opposing creditor argue that the Bank can perfectly effectively exercise its private remedies and that the Court should not intervene by giving the extraordinary remedy of appointing a receiver when it has not yet done so and there is no evidence its interest will not be well protected if it did. They also argue that a Court appointed receiver will be more costly than a privately appointed one, eroding their interests in the property.

13 While I accept the general notion that the appointment of a receiver is an extraordinary remedy, it seems to me that where the security instrument permits the appointment of a private receiver - and even contemplates, as this one does, the secured creditor seeking a court appointed receiver - and where the circumstances of default justify the appointment of a private receiver, the "extraordinary" nature of the remedy sought is less essential to the inquiry. Rather, the "just or convenient" question becomes one of the Court determining, in the exercise of its discretion, whether it is more in the interests of all concerned to have the receiver appointed by the Court or not. This, of course, involves an examination of all the circumstances which I have outlined earlier in this endorsement, including the potential costs, the relationship between the debtor and the creditors, the likelihood of maximizing the return on and preserving the subject property and the best way of facilitating the work and duties of the receiver-manager.

14 Here I am satisfied on balance it is just and convenient for the order sought to be made. The Defendants have been attempting to refinance the properties for 1 ¹/₂ years without success, although a letter from Mutual Trust dated yesterday suggests (again) the possibility of a refinancing in the near future. The Bank and the debtors are deadlocked and I infer from the history and evidence that the Bank's attempts to enforce its security privately will only lead to more litigation. Indeed, the debtor's solicitors themselves refer to the prospect of "costly, protracted and unproductive" litigation in a letter dated March 21st of this year, should the Bank seek to pursue its remedies. More significantly, the parties cannot agree on the proper approach to be taken to marketing the properties which everyone agrees must be sold. Should it be on a unit by unit conversion condominium basis (as the debtor proposes) or on an en bloc basis as the Bank would prefer? A Court appointed receiver with a mandate to develop a marketing plan can resolve that impasse, subject to the Court's approval, whereas a privately appointed receiver in all likelihood could not, at least without further litigious skirmishing. In the end, I am satisfied the interests of the debtors themselves, along with those of the creditors (and the tenants, who will be caught in the middle) and the orderly disposition of the property are all better served by the appointment of the receiver-manager as requested.

15 I am prepared, in the circumstances, however, to render the debtors one last chance to rescue the situation, if they can bring the potential Mutual Trust refinancing to fruition. I postpone the effectiveness of the order appointing Doane Raymond as receiver-manager for a period of three weeks from this date. If a refinancing arrangement which is satisfactory to the Bank and which is firm and concrete can be arranged by that time, I may be spoken to at a 9:30 appointment on Monday, June 24, 1996 with regard to a further postponement. The order will relate back to today's date, if taken out.

16 Should the Bank be advised to appoint Doane Raymond as a private receiver/manager under its mortgages in the interim, it may do so.

17 Counsel may attend at an earlier 9:30 appointment if necessary to speak to the form of the order.

Motions granted.

Tab 4

2011 ONSC 5612
Ontario Superior Court of Justice [Commercial List]

Central 1 Credit Union v. UM Financial Inc.

2011 CarswellOnt 11979, 2011 ONSC 5612, 208 A.C.W.S. (3d) 690, 84 C.B.R. (5th) 315

**Central 1 Credit Union (Applicant) and UM
Financial Inc. and UM Capital Inc. (Respondents)**

D.M. Brown J.

Heard: September 23, 2011
Judgment: September 26, 2011
Docket: CV-11-9144-00CL

Counsel: D. Smith, R. Jaipargas for Applicant
R. Slattery for Respondents
S. Siddiqui for Proposed Intervenor, Multicultural Consultancy Canada Inc.

Related Abridgment Classifications

Bankruptcy and insolvency

IV Receivers

IV.1 Appointment

Civil practice and procedure

III Parties

III.8 Intervenors

III.8.b As party

Headnote

Bankruptcy and insolvency --- Receivers — Appointment

Debtor corporation provided Shari'a law compliant mortgages — Debtor created independent board of Shari'a law scholars (board) who reviewed compliance of debtor's lending with Shari'a principles — Creditor loaned funds to debtor to provide mortgages to its clients — Debtor granted creditor general security agreements (GSAs) charging personal property and assigned to creditor real property residential mortgages made by debtor to its customers (assignment agreements) — GSAs and assignment agreements stated that they were governed by Ontario law, and did not reference Shari'a law — Creditor gave notice to debtor of default — Creditor applied to appoint receiver — Board brought motion to intervene as party — Motion dismissed — It was not established that board had interest in subject-matter of receivership application, would be adversely affected by judgment, or otherwise would make useful contribution to hearing of application — Board did not put itself forward as possible creditor of debtor, and evidence did not disclose any contractual relationship between board and debtor — GSAs and assignment agreements were governed by Ontario law, and it was not apparent from those documents that any need existed for court to seek assistance on Shari'a law — Shari'a law is non-domestic law and must be proved by expert evidence — It was open to debtor to file report of expert in Shari'a law and Islamic financing — Debtor had not filed such evidence, so it was not open to stranger to litigation to attempt to gain entry to proceeding to do so.

Civil practice and procedure --- Parties — Intervenors — As party

Debtor corporation provided Shari'a law compliant mortgages — Debtor created independent board of Shari'a law scholars (board) who reviewed compliance of debtor's lending with Shari'a principles — Creditor loaned funds to debtor to provide mortgages to its clients — Debtor granted creditor general security agreements (GSAs) charging personal property and assigned to creditor real property residential mortgages made by debtor to its customers (assignment agreements) — GSAs and assignment agreements stated that they were governed by Ontario law, and

did not reference Shari'a law — Creditor gave notice to debtor of default — Creditor applied to appoint receiver — Board brought motion to intervene as party — Motion dismissed — It was not established that board had interest in subject-matter of receivership application, would be adversely affected by judgment, or otherwise would make useful contribution to hearing of application — Board did not put itself forward as possible creditor of debtor, and evidence did not disclose any contractual relationship between board and debtor — GSAs and assignment agreements were governed by Ontario law, and it was not apparent from those documents that any need existed for court to seek assistance on Shari'a law — Shari'a law is non-domestic law and must be proved by expert evidence — It was open to debtor to file report of expert in Shari'a law and Islamic financing — Debtor had not filed such evidence, so it was not open to stranger to litigation to attempt to gain entry to proceeding to do so.

Table of Authorities

Cases considered by *D.M. Brown J.*:

Investment Dar Co KSCC v. Blom Developments Bank Sal (2009), [2009] EWHC 3545 (Eng. Ch.) — considered

Ontario Society for the Prevention of Cruelty to Animals v. Toronto Humane Society (2010), 2010 ONSC 824, 2010 CarswellOnt 617 (Ont. S.C.J.) — followed

Statutes considered:

Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3

s. 243 — referred to

s. 244(1) — referred to

Canadian Charter of Rights and Freedoms, Part I of the Constitution Act, 1982, being Schedule B to the Canada Act 1982 (U.K.), 1982, c. 11

Generally — referred to

s. 32(1) — considered

Courts of Justice Act, R.S.O. 1990, c. C.43

s. 101 — referred to

s. 109 — referred to

Rules considered:

Rules of Civil Procedure, R.R.O. 1990, Reg. 194

R. 4.1 [en. O. Reg. 438/08] — considered

R. 13 — referred to

R. 13.01 — referred to

R. 13.01(1) — pursuant to

R. 13.01(1)(c) — considered

R. 53.03 — considered

R. 53.03(2.1) [en. O. Reg. 438/08] — considered

***D.M. Brown J.*:**

I. Motion by Shari'a Board of Scholars to intervene in contested application to appoint a receiver over a debtor's assets and undertakings

1 A Shari'a advisory board for mortgage-like products, Multicultural Consultancy Canada Inc., moves under Rule 13.01(1) of the *Rules of Civil Procedure* to intervene in this contested application by a creditor, Central 1

Credit Union, to appoint a receiver and manager over all the property, assets and undertaking of the debtors, UM Financial Inc. and UM Capital Inc. (collectively "UM").

2 For the reasons set out below, I do not grant the motion.

II. The receivership application

A. The credit facility and its performance

3 Central 1 made available certain credit facilities to UM. The funds loaned by Central 1 to UM were used by the latter to make mortgage loans to their customers which complied with Shari'a law.

4 UM offers mortgage and financial products to the Muslim community throughout Canada. According to UM's affiant, Mr. Omar Kalair, the company offers:

Shariah compliant mortgages which adapt traditional security and lending arrangements into recognized Islamic lending instruments. These instruments accommodate, among other things the Islamic prohibition against charging or paying interest, and allow for the lender and the borrower to enter into a partnership instead of a strict debtor creditor relationship.

Although the security and lending arrangements between Central and UM may be, on their face, ordinary loan and security documents, the underlying collateral, being the mortgage agreements entered into between the clients and UM, are not.

As Central is aware, the Shariah compliant mortgages are different lending products with different risks and fees associated with them. Central has been fully involved in the development and application of these documents.

UM is the only corporate entity in Canada who provides this service...

This is an important growth market. With the Canadian Muslim community expected to double to 2.6 million by 2030, it is anticipated that close to 20 percent of new bank accounts opening by 2030 will be from this community.

5 Mr. Kalair described in some detail the elements of a Shariah-compliant mudarabah, or partnership, between parties to a commercial enterprise, a key aspect of which is a predetermined agreement between the partners for the distribution of profits from the enterprise. In his affidavit he reviewed the structure and process of the mushakah residential real estate mortgage UM entered into with its customers and appended to his affidavit a copy of the standard Mushakah Mortgage Loan Agreement utilized by UM.

6 As security for its borrowings UM granted Central 1 general security agreements charging all of their personal property and assigned to Central 1 the real property residential mortgages made by UM to its customers. The commitment letters stated that they were governed by the laws of the Province of Ontario; neither referred to the principles of Shari'a law. Schedules to the commitment letters contained representations and warranties by UM that each mortgage it assigned to Central 1 as security "contains all standard terms and conditions generally contained in residential first mortgages and contains no restrictions on the assignability by [UM]".

7 Similarly, neither the Business Loan General Security Agreements nor the Master Mortgage Assignment Security Agreement between the parties contained any reference to Shari'a law; both stated that they were governed by the laws of the Province of Ontario. The GSAs contained a right for Central 1 to appoint a private receiver in the event of default.

8 In his affidavit Mr. Kalair stated that UM created an independent board of scholars who reviewed the on-going compliance of UM's lending with Shari'a principles:

Its independent overview functions akin to the function performed by Kashruth or Halal food certification organizations.

UM's Board of Scholars consisted of five members, one of whom — Mufti Panchbaya — is Chair of the proposed intervenor, Multicultural Consultancy Canada Inc. ("MCC"). In 2005 the Board issued an opinion that the relationship created by the documents entered into between UM and Central 1's predecessor on the loans was Shariah compliant.

9 Central 1 alleges that as of March, 2011, UM owed it approximately \$31.5 million and was in default. Central 1 delivered to UM notices of default and, on November 23, 2010, it sent UM demands for payment and notices of intention to enforce security under s. 244(1) of the *Bankruptcy and Insolvency Act*. Mr. Dirk Haack, in an affidavit in support of the application, deposed:

Both before and after the delivery of these notices and demands Central 1 has afforded time to the Companies to repay the amounts owing to Central 1. Central 1 offered to enter into a forbearance arrangement with the Companies to afford them more time to see Central 1 repaid. Despite the efforts of Central 1, the Companies have not repaid Central 1, have not put forward a plan acceptable to Central 1 and have not accepted Central 1's offer to negotiate a short term forbearance agreement.

10 On March 16, 2011, Central 1 commenced this application seeking the appointment under section 243 of the *BIA* and section 101 of the *Courts of Justice Act* of a receiver and manager over all the property, assets and undertakings of UM.

B. The issues on the application to appoint a receiver

11 UM has advanced several arguments in opposition to the application of Central 1 to appoint a receiver, including:

- (i) At the time Central 1 made its demand all payments owing by UM to Central were paid in full;
- (ii) UM was not in default of any monetary obligations under the security lending agreements;
- (iii) The termination by Central 1 of the Master Mortgage Assignment Security Agreement was done without notice and without proper resort to that agreement's arbitration provisions; and,
- (iv) Central 1 has breached its contract with UM by making its demand and bringing its application.

12 In his affidavit Mr. Kalair spent some time conveying the views of UM's Board of Scholars about the enforcement proceedings initiated by Central 1:

The Board is strongly opposed to Central's recent enforcement actions on religious grounds.

In order for the contracts to be recognized as enforceable by the clients of UM, the party enforcing must be a risk sharing partner of those clients. The agreement attached as Exhibit "A" above [the Musharakah Home Financing Agreement] reflects this intention. Any enforcement of these 'mortgages' must be done in accordance with this agreement. It does not appear as though Mr. Haack recognizes this and I do not believe that Central is prepared to abide by this based on a review of the Haack Affidavit.

The Board has released a fatawa (a religious ruling) that if [UM is] put into receivership, it will result in our partnership contracts with the clients being null and void. This is because partnership contracts are only

valid if both parties are active partners and share the risks. In the opinion of the Shariah board, the clients are to be advised that if UM is put into receivership the clients are not obliged to meet the obligations under their mortgages with Central.

13 In light of that evidence I would observe that the Musharakah Home Financing Agreement appended by Mr. Kalair to his affidavit provides that the "purchaser" (i.e. mortgagor) agrees that his obligations under the Declining Balance Real Estate Purchase Financing Agreement are secured by an Encumbrance, executed by the purchaser in favour of UM, and that on default UM may exercise any and all remedies under the Encumbrance. Those remedies include "proceeding under a power of sale or other expedited foreclosure process pursuant to Governing Law", which is defined as Ontario law. In the Master Mortgage Assignment Security Agreement UM warranted that each of the mortgages contains "all standard terms and conditions generally contained in a residential first mortgage" (Article 5.2(f)).

14 Nevertheless, in paragraphs 100 to 115 of his first affidavit Mr. Kalair explains, at some length, why the appointment of a receiver might have "dire religious consequences" and "likely will lead to the majority of the clients being directed by their religious scholars to immediately sell their homes, regardless of the loss and personal dislocation they will suffer, because they cannot be in a non-Shariah compliant lending arrangement..."

III. The Shari'a Board: Multicultural Consultancy Canada Inc.

A. The purpose of MCC

15 Recently the UM's Board of Scholars incorporated MCC, and it wishes leave to intervene, pursuant to Rule 13.01, in the receivership application scheduled for October 7, 2011. Mufti Panchbaya swore affidavits in support of MCC's motion. They did not attach MCC's articles of incorporation, so I have no evidence of MCC's corporate purposes. However, Mufti Panchbaya did describe the efforts made to date by the Board to participate in these proceedings and, as well, he provided some general background information on Islamic financial transactions, in particular the diminishing musharakah, or declining balance co-ownership transaction model used by UM with its customers.

B. Previous attempts by MCC to participate in this proceeding

16 This past May and June Mufti Panchbaya wrote to Central 1 expressing the Board's concerns about the applicant's enforcement proceedings. In an endorsement dated June 14, 2011 Mesbur J. noted that the Board might be seeking leave to intervene in the proceeding. Mesbur J. set July 25 as the date for a settlement conference between the parties. That day the Board's counsel, Mr. Siddiqui, appeared and sought leave to participate in the settlement conference conducted by Mesbur J. She refused his request. A 9:30 case conference was held before Morawetz J. on September 15. He noted that Mr. Siddiqui again appeared, wishing to participate in the conference on behalf of the Board. Morawetz J. followed the reasoning of Mesbur J. in refusing that request.

C. Why MCC wants to participate in this proceeding

17 After reading the materials filed by MCC and hearing submissions from its counsel, I confess to a lingering confusion about the purpose and scope of MCC's desired intervention in this proceeding. Nonetheless, let me reproduce those portions of the affidavit of Mufti Panchbaya which touch upon this issue:

[20] The Shari'a advisory board has communicated some of its concerns about the receivership application to the Credit Union but has not had an occasion to do so in open court.

[21] While Omar Kalair has attempted to communicate our concerns to the court through his affidavit evidence, he is not a Shari'a expert.

Later in his affidavit he continued:

[26] I did not decide to intervene in the proceedings until I got notice of a potential class action lawsuit by clients of UM Financial against the Credit Union. Attached...is a true copy of an undated, signed letter from Adekusibe Fola. I am advised by my counsel and do verily believe that he received a copy of this letter on September 14, 2011.

[27] Initially, I wanted to participate in the court proceedings in order to ensure that the Shari'a concerns were aired in court by a Shari'a expert. However, now I am concerned that myself and members of the board may be exposed to litigation on the basis that we have certified the Shari'a compliance of products offered by the Credit Union in partnership with UM Financial and the Credit Union...

[28] If Credit Union succeeds in its application for receivership...the board and myself personally face considerable reputational risk and may never be able to sit on another advisory board for an Islamic finance company in Canada in the future.

18 The recent letter of Ms. Fola to Central 1 stated that should the applicant discontinue the Sharia Compliant Financing Scheme:

Our clients will be filing a class action to redress the wrongs your action will cause them. In the meantime, they are considering filing a complaint with the Financial Services Commission of Ontario and the Office of The Superintendent of Financial Institutions.

C. The scope of participation rights sought by MCC

19 During oral argument MCC's counsel confirmed that his client wished to be added as a party intervenor with the right to file evidence, which would be limited to the affidavits of Mufti Panchbaya filed on the motion to intervene. In addition counsel confirmed that MCC:

- (i) would not ask to cross-examine on any of the affidavits filed by the parties;
- (ii) wished to file a factum for the October 7 hearing;
- (iii) wished to make oral submissions of up to one hour at the hearing;
- (iv) was not seeking an adjournment of the October 7 hearing;
- (v) was not asking for any right to appeal the ruling made on the October 7 hearing;
- (vi) wished to participate in subsequent hearings in this proceeding should the court appoint a receiver; and,
- (vii) would not seek its costs of participation but, at the same time, did not want to be responsible for the costs of any party.

IV. Analysis

A. The general principles governing requests to intervene

20 In *Ontario Society for the Prevention of Cruelty to Animals v. Toronto Humane Society*, 2010 ONSC 824 (Ont. S.C.J.), I attempted to summarize the key elements of the approach to considering a request for leave to intervene brought under Rule 13.01(1) of the *Rules of Civil Procedure*:

7 A person may move for leave to intervene as an added party if the person claims (a) an interest in the subject matter of the proceeding, (b) that the person may be adversely affected by a judgment in the proceeding, or

(c) that there exists between the person and one or more of the parties to the proceeding a question of law or fact in common with one or more of the questions in issue in the proceeding: Rule 13.01(1). A court must consider whether the intervention will unduly delay or prejudice the determination of the rights of the parties to the proceeding and the court may add the person as a party to the proceeding "and may make such order as is just": Rule 13.01(2).

8 As has been noted in the jurisprudence, cases in which intervention requests are made fall along a continuum ranging from constitutional and public interest cases at one end, to strictly private litigation at the other: *Authorson (Litigation Guardian of) v. Canada (Attorney General)*, [2001] O.J. No. 2768 (C.A.), para. 9. Where the intervention is in a *Charter* case, usually at least one of three criteria must be met by the intervenor: it has a real substantial and identifiable interest in the subject matter of the proceedings; it has an important perspective distinct from the immediate parties; or, it is a well recognized group with a special expertise and a broadly identifiable membership base: *Bedford v. Canada (Attorney General)*, 2009 ONCA 669.

9 By contrast, Ontario courts have interpreted Rule 13 more narrowly in conventional, non-constitutional litigation, and the Court of Appeal has cautioned that the "intervention of third parties into essentially private disputes should be carefully considered as any intervention can add to the costs and complexity of litigation, regardless of an agreement to restrict submissions": *Authorson, supra*, para. 8.

10 The over-arching principle guiding any court considering a request to intervene was stated by Dubin C.J.O. in *Peel (Regional Municipality) v. Great Atlantic & Pacific Co. of Canada* (1990), 74 O.R. (2d) 164 (Ont. C.A.) as follows, at p. 167:

Although much has been written as to the proper matters to be considered in determining whether an application for intervention should be granted, in the end, in my opinion, the matters to be considered are the nature of the case, the issues which arise and the likelihood of the applicant being able to make a useful contribution to the resolution of the appeal without causing injustice to the immediate parties.

21 Counsel were unable to point me to any prior decision of this court where a stranger to the creditor-debtor relationship was granted status as a party intervention on a contested application to appoint a receiver over the assets and undertaking of the debtor.

B. Application of the general principles to the facts of this case

22 The application in which MCC seeks to intervene as a party involves a request by Central 1 for the appointment of a receiver over the assets and undertaking of UM. Typically the issues for a court to determine on such an application include: (i) the existence of a debt and default; (ii) the quality of the creditor's security; and (iii) the need for the appointment of a receiver in view of alternate remedies available to the creditor, the nature of the property, the likelihood of maximizing the return to the parties, the costs associated with the appointment, and any need to preserve the property pending realization.¹ Those issues normally require an adjudication of private rights as between the applicant secured creditor and the debtor respondent with, as well, some consideration of the potential effect of the order sought on other creditors, whether secured or otherwise, and other stakeholders of the debtor corporation who might be affected by a receivership order.²

23 Given those issues, I fail to see from the evidence filed by MCC what interest it might have in the subject matter of this application. It does not put itself forward as a possible creditor of UM, and the material does not disclose that any contractual relationship existed between it and UM.

24 Mufti Panchbaya deposed that he could provide assistance to the court in explaining Shari'a law. He might well be able to do so, but such an ability does not rise to the level of having an interest in this proceeding for several reasons:

(i) as I noted above, the credit facility and security documents between Central 1 and UM are governed by Ontario law, as are the financing documents between UM and its borrowers. It is not apparent from those documents that any need exists for a court to seek assistance on points of Shari'a law;

(ii) Shari'a law stands as non-domestic law within the Canadian legal system. As such, the principles of Shari'a law must be proved by expert evidence.³ Although the timing aspects of Rule 53.03 require some modification in the context of applications, its requirements concerning the contents of experts' reports do not. The affidavit filed by Mufti Panchbaya does not comply with Rule 53.03(2.1) and he did not provide the required acknowledgement of his Rule 4.1 duties to the court as an independent expert witness. Indeed, given his stated concern about exposure to personal liability for advice he gave to UM, Mufti Panchbaya could not offer independent expert opinion evidence. Consequently, Mufti Panchbaya's affidavit holds little possible probative value in respect of proving any principle of Shari'a law; and,

(iii) the debtor, UM, has filed responding evidence raising and discussing the issue of Shari'a law, and it was open to UM to file the report of an expert in Shari'a law and Islamic financing if it thought such evidence material to its opposition to the appointment of a receiver. UM has not filed such expert evidence, so it is not open to a stranger to the litigation to attempt to gain entry into the proceeding to do so.

25 In its factum and oral argument MCC submitted that this proceeding possesses a constitutional dimension, bringing into play the freedom of religion and the right to equality without discrimination. I see no merit in such an argument. The parties have not raised any constitutional issues. Neither party is "government" within the meaning of section 32(1) of the *Canadian Charter of Rights and Freedom*, and MCC failed to articulate any common law principle whose development should be informed by the rights and freedoms contained in the *Charter*. Finally, MCC did not give notice under section 109 of the *Courts of Justice Act* to either Attorney General.

26 Next, the evidence does not disclose that MCC might be adversely affected by a judgment in this proceeding. First, MCC did not file its articles of incorporation, so the record is silent on its corporate purpose and how its corporate objects might be affected by an order. Second, there is no evidence that MCC is a creditor of UM. Third, the concern about some possible reputational impact deposed to by Mufti Panchbaya relates to a possible effect on a personal, not a corporate, interest. Fourth, Mufti Panchbaya's reference to possible litigation-exposure for himself and the other members of the Board of Scholars is speculative. Ms. Fola's recent letter to Central 1 threatened litigation against the creditor/applicant, not against the Board of Scholars. Finally, if a receiver is appointed, it would have to administer UM's assets, including its contracts, in accordance with the terms of those contracts, subject to any approval by the court of contrary conduct. The suggestion that the appointment of a receiver would transform radically the rights and obligations of the parties under the debtor's Musharakah Home Financing Agreements strikes me as highly speculative and based on a misunderstanding of the powers and duties of a court-appointed receiver.

27 This is not a case where the third branch of the intervention rule — Rule 13.01(1)(c) is engaged.

28 Finally, I do not accept MCC's submission that its participation as an added party is necessary for the Court to appreciate the potential impact of a receivership order on the Muslim purchasers, or mortgagors, who entered into Musharakah Home Financing Agreements with UM. As I noted above, in his responding affidavit Mr. Kalair dealt with that issue at some length. As I see the matter, MCC's participation on that point would only duplicate evidence already placed into the record by the respondent.

29 Although no delay in the hearing of the application would result from granting intervention status to MCC, there would be additional costs imposed on both parties (although UM supports MCC's motion). While those costs might not be substantial, they are nonetheless real, and I do not see MCC making any useful contribution to the hearing of the application which would justify the imposition of such costs on the parties.

30 I should note that in the event the court appoints a receiver (and I make no comment one way or the other whether such an order should issue), it would be open to MCC to communicate any concerns directly to the receiver who, as I tried to emphasize numerous times during the hearing of this motion, would be acting as an officer of this court with all the attendant duties of such an office.

V. Conclusion

31 For the reasons set out above, I am not persuaded that MCC has an interest in the subject-matter of this application, would be adversely affected by a judgment, or otherwise would make a useful contribution to the hearing of the application. Accordingly, I dismiss its motion under Rule 13 for leave to intervene as an added party.

32 I do wish to add one final comment. During the course of its written and oral arguments MCC emphasized the religious dimension of its activities and its desire to participate in this proceeding. Freedom of religion is one of the most precious of our constitutional freedoms. I have written at great length, both as a lawyer and as a judge, about the cardinal position enjoyed by that freedom in our political and legal community — religious belief plays a central role in the lives of a very large number of Canadians. At the same time, arguments about religious freedom can assume a strong emotional dimension. I wish to say, with respect, that counsel who advance freedom of religion arguments must take great care about how they cast their arguments and should avoid the temptation to personalize or emotionalize their submissions. I raise this point somewhat reluctantly, but I think necessarily, given the dramatic closing submission by MCC's counsel who, picking up the copy of the Koran kept by the court registrar, suggested that if leave to intervene was not granted to his client, then the Koran would not have a place in Canadian culture or its court system. Such a style of argumentation is inflammatory, even before a judge alone, and, in my view, improper in a forensic submission to a Canadian court by professional counsel on such an important constitutional right as freedom of religion.

VI. Costs

33 I would encourage the parties to try to settle the costs of this motion. My inclination would be not to award any costs. However, if any party wishes to seek costs, it may serve and file with my office (c/o Judges' Reception, 361 University Avenue) written cost submissions, together with a Bill of Costs, by Wednesday, October 5, 2011. Any party against whom costs is sought may serve and file with my office responding written cost submissions by Friday, October 14, 2011. The costs submissions shall not exceed three pages in length, excluding the Bill of Costs.

Motion dismissed.

Footnotes

- 1 Roderick Wood, *Bankruptcy & Insolvency Law* (Toronto: Irwin Law, 2009), p. 481 and Frank Bennett, *Bennett on Receiverships, Second Edition* (Toronto: Carswell, 1999), pp. 22-23.
- 2 Kevin P. McElcheran, *Commercial Insolvency in Canada* (Toronto: LexisNexis, 2011), p. 186.
- 3 See, for example, the decision of the High Court of Justice, Chancery Division, in *Investment Dar Co KSCC v. Blom Developments Bank Sal*, [2009] EWHC 3545 (Eng. Ch.), at para. 7, where one issue on a motion for summary judgment involved whether certain transactions were Shari'a-compliant and within the powers of a Kuwait-incorporated party to the transactions or *ultra vires* by reason of non-compliance with Shari'a law principles.

Tab 5

1995 CarswellOnt 39
Ontario Court of Justice (General Division — Commercial List)

Swiss Bank Corp. (Canada) v. Odyssey Industries Inc.

1995 CarswellOnt 39, [1995] O.J. No. 144, 30 C.B.R. (3d) 49, 53 A.C.W.S. (3d) 307

**SWISS BANK CORPORATION (CANADA) v. ODYSSEY INDUSTRIES
INCORPORATED and WESTON ROAD COLD STORAGE COMPANY**

Ground J.

Heard: December 7 and 15, 1994

Judgment: January 31, 1995

Docket: Docs. 94-CU-80416, B 280/94

Counsel: *Frank Newbould, Q.C.*, for plaintiff.

Alan J. Lenczner, Q.C. and *Linda L. Fuerst*, for defendants.

Related Abridgment Classifications

Debtors and creditors

VII Receivers

VII.3 Appointment

VII.3.b Application for appointment

VII.3.b.iii Grounds

VII.3.b.iii.D Irreparable harm

Debtors and creditors

XIII Loans

XIII.1 General principles

Financial institutions

VI Loans and discounts

VI.11 Miscellaneous

Headnote

Banking and Banks --- Loans and discounts — General

Creditors and Debtors --- General — Loans

Receivers --- Appointment — Application for appointment — Grounds

Secured creditors — Validity of loan — Where loan made by lending institution in contravention of statute or regulation, loan still enforceable.

Receivers — Application for appointment — Creditor under no obligation to prove that irreparable harm would result from failure to appoint receiver.

Two debtor companies were part of a group of companies carrying on a frozen food business. OI Inc. was a holding company and WR Co. was a limited partnership. The bank advanced a loan of \$47.5 million to a partnership in which OI Inc. was a partner. In return it received assignments of mortgages and a fixed and floating charge on all of OI Inc.'s assets. The loan was payable on demand.

The bank also made a loan not to exceed \$10,179,750 to WR Co. In return it received a collateral mortgage over two warehouses, a general security agreement over the assets and undertaking of WR Co. and guarantees by OI Inc. and JR, who controlled the group of companies.

The group of companies proposed a restructuring plan under which certain conveyances and transfers between the various companies were made. A master agreement provided that the restructuring plan would not be effected or would be reversed unless certain parts of the plan were settled to the satisfaction of the bank.

Both loans were in default. The bank brought a motion for the appointment of a receiver-manager of the property, undertaking and assets of OI Inc. and WR Co. The debtor companies argued that the bank was not entitled to the appointment of a receiver-manager because the loan to OI Inc. was illegal, having been made in breach of regulations under the *Bank Act*. They also argued that the bank was in breach of certain provisions of commitment letters related to both loans and in breach of its fiduciary duty to the companies as borrowers. Finally, they argued that, under s. 101 of the *Courts of Justice Act* (Ont.), a receiver-manager may be appointed by the court where it is just and convenient to do so. In the circumstances, they argued that it would be unjust and inequitable to make the appointment.

Held:

The motion was allowed.

There was no evidence to suggest that various transactions resulted in the security for the loans being in jeopardy or that the ability of the companies to repay the loans was materially affected in such a way as to require the appointment of a receiver-manager. However, defaults under both loans provided ample justification for the appointment of a receiver-manager. The bank was not required to establish that irreparable harm would result from the failure to appoint a receiver-manager. Further, under the master agreement the transfer of assets was reversed or deemed never to have taken place. Therefore, the bank would receive substantial benefit from the appointment of a receiver-manager.

There was no evidence to suggest that the companies would suffer undue or extreme hardship if a receiver-manager were appointed. The fact that a receiver-manager would not have the background and expertise of the companies' principal in running the business was not a reason to refuse the motion for appointment.

The loan to OI Inc. was not illegal because it was made by an institution that was not subject to the regulations under the *Bank Act*. Further, even if a loan is made in contravention of a statute or regulation governing the lending institution, the loan is still enforceable by the lending institution.

There was little evidence to establish a special relationship or exceptional circumstances such as would result in the bank owing the companies a fiduciary duty. The commercial transactions between the parties did not go beyond the normal relationship of lender and borrower. In any event, such allegations would have to be established in an action in damages against the bank. They did not constitute a reason to refuse to appoint a receiver-manager.

Table of Authorities

Cases considered:

- Bank of Montreal v. Apcon Ltd.* (1981), 37 C.B.R. (N.S.) 281, 33 O.R. (2d) 97, 123 D.L.R. (3d) 394 (S.C.) — referred to
- Hodgkinson v. Simms*, [1994] 3 S.C.R. 377, [1994] 9 W.W.R. 609, 97 B.C.L.R. (2d) 1, 22 C.C.L.T. (2d) 1, 117 D.L.R. (4th) 161, 171 N.R. 245, 6 C.C.L.S. 1, 57 C.P.R. (2d) 1, 16 B.L.R. (2d) 1, 5 E.T.R. (2d) 160, 49 B.C.A.C. 1, 40 W.A.C. 1 — considered
- Sidmay Ltd. v. Wehltam Investments Ltd.*, [1967] 1 O.R. 508, 61 D.L.R. (2d) 358 (C.A.), affirmed [1968] S.C.R. 828, 69 D.L.R. (2d) 336 — followed

Statutes considered:

- Bank Act (being Pt. 1 of s. 2 of Banks and Banking Law Revision Act, 1980, S.C. 1980-81-82-83, c. 40) [R.S.C. 1985, c. B-1].
- Bankruptcy Code, 11 U.S.C.
- Courts of Justice Act, R.S.O. 1990, c. C.43 —
- s. 101
- Income Tax Act, R.S.C. 1985, c. 1 (5th Supp.) —
- s. 88

Ground J.:

1 This is a motion brought by the plaintiff, Swiss Bank Corporation (Canada) ("Swiss Bank") for the appointment of a receiver and manager of the property, undertaking and assets of the defendants, Odyssey Industries Incorporated ("Odyssey") and Weston Road Cold Storage Company ("Weston").

Factual Background

2 Odyssey and Weston are part of a group of entities controlled by Joseph Robichaud ("Robichaud") which carry on business in Ontario, Quebec and the Maritime Provinces. The business is based upon the storage of frozen foods in large cold-storage warehouse facilities. Other entities controlled by Robichaud either carry on, or carried on, similar business in Western Canada and in the United States.

3 Odyssey, a corporation controlled by Robichaud, was a holding company. It held 100% of the equity of Associated Freezers of Canada Inc. ("AFC"). AFC operated the freezer business under leases from limited partnerships controlled by Robichaud which held the beneficial ownership of the various cold-storage warehouse facilities. As a result of various transactions recently undertaken by one or more of the Robichaud entities, it is in issue as to which corporation or entity manages the business, or has beneficial ownership of the various warehouse properties at this time.

4 Seven cold-storage warehouse plants are registered in the name of 606327 Ontario Limited ("606327"). They are situated in Ontario, Quebec, New Brunswick, Nova Scotia and Newfoundland. Until recently, 606327 held the properties in trust for a limited partnership registered in Ontario as The Polar-Freez Limited Partnership ("Polar-Freez"). Ninety percent of the limited partnership units of Polar-Freez were owned by AFC.

5 Two cold-storage warehouse facilities are owned by the defendant Weston which is a limited partnership registered in Ontario.

6 On December 13, 1988, Swiss Bank advanced approximately \$47.5 million (the "Odyssey Loan") to Associated Investors Partnership ("Associated Investors"), one of the partners of which was Odyssey. The loan was repayable on demand. Associated Investors advanced the funds to Odyssey.

7 The security Swiss Bank received for the Odyssey Loan included:

(a) assignments by Odyssey of \$30 million and \$39 million mortgages (the "Polar-Freez Mortgages") from 606327 to Odyssey, each mortgage being registered over the seven cold-storage warehouse plants beneficially owned by Polar-Freez. The mortgage terms included an obligation to pay all taxes when due; and

(b) a fixed and floating charge debenture (the "Odyssey Debenture") in the amount of \$47.5 million given by Odyssey over all of its assets as a general and continuing collateral security. The Odyssey Debenture contained standard provisions dealing with events of default and remedies, including the right to apply to a court for the appointment of a receiver and manager.

8 The Odyssey Loan was payable on demand. By letters dated July 22, 1994, Swiss Bank demanded payment of outstanding arrears and principal to be made no later than September 6, 1994. Payment was not made. Principal outstanding as of November 20, 1994 was \$48,959,148.48. As of November 20, 1994, there was \$1,178,241.19 of arrears of interest owing.

9 Municipal property taxes on the seven Polar-Freez properties are in arrears of approximately \$2.5 million. These arrears have existed over various periods of time within the past two years.

10 On December 4, 1989, Swiss Bank agreed to renew an existing facility in favour of Weston in an amount not to exceed \$10,179,750 (the "Weston Loan"). The loan was repayable on December 31, 1994, or in the event of default, on demand.

11 The security Swiss Bank received for the Weston Loan included:

(a) a collateral mortgage in the amount of \$13 million over the two warehouses owned by Weston. The mortgage provided that Weston was to pay all municipal taxes when due;

(b) a general security agreement over the assets and undertaking of Weston containing standard terms describing the events of the default and remedies available, including the right of Swiss Bank to apply to court for the appointment of a receiver and manager; and

(c) guarantees by Odyssey and Robichaud of the indebtedness of Weston to the amounts of \$13 million and \$3.5 million respectively.

12 Principal payments on the Weston Loan of \$150,000 were due on December 31 each year commencing in 1990. No payments of principal were made and therefore as of December 31, 1993, and thereafter, \$600,000 in principal payments were in arrears. The Weston Loan agreement provided for a hedge account to be funded by Weston. The purpose of this account was to provide protection to Swiss Bank as a hedge against any adverse movements in foreign exchange rates in the event that Weston transferred its obligations into Swiss francs. An initial deposit of \$1 million was made by Weston to the hedge account at the end of December 1989 as required. Further payments of \$350,000 per annum commencing on December 31, 1990 were required; however, the only payment made was a further \$15,000 payment on July 31, 1992. The hedge account is in arrears of \$1,040,000. Municipal tax arrears against the Weston properties of approximately \$1 million have been outstanding for approximately two years.

13 By letter dated July 22, 1994, Swiss Bank demanded payment in full of outstanding principal plus interest by September 6, 1994. Payment was not made. Principal outstanding as of November 29, 1994 was \$11,334,907.93. Loan interest payments have been in default since March 31, 1994. The amount of interest outstanding to November 29, 1994 is \$203,686.70.

14 In the Spring of 1994, the Robichaud Group presented a restructuring plan that included a reverse take-over of a new Robichaud corporation named Polar Corp. International ("Polar Corp.") by a V.S.E.-traded corporation.

15 The restructuring plan contemplated: (i) Polar Corp acquiring the seven warehouses from Polar-Freez; (ii) a transfer of AFC's ownership interest in Polar-Freez to a corporation named Pacific Eastern Equities Inc. ("Pacific Eastern"), a corporation controlled by Robichaud with no substantial assets; (iii) a winding-up of AFC under s. 88 of the *Income Tax Act*, and conveyance of its assets to Odyssey; (iv) a sale of the leasehold interest of Odyssey (now the tenant) in the seven warehouses to Polar Corp.

16 It appears from the documents before the court that certain conveyances and transfer documents and agreements were entered into pursuant to the restructuring plan and there are letters and memoranda before the court referring to certain assets having been transferred in accordance with the restructuring plan. There is also before the court a master agreement made as of October 31, 1994 (the "Master Agreement") among Odyssey, Weston, their affiliated companies, Robichaud and Swiss Bank, which appears to provide that the restructuring plan will not be effective, or to the extent that it has already been effected, it will be reversed, unless certain aspects of the restructuring plan have been settled to the satisfaction of Swiss Bank. Section 2.21 of the Master Agreement provides as follows:

If:

(a) by 5 p.m. on November 4, 1994, the matters referred to in Sections 2.17(c) and (d) and 2.18(b) shall not have been agreed to;

(b) any payment required under Section 2.20 shall not be made when due;

(c) by 5 p.m. on November 4, 1994 (i) the Robichaud Group shall not have provided SBCC with complete particulars of the debts, obligations and liabilities (whether absolute or contingent, matured or not) of each of AFC and Odyssey (including, without limitation, obligations in respect of taxes), describing the creditor, the amount of the debt, obligation or liability and the nature thereof, or (ii) SBCC shall not be satisfied with the amount of such liabilities and that AFC shall have sufficient assets to and shall be able to satisfy all such debts, obligations and liabilities; or

(d) by 5 p.m. on November 4, 1994 SBCC shall not be satisfied as to the tax consequences of the transactions contemplated by this Agreement,

this Agreement shall terminate on notice by SBCC and shall be of no further force and effect.

17 It appears to be agreed that the conditions set out in s. 2.21 of the Master Agreement were not fulfilled.

Submissions

18 It is the position of counsel for Swiss Bank that the transfers of assets contemplated by the Master Agreement did in fact take place and that the cancellation of the leases to AFC which were assigned to Odyssey on the wind-up of AFC constituted a breach of the covenant of Odyssey contained in the Odyssey Debenture not to dispose of any part of the charged premises except in the ordinary course of business. It is his further submission that, if I should find that the transactions contemplated by the restructuring plan did not in fact take place, there is still ample evidence before the court that the Odyssey Loan and the Weston Loan were in default and that Swiss Bank is entitled to the appointment of a receiver.

19 With respect to the restructuring plan, counsel for Swiss Bank points out that a number of the letters and memoranda and several statements contained in the affidavits of Robichaud, all submitted to the court, refer to the transactions as having taken place and the assets having been transferred in accordance with the restructuring plan. There is no reference anywhere to the transfer documents being held in escrow pending the approval by Swiss Bank to the restructuring plan. He submits that the Master Agreement is of no legal effect in that Swiss Bank gave notice that it was not satisfied as to the tax aspects of the restructuring plan and, accordingly, the situation remains as it was before the Master Agreement was entered into.

20 With respect to other defaults, counsel for Swiss Bank refers to the following: the fact that interest is in arrears on the Odyssey Loan in an amount in excess of \$1,100,000; that demand has been made for payment of the principal of the Odyssey Loan and such payment has not been made; that there are tax arrears on the Polar-Freez properties in an amount in excess of \$2,500,000; that there are principal payments of \$600,000 in arrears on the Weston Loan, and that the annual payments of \$350,000 required to have been made to the hedge account under the Weston Loan have not been made; that there is interest in default on the Weston Loan in the amount of \$203,000; that there are municipal tax arrears on the Weston properties in amounts in excess of \$1,000,000; that a demand for payment of the principal amount of the Weston Loan has been made and that the principal has not been paid. It is his submission that, whether or not a transfer of assets in breach of the provisions of the Odyssey Debenture has occurred pursuant to the restructuring plan, the existence of all of the other defaults under the Odyssey Loan and the Weston Loan entitle Swiss Bank to the appointment of a court appointed receiver. It also appears to be his position that the transfer by Odyssey of certain term deposits to affiliates in the United States constitutes a diversion of funds from Odyssey such that the court ought to find that the security for the Odyssey Loan and the ability of Odyssey to repay the Odyssey Loan are in jeopardy.

21 Counsel for Odyssey and Weston submit that Swiss Bank is not entitled to the appointment of a receiver for a number of reasons. First, they submit that the Odyssey Loan is illegal and, accordingly, the security for such loan is void and unenforceable. It is their position that the Odyssey Loan when originally made was in breach of regulations under the *Bank Act*, S.C. 1980-81-82-83, c. 40 (the "*Bank Act*") in that the loan could not be made

by Swiss Bank as it would have been in breach of the large loan to capital ratios specified in regulations under the *Bank Act* and, accordingly, the loan was referred to Swiss Bank's parent corporation in Switzerland and was arranged through the parent corporation and one of its other affiliates.

22 Second, counsel alleges that Swiss Bank is in breach of certain provisions of the commitment letters for both the Odyssey Loan and the Weston Loan by refusing to agree to certain conversions of the loans from Swiss francs to Canadian dollars on several occasions at the request of the borrowers made pursuant to the terms of the commitment letters. In refusing to allow such conversions, counsel submit that Swiss Bank was not only in breach of the terms of the commitment letters, but was also in breach of its fiduciary duty to the borrowers in that Swiss Bank had undertaken to give advice to the borrowers as to the structure of the loans and as to currency conversions.

23 Third, counsel for Odyssey and Weston point out that Swiss Bank is not seeking the appointment of an interim receiver pending trial of this action, but is seeking the appointment of a court appointed receiver and manager to take over the business, undertaking and assets of Odyssey and Weston to enforce the security held by Swiss Bank and effect repayment of the Odyssey Loan and the Weston Loan. Counsel submit that under the provisions of s. 101 of the C.J.A., a receiver and manager may be appointed where it appears to a judge of the court to be just or convenient to do so, and that, in seeking the appointment of a receiver and manager, Swiss Bank is seeking an equitable remedy. It is the position of counsel for Odyssey and Weston that to appoint a receiver in this case would be unjust and inequitable. They submit that there is no risk of irreparable harm to Swiss Bank if a receiver is not appointed pending the trial of the oppression action commenced by Swiss Bank. There are certificates of pending litigation registered against the properties and there is an outstanding order restricting the disposition of any assets of Odyssey and Weston. In addition, Robichaud and the Robichaud group are prepared to give an undertaking to the court that there will be no expenditures of cash outside the ordinary course of business pending the trial of the action. It is further submitted that, if it is determined at trial that the assets have been transferred in accordance with the restructuring plan, there is very little in Odyssey for a receiver to administer and that, if it is determined that the assets remain in Odyssey and Polar-Freez, a sale of such assets by the receiver would result in a substantial tax liability and Swiss Bank would not recover an amount which would substantially decrease the principal amount of the Odyssey Loan. In addition, counsel submits that to appoint a receiver would be inequitable in view of Swiss Bank's acquiescence in the asset transfer since the Spring of 1994. Further, it is submitted, the appointment would result in extreme hardship to the borrowers, that Swiss Bank does not come to court with clean hands in view of its refusal to permit conversions of the loans and that any receiver and manager appointed to run the business of Odyssey and Weston would not have the background and experience of Robichaud in the operation of the business.

24 With respect to the diversion of funds to affiliates in the United States, counsel for Odyssey and Weston submit that there is no evidence that the transfer of the deposit receipts was for any improper purpose or was not in the ordinary course of business in view of the history of relationships among the Robichaud group of companies and, in any event, does not constitute evidence that the security for the Swiss Bank loans was in jeopardy or materially affect the ability of the borrowers to repay such loans.

Reasons

25 I shall deal first with the status of the restructuring plan and the effect of the Master Agreement. I accept the submission of counsel for Swiss Bank that there are many references in correspondence, memoranda and affidavits to the transactions contemplated by the restructuring plan having taken place and assets having been transferred and that there is no reference in any of such documents to the agreements or transfers having been made in escrow pending the approval of the restructuring plan by Swiss Bank. It seems to me, however, that the effect of the Master Agreement is either that such transactions are reversed, or that they shall be deemed never to have taken place. Section 5.4 of the Master Agreement provides:

In case any of the conditions set out in Section 5.3 shall not have been fulfilled and/or performed within the time specified for such fulfilment and/or performance, or if SBCC determines that any condition might not be

fulfilled or performed as required, SBCC may terminate this Agreement by notice in writing to the Robichaud Group. Each member of the Robichaud Group expressly acknowledges that its obligations to SBCC shall be deemed not to be assigned, transferred, amended or restated as contemplated hereby until all of the foregoing conditions precedent have been satisfied or waived in writing by SBCC. If such conditions be terminated under Section 2.21, this Agreement and all transactions contemplated hereby including, without limitation, the transactions contemplated by Article II shall be of no force or effect and the obligations of the Robichaud Group to SBCC and defaults under such obligations then existing shall continue and SBC shall be entitled immediately and without further notice or delay, to exercise any and all remedies available to it in respect of such defaults.

26 One could become embroiled in a metaphysical debate as to whether the effect of such section is that the transactions having taken place have been reversed or that the transactions are deemed never to have taken place. Whichever is the case, there has either been a default under the Odyssey Debenture which has been rectified, or no default under the Odyssey Debenture has taken place. Accordingly, it is not, in my view, grounds for the appointment of a receiver and manager by Swiss Bank. I am also not satisfied that the rather confused transactions involving the term deposits in the United States constitute grounds for the appointment of a receiver. It appears that the transfers of the term deposits to the United States were for valid business reasons, i.e. to provide security for the performance of a lease or for the approval of a proposal under c. 11. There is no evidence to support the contention of counsel for Swiss Bank that the failure to reflect one of the transfers of such term deposits on the books of AFC was part of some nefarious plot to divert assets of the Robichaud Group companies. Accordingly, I am not persuaded that these transactions constitute a basis for determining that the security for the loans was in jeopardy, or that the ability of Odyssey and Weston to pay the loans was materially effected by these transactions so as to satisfy the court that it would be just and convenient on this ground to appoint a receiver and manager.

27 It appears, however, that the other defaults under both the Odyssey Loan and the Weston Loan referred to by counsel for Swiss Bank, would of themselves provide ample justification for the appointment of a receiver and manager. One must then consider the submissions made by counsel for Odyssey and Weston that, in this case, it would be unjust and inequitable to order such appointment.

28 The first submission of counsel for Odyssey and Weston is that there is no risk of irreparable harm to Swiss Bank if a receiver is not appointed as certificates of pending litigation have been filed against the real estate properties involved, and there is an existing order restraining the disposition of other assets. I know of no authority for the proposition that a creditor must establish irreparable harm if the appointment of a receiver is not granted by the court. In fact, the authorities seem to support the proposition that irreparable harm need not be demonstrated (see *Bank of Montreal v. Apcon Ltd.* (1981), 33 O.R. (2d) 97 (S.C.)).

29 The second submission of counsel for Odyssey and Weston is that there would be no substantial benefit to Swiss Bank resulting from the appointment in that, if it is determined that the assets have been transferred to Polar Corp., there is very little in Odyssey for a receiver to administer. Having found that the effect of the termination of the Master Agreement is that either the transfer of assets has been reversed or is deemed not to have taken place, substantial assets remain in Odyssey and its subsidiaries and a receiver would be in a position to administer such assets and business or to realize upon them to satisfy the indebtedness owing to Swiss Bank. Accordingly, I do not accept the submission that there is no substantial benefit to Swiss Bank from the appointment of a receiver.

30 Counsel for Odyssey and Weston submit that Swiss Bank acquiesced in the transfer of assets since the Spring of 1994, and that accordingly, it would be inequitable to appoint a receiver at this time. My reading of the material before this court is that, although Swiss Bank was aware of the intended restructuring plan and the motivation for such plan, it was concerned throughout about the effect that such plan would have on its security position and the tax ramifications of such plan, and at no time indicated its acquiescence in, or approval of, the plan.

31 With respect to the hardship to Odyssey and Weston should a receiver be appointed, I am unable to find any evidence of undue or extreme hardship. Obviously the appointment of a receiver always causes hardship to the debtor in that the debtor loses control of its assets and business and may risk having its assets and business sold. The situation in this case is no different. If the borrowers are able to arrange new financing to pay off the loan, the receiver will be discharged and there appear to be no unusual circumstances prohibiting Odyssey and Weston from seeking new financing to pay off the outstanding loans to Swiss Bank and regaining control of their assets and business. Similarly, the fact that any receiver and manager appointed would not have the background and expertise in running the business that Robichaud has is no reason not to grant the appointment. In most situations, the receiver and manager will not have the same expertise as the principals of the debtor and may retain the principals to manage the day-to-day operation of the business during the receivership period. This circumstance does not in my view establish that it would be unjust or inequitable to appoint a receiver.

32 The first submission of counsel for Odyssey and Weston is that the Odyssey Loan was illegal and accordingly the security for such loan is void and unenforceable. The illegality is alleged to have arisen from the fact that Swiss Bank would not have been able to make the original loan to Odyssey itself without being in breach of certain regulations under the *Bank Act*. I am unable to accept this submission for two reasons. The initial loan made in 1985 has been repaid and it is security for the new loan made in 1989 which is now sought to be enforced. There is so far as I am aware no allegations that Swiss Bank was unable to make the new loan in 1989. In any event, Swiss Bank did not make the original 1985 loan; rather, it arranged for the loan to be made by its parent company in Switzerland and an European affiliate of its parent company, neither of whom would have been subject to the regulations under the *Bank Act*. Accordingly, I fail to see how the original loan could be said to be illegal when the loan was not made by an institution subject to the regulations under the *Bank Act*. Moreover, the decision of the Ontario Court of Appeal in *Sidmay Ltd. v. Wehtam Investments*, [1967] 1 O.R. 508, affirmed [1968] S.C.R. 828 would seem to stand for the proposition that, even if a loan is made in contravention of a statute or regulation governing the lending institution, such loan is still enforceable by the lending institution.

33 Counsel for Odyssey and Weston further submit that Swiss Bank did not come to court with clean hands in view of the fact that it was in breach of the provisions of the commitment letters governing the Odyssey Loan and the Weston Loan by virtue of its failure to allow certain currency conversions, and was also in breach of its fiduciary duty to the borrowers in that it had undertaken to give advice with respect to the structure of the loans and the provision for currency conversion. I can see that the language of the two commitment letters dealing with currency conversions is not abundantly clear and there is little evidence before this court as to whether the requests for currency conversions were properly made on the appropriate dates and with the appropriate notice.

34 There is also very little evidence before this court to establish that this a situation of special relationship or exceptional circumstances where a lender would be found to have a fiduciary duty to its borrower in that the relationship between them goes beyond the normal relationship of borrower and lender. The Supreme Court of Canada recently dealt with the law of fiduciaries in *Hodgkinson v. Simms*, September 30, 1994, (unreported) [now reported at [1994] 9 W.W.R. 609]. At pp. 20-22 [pp. 629-630] of his reasons, LaForestJ. stated:

In *LAC Minerals* I elaborated further on the approach proposed by Wilson J. in *Frame v. Smith*. I there identified three uses of the term fiduciary, only two of which I thought were truly fiduciary. The first is in describing certain relationships that have as their essence discretion, influence over interests, and an *inherent* vulnerability. In these types of relationships, there is a rebuttable presumption, arising out of the inherent purpose of the relationship, that one party has a duty to act in the best interests of the other party. Two obvious examples of this type of fiduciary relationship are trustee-beneficiary and agent-principal. In seeking to determine whether new classes of relationships are per se fiduciary, Wilson J.'s three-step analysis is a useful guide.

As I noted in *LAC Minerals*, however, the three-step analysis proposed by Wilson J. encounters difficulties in identifying relationships described by a slightly different use of the term "fiduciary", viz., situations in which fiduciary obligations, though not innate to a given relationship, arise as a matter of fact out of the specific circumstances of that particular relationship ... In these cases, the question to ask is whether, given all the surrounding circumstances, one party could reasonably have expected that the other party would act in the former's best interests with respect to the subject matter at issue. Discretion, influence, vulnerability and trust were mentioned as non-exhaustive examples of evidential factors to be considered in making this determination.

Thus, outside the established categories, what is required is evidence of a mutual understanding that one party has relinquished its own self-interest and agreed to act solely on behalf of the other party. ...

In relation to the advisory context, then, there must be something more than a simple undertaking by one party to provide information and execute orders for the other for a relationship to be enforced as fiduciary. For example, most everyday transactions between a bank customer and banker are conducted on a creditor-debtor basis; see *Canadian Pioneer Management Ltd. v. Saskatchewan (Labour Relations Board)*, [1980] 1 S.C.R. 433 ; *Thermo King Corp. v. Provincial Bank of Canada* (1981), 34 O.R. (2d) 369 (C.A.), leave to appeal refused, [1982] 1 S.C.R. xi (note)

35 La Forest J. then makes the following comments about commercial transactions at pp. 26-27 [pp. 632-633]:

Commercial interactions between parties at arm's length normally derive their social utility from the pursuit of self-interest, and the courts are rightly circumspect when asked to enforce a duty (i.e., the fiduciary duty) that vindicates the very antithesis of self-interest ... No doubt it will be a rare occasion where parties, in all other respects independent, are justified in surrendering their self-interest such as to invoke the fiduciary principle.

36 The commercial transactions among the parties to this action do not appear to me to be those rare occasions where the fiduciary principle would be invoked.

37 In any event, in my view, such allegations of breach of contract and breach of fiduciary duty would have to be established by the borrowers in an action in damages against Swiss Bank and such damages may well be offset against the amounts owing under the Odyssey Loan and the Weston Loan. The fact that such allegations are being made at this time does not, however, constitute a reason for refusing to grant the appointment of a receiver at this time or convince me that it would be unjust or inequitable to do so. It has not been suggested that the damages which might be awarded to Odyssey and Weston, should they be successful in any such action, would be sufficient to pay off the Odyssey Loan and the Weston Loan. In fact, the limited evidence before the court as to the damages to which Odyssey and Weston would be entitled would seem to indicate that such damages would fall far short of the amount necessary to pay off the two loans.

38 In summary, although I am not satisfied that at this time there exists any default resulting from a transfer of assets pursuant to the restructuring plan or that the transfer of the deposit receipts to affiliates in the United States constitutes grounds for the appointment of a receiver, the existence of the other defaults with respect to interest payments, principal payments, arrears of taxes and failure to pay principal on demand, in my view, justifies the appointment of a receiver and none of the submissions put forward by counsel for Odyssey and Weston convinces me that it would be unjust or inequitable to grant such appointment.

39 Accordingly, an order will issue, substantially in the form of the order annexed as Sched. "A" to the notice of motion, appointing Coopers & Lybrand Limited as receiver and manager of the property, undertakings and assets of Odyssey and Weston. If counsel are unable to settle the terms of such order, they may attend upon me. Counsel may also make oral or written submissions to me as to the costs of this motion.

Motion allowed.

Tab 6

1989 CarswellAlta 343
 Alberta Court of Queen's Bench

Citibank Canada v. Calgary Auto Centre

1989 CarswellAlta 343, [1989] A.W.L.D. 622, [1989] C.L.D. 813, [1989] A.J. No. 347, 15 A.C.W.S. (3d) 229, 58 D.L.R. (4th) 447, 75 C.B.R. (N.S.) 74, 98 A.R. 250

**CITIBANK CANADA v. CALGARY AUTO CENTRE;
 CITIBANK CANADA v. WESTERN SECURITIES LIMITED**

D.C. McDonald J.

Judgment: April 26, 1989

Docket: Calgary Nos. 8801-12922, 8801-12923

Counsel: *L.R. Duncan*, for plaintiff.

B.R. Crump, for defendants.

Related Abridgment Classifications

Debtors and creditors

VII Receivers

VII.3 Appointment

VII.3.b Application for appointment

VII.3.b.iii Grounds

VII.3.b.iii.D Irreparable harm

Headnote

Receivers --- Order appointing receiver

Receivers — Jurisdiction of court to appoint — Dispute existing as to whether default occurred under loan agreement — Court confirming appointment of receiver to hold rents in trust pending determination of litigation between debtor and bank — Judicature Act, s. 13(2), allowing appointment where "just or convenient" not different from Law of Property Act, s. 45(1.1), requiring appointment where "just and equitable" — Appointment appropriate where debtor not suffering irreparable harm, balance of convenience favouring receivership and no substantial equity in property.

In the first of two actions, the defendant A.C. borrowed money to finance the purchase of several commercial building sites, and a building was constructed on one of them. A.C. gave the bank a debenture, general and specific assignments of rents, and second mortgages on the other commercial sites. The second mortgages were subject to a first fixed mortgage to B. Co. The defendant in the second action, W. Ltd., provided further security for the bank's loan to A.C. by granting mortgages on certain commercial and residential properties. The loan agreement between the bank and A.C. also provided that any default on another specified loan between the bank and R. Ltd. would constitute an event of default in the agreement between the bank and A.C. In May 1988 the bank alleged a default by R. Ltd. and called its loan. Concurrently, the bank contacted A.C. and, on the strength of R. Ltd.'s default, asserted that A.C. was in default under the debenture. A.C. argued that since R. Ltd. was contesting the action of the bank against it, no act of default had yet occurred. However, A.C. had also defaulted on its security obligations since May 1988. Three of the building sites were sold by A.C., leaving the claim of the bank at \$3,519,720.43. B. Co. obtained an order nisi under its first mortgage security and was in a position to advertise the lands which remained unsold. A.C. received approximately \$32,000 per month in lease payments, and W. Ltd.'s properties produced gross rents of \$77,000 per month. In regard to these rents, the bank applied for and obtained a receivership order, from which A.C. and W. appealed.

Held:

Appeal dismissed; order confirmed subject to certain variations.

The receivership application was made under s. 13(2) of the Judicature Act and s. 45 of the Law of Property Act. The Judicature Act requires that granting such an order be just or convenient in the circumstances, while the Law of Property Act requires that it be just and equitable to do so. The recent amendment to the Law of Property Act by the addition of s. 45(1.1) means the position under s. 45(1) is assimilated with that under s. 13(2) of the Judicature Act, and there is no real difference between them. Further, unless a mortgagor can point to reasons why the appointment of a receiver will prejudice his position, it is difficult to see why a mortgagee should not be entitled to a receiver, regardless of the equity position. As long as a receiving order ensures that any funds collected are not placed at the disposal of the bank until related disputes are settled, the rights of the mortgagor will not be adversely affected, nor will its ability to assert those rights be impeded. As the point of granting this order was only to preserve the rents and to prevent sale of the property by B. Co. for taxes, the order would not irreparably harm the interests of the other defendants. The factors to be balanced included: whether irreparable harm could occur if no order were made, the risk to the security holder, the apprehended waste of the debtor's assets, the preservation and protection of the property pending judicial resolution, the balance of convenience, and the enforcement of rights under a security instrument where the security holder encounters or expects to encounter difficulty. In the absence of a receivership order there was no guarantee that the rents would not be used for collateral purposes by the defendants. A receiver could ensure protection of the property by paying ongoing operating costs. The balance of convenience would favour the order. The rent held in trust would be held on behalf of the parties to the action alone. For all these reasons, the granting of the receiving order should be confirmed. The original order should be amended to require the giving of an undertaking as to damages by the bank and the deleting of a provision permitting payment of the balance of rents to the bank. Instead, the receiver should be obliged to hold the moneys in trust pending the conclusion of litigation.

Table of Authorities

Cases considered:

C.I.B.C. v. El Dorado Hldg. Ltd., Alta. C.A., No. 15672, 14th October 1983 (unreported) — *considered*
Greville v. Fleming (1845), 2 Jo. & Lat. 335 — *distinguished*
Macotta Co. of Can. v. Condor Metal Fabricators Ltd. (1979), 35 C.B.R. (N.S.) 144 (Alta. Q.B.) — *distinguished*
Madison Dev. Corp. v. Mehra (1981), 40 C.B.R. (N.S.) 180 (Alta. Q.B.) — *distinguished*
Marshall v. Charteris, [1920] 1 Ch. 520 (C.A.) — *distinguished*
N.A. Properties Ltd. v. Ronald J. Young Prof. Corp. (1982), 43 C.B.R. (N.S.) 152, 20 Alta. L.R. (2d) 399 (Q.B.) — *not followed*
R. v. Miller, [1977] 2 S.C.R. 680, [1976] 5 W.W.R. 711, 38 C.R. (N.S.) 139, 70 D.L.R. (3d) 324, 31 C.C.C. (2d) 177 [B.C.] — *considered*

Statutes considered:

Judicature Act, R.S.A. 1980, c. J-1

s. 13(2)

Law of Property Act, R.S.A. 1980, c. L-8

s. 45 [am. 1983, c. 97, s. 2(6); 1984, c. 24, s. 5]

Authorities considered:

Bennett on Receiverships (1985), p. 91.

39 Hals. (4th) 408.

Kerr on Receivers, 7th ed. (1921), p. 7.

Price and Trussler, Mortgage Actions in Alberta (1985), pp. 308-309.

Words and phrases considered:**JUST AND EQUITABLE**

With respect to the authors [[F.C.R.] Price and [M.J.] Trussler, *Mortgage Actions in Alberta* ([Calgary: Carswell,] 1985)], I would not regard the two facts referred to as being the "primary" factors governing the appointment of a receiver of rents pursuant to s. 45(1) [of the *Law of Property Act*, R.S.A. 1980, c. L-8]. If that had been the intention of the legislature, there would have been no need to add the requirement that the court appoint a receiver if the court "considers it just and equitable to do so". In my view, that additional requirement dictates that the court must consider all circumstances that are relevant to doing justice and equity between the parties.

The result is that, in my opinion, the position under s. 45(1) of the *Law of Property Act* is assimilated with that under s. 13(2) of the *Judicature Act* [R.S.A. 1980, c. J-1]. I can see no real difference between searching for what is "just and equitable" and for what is "just or convenient". There may be circumstances (e.g., of emergency) in which it is "convenient" to appoint a receiver in an interlocutory order when it is not clear that to do so is just or equitable, but it is hard to think of any such circumstances when what is convenient would not also be what is just, especially if the intent is only to preserve the rents for ultimate allocation between the parties once their dispute is adjudicated upon.

. . . it is difficult to imagine circumstances in which it would be just to order the appointment of a receiver unless it were also convenient to do so. A similar observation may be made as to the phrase "just and equitable" . . . those combinations of words are not to be treated "as conjunctive in the sense of requiring a rigidly separate assessment of each word," but "rather as interacting expressions colouring each other, so to speak, and hence, to be considered together as a compendious expression of a norm" [Laskin C.J.C. in *R. v. Miller* (1976), 70 D.L.R. (3d) 324 at p. 332 (S.C.C.)].

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I do not doubt that the existence of a substantial equity may, in some circumstances, assume a dominant position among the factors to be taken into account in deciding what is "just and equitable".

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I turn now to whether in the present case it is "just or convenient" or "just and equitable" to appoint a receiver of the rents. In my view both those tests are interchangeable and are met in the circumstances. A useful summary of the circumstances that ought to be considered is found in [F.] Bennett on *Receiverships* ([Toronto: Carswell,] 1985), p. 91, as follows:

In determining whether it is "just or convenient" that a receiver should be appointed, the court will consider many factors which will vary in the circumstances of the case. The court will consider whether irreparable harm might be caused if no order were made, the risk to the security holder, the apprehended or actual waste of the debtor's assets, the preservation and protection of the property pending the judicial resolution, the balance of convenience to the parties and the enforcement of rights under a security instrument where the security holder encounters or expects to encounter difficulty with the debtor and others. In many cases, a security holder whose instrument charges all or substantially all of the debtor's property will request a court-appointed receivership if the debtor is in default.

In the present case I think that, again bearing in mind that the limited order which I intend to make is only to preserve the rents and prevent the sale of the property by Burnco for taxes, the order will not irreparably harm the interests of the defendants.

JUST OR CONVENIENT

With respect to the authors [F.C.R. Price and M.J. Trussler, *Mortgage Actions in Alberta* (Calgary: Carswell, 1985)], I would not regard the two facts referred to as being the "primary" factors governing the appointment of a receiver of rents pursuant to s. 45(1) [of the *Law of Property Act*, R.S.A. 1980, c. L-8]. If that had been the intention of the legislature, there would have been no need to add the requirement that the court appoint a receiver if the court "considers it just and equitable to do so". . . . that additional requirement dictates that the court must consider all circumstances that are relevant to doing justice and equity between the parties.

The result is that . . . the position under s. 45(1) of the *Law of Property Act* is assimilated with that under s. 13(2) of the *Judicature Act* [R.S.A. 1980, c. J-1]. I can see no real difference between searching for what is "just and equitable" and for what is "just or convenient". There may be circumstances (e.g., of emergency) in which it is "convenient" to appoint a receiver in an interlocutory order when it is not clear that to do so is just or equitable, but it is hard to think of any such circumstances when what is convenient would not also be what is just, especially if the intent is only to preserve the rents for ultimate allocation between the parties once their dispute is adjudicated upon.

. . . it is difficult to imagine circumstances in which it would be just to order the appointment of a receiver unless it were also convenient to do so. . . . those combinations of words are not to be treated "as conjunctive in the sense of requiring a rigidly separate assessment of each word". but "rather as interacting expressions colouring each other, so to speak, and hence, to be considered together as a compendious expression of a norm". [Laskin C.J.C. in *R. v. Miller* (1976), 70 D.L.R. (3d) 324 at p. 332 (S.C.C.)].

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I turn now to whether in the present case it is "just or convenient" or "just and equitable" to appoint a receiver of the rents. In my view both those tests are interchangeable and are met in the circumstances. A useful summary of the circumstances that ought to be considered is found in [F.] Bennett on Receiverships ([Toronto: Carswell,] 1985), p. 91, as follows:

In determining whether it is "just or convenient" that a receiver should be appointed, the court will consider many factors which will vary in the circumstances of the case. The court will consider whether irreparable harm might be caused if no order were made, the risk to the security holder, the apprehended or actual waste of the debtor's assets, the preservation and protection of the property pending the judicial resolution, the balance of convenience to the parties and the enforcement of rights under a security instrument where the security holder encounters or expects to encounter difficulty with the debtor and others. In many cases, a security holder whose instrument charges all or substantially all of the debtor's property will request a court-appointed receivership if the debtor is in default.

In the present case . . . again bearing in mind that the limited order which I intend to make is only to preserve the rents and prevent the sale of the property by Burnco for taxes, the order will not irreparably harm the interests of the defendants.

D.C. McDonald J.:

1 This is an appeal from a decision of Master Alberstat who granted a receivership order in favour of a mortgagee, in regard to rents to be received by the mortgagors on several commercial premises.

2 There are two actions. In each the plaintiff is Citibank ("the bank"). The defendant in one action is Calgary Auto Centre Ltd. ("Auto Centre"). It borrowed money from the bank to finance the purchase of certain land in Calgary. The land consisted of about a dozen commercial building sites. On one of these, Auto Centre built a commercial building. As security it granted the bank a debenture (which may be described as a mortgage) as well as general and specific assignment of rents. It leases that building to a Mercedes-Benz car dealership. That land is referred to as the "Mercedes land". Auto Centre also granted the bank a second mortgage on the other commercial

sites in the proximity of the Mercedes land. All these sites were subject to a fixed mortgage in favour of Burnco, which had sold the lands to Auto Centre.

3 The defendant in the other action is Western Securities Limited ("Western"). It gave Citibank a second mortgage and assignment of rents on a commercial property in Calgary. It gave an assignment of rents on a commercial property in Banff. The buildings on both properties are leased to commercial tenants. Western also gave the bank a general mortgage and assignment of rents on a 100-unit townhouse development in Calgary. These mortgages were given as security for the loan by the bank to Auto Centre.

4 The bank advanced \$6,067,749.29 in principal to Auto Centre. Auto Centre also owed the bank \$75,000 for letter of credit commission. In May 1988 Auto Centre received a letter from the bank asserting that the Auto Centre was in default under the debenture. It relied on a provision of the loan agreement between the bank and Auto Centre that stated that any default pursuant to *another* specified loan agreement would constitute an event of default for the purposes of the loan agreement between the bank and Auto Centre. That other loan agreement was between the bank and the Renaissance Shopping Centre Ltd. ("Renaissance") in respect of other lands that Renaissance had proposed to develop. The bank had agreed to provide certain financing for that development. There was thus a linkage between securities granted by the Auto Centre and Western to the bank and the lender-borrower relationship between the bank and Renaissance. This linkage is referred to by counsel as "cross-collateralization".

5 In May 1988 the bank wrote to Renaissance alleging default in Renaissance's obligation to repay to the bank all the money (some \$21,000,000) which had been advanced by the bank to Renaissance. The bank then sued Renaissance for judgment for the full amount of principal and interest. Renaissance defended and counter-claimed. It alleged that the relationship that developed between the bank and Renaissance in 1986 to April 1988 went beyond that of lender and borrower, and that the bank and Renaissance were in reality joint venturers. The bank applied to a master for summary judgment. That application was dismissed. The bank appealed. On 31st March 1989, after hearing oral argument, I held that the application for summary judgment should fail, and accordingly I dismissed the appeal. I gave a detailed order designed to expedite the progress of the case to trial.

6 In reaching my conclusion that there should not be summary judgment I held that, on the basis of the evidence placed before me, there was a triable issue. In view of that holding, in the present appeal Mr. Crump, solicitor for Auto Centre and for Western (as well as for Renaissance in the earlier appeal), argued that there has not been default. I need not decide whether the circumstances of disputed default of the Renaissance obligation entail that there has not been default in the obligations of Auto Centre and Western, for, since May 1988, Auto Centre has defaulted in its obligation, pursuant to the security documentation, to pay moneys as they came due under the Burnco mortgage, to pay interest on the bank's mortgage, and not to permit builders' liens to be filed against the Mercedes land.

7 Since the commencement of the bank's actions against Auto Centre and Western, three of the building sites have been sold by Auto Centre to strangers (for use as automobile dealerships). This has resulted in the payment of approximately \$6,704,000 to the bank in reduction of the bank's claim. Because of the accrual of interest, the indebtedness claimed by the bank as at 22nd March 1989 was still \$3,519,720.43, with per diem interest of \$1,390.01 since then.

8 Burnco obtained an order nisi of foreclosure in the fall of 1988. There was a six month period of redemption. That period having since expired, Burnco has the right to proceed to advertise the lands over which it still retains its first mortgage security — that is, the lands (other than the Mercedes land) which remain unsold. The balance owing to Burnco is \$3,253,039.62 as of 1st March 1989 (after allowing for payments made to Burnco out of the proceeds of the three sites that were sold).

9 Mr. Crump says that the bank unreasonably refused to permit the sale of a site to Terra Venture Developments Ltd., but I am not persuaded that Auto Centre's proposed distribution of sale proceeds, which would have resulted in no money being paid to the bank, constituted a reasonable proposal on Auto Centre's part.

10 Rents received by Auto Centre have been used to pay obligations of Auto Centre to other parties in regard to construction of improvements concerning building sites sold to purchasers. These expenditures were not expenditures included among the purposes of the bank's loan to Auto Centre.

11 Mr. Crump argues that there was an agreement between the bank and Western that as building sites were sold and the liability to Burnco was decreased so that the bank's equity in the remaining sites increased, the Western securities held by the bank were to be decreased proportionately. This is denied by Mr. Duncan, solicitor for the bank. That is an issue to be resolved at trial. Meantime, for the purposes of this application, I think it proper to treat the obligations of Western as remaining unabated.

12 The monthly rents received by Auto Centre from Mercedes pursuant to a net-net lease amount to \$32,122.10. The three Western properties produce monthly gross rents totalling \$77,777. After deducting payments due to first mortgages and other prior encumbrances and for reasonable operating expenses and taxes, the balance available, that may be applied to the indebtedness to Citibank, is about \$20,000. Thus, what is in issue in this application, from the point of view of what the bank might ultimately receive, is about \$52,000 a month.

13 The master did not deliver written reasons for granting the receivership order. Mr. Crump says that his oral reasons placed emphasis upon the fact that in their agreements with the bank, Auto Centre and Western had agreed that in the event of default the bank could commence an action for the appointment by the court of a receiver to collect rents. While I do not doubt that that is a factor to be taken into account in deciding what is just or convenient, I do not regard it as the controlling factor.

14 I confirm the order made by the master, subject to certain variations, for the following reasons.

15 The application is made under the provisions of s. 13(2) of the Judicature Act, R.S.A. 1980, c. J-1, and s. 45 of the Law of Property Act, R.S.A. 1980, c. L-8. Section 13(2) of the Judicature Act reads as follows:

(2) An order in the nature of a mandamus or injunction may be granted or a receiver appointed by an interlocutory order of the Court in all cases in which it appears to the Court to be just or convenient that the order should be made, and the order may be made either unconditionally or on any terms and conditions the Court thinks just.

16 Section 45 of the Law of Property Act (including subs. (1.1) which was added by amendment in 1984) reads as follows:

45(1) Notwithstanding section 41, after the commencement of an action on

- (a) a mortgage of land other than farm land, or
- (b) an agreement for sale of land other than farm land,

to enforce or protect the security or rights under the mortgage or the agreement for sale the Court may do one or both of the following:

- (c) appoint, with or without security, a receiver to collect rents or profits arising from the land;
- (d) empower the receiver to exercise the powers of a receiver and manager.

(1.1) If

(a) a mortgage of land or an agreement for sale referred to in subsection (1) is in default, and

(b) rents or profits are arising out of the land that is subject to that mortgage or agreement for sale,

the Court shall, on application by the mortgagee or vendor, appoint a receiver where the Court considers it just and equitable to do so.

17 I shall deal first with s. 45 of the Law of Property Act. Subsection (1) is permissive; at the same time, it does not state any criteria upon which the court is to decide whether to appoint a receiver to collect rents. The new subsection (subs. (1.1)) is mandatory, but only "where the Court considers it just and equitable" to appoint a receiver of rents. Mr. Duncan contends that subs. (1.1) was intended to remove any doubts that might previously have been entertained by the courts of Alberta as to the appointment of a receiver of rents where, for example, there is a substantial equity in favour of the mortgagee or the mortgagor debenture gives the lender the power to appoint a receiver privately. He adopted the view expressed in Price and Trussler, *Mortgage Actions in Alberta* (1985), pp. 308-309, as follows (footnotes omitted):

The use of the word "may" in both s. 13(2) of the Judicature Act, and in s. 45 of the Law of Property Act as it existed before May 1984, resulted in the Court exercising its discretion and refusing to appoint a receiver if it felt that the appointment was inappropriate. Use of the word "may" in a statute, however, does not absolve the Court from its duty to make the appropriate order if a case is made out for it. This interpretation was reinforced in May 1984, when the word "may" in s. 45 was amended to "shall." However, addition of the words "where the Court considers it just and equitable to do so," has confused the exact intention of the Legislature.

Prior to the amendments, it was rare for a receiver to be appointed where there was equity in the property, and where the mortgagee applying for the order was well secured. Where the property was in need of maintenance, or where the application was unopposed or consented to, the Court was more likely to appoint a receiver, notwithstanding the defendant's equity, but if the application were opposed, the Court preferred to exercise its discretion against such appointment and did not feel constrained to grant the mortgagee's application as of right.

With the new s. 45(1.1), it would appear that the Legislature's intention is to increase the number of occasions in which a receiver will be appointed. The only preconditions stated by the section are (1) that the mortgage or agreement for sale be in default and (2) that the property be producing rent. Since these have always been obvious preconditions, there must have been some reason to recite them in s. 45(1.1). It is suggested that these two conditions are the primary factors to be considered by the Court, and unless there are some extraordinary or unusual circumstances, the Court should consider it "just and equitable" to appoint a receiver if these two conditions are satisfied.

18 With respect to the authors, I would not regard the two facts referred to as being the "primary" factors governing the appointment of a receiver of rents pursuant to s. 45(1). If that had been the intention of the legislature, there would have been no need to add the requirement that the court appoint a receiver if the court "considers it just and equitable to do so". In my view, that additional requirement dictates that the court must consider all circumstances that are relevant to doing justice and equity between the parties.

19 The result is that, in my opinion, the position under s. 45(1) of the Law of Property Act is assimilated with that under s. 13(2) of the Judicature Act. I can see no real difference between searching for what is "just and equitable" and for what is "just or convenient". There may be circumstances (e.g., of emergency) in which it is "convenient" to appoint a receiver in an interlocutory order when it is not clear that to do so is just or equitable, but it is hard to think of any such circumstances when what is convenient would not also be what is just, especially if the intent is only to preserve the rents for ultimate allocation between the parties once their dispute is adjudicated upon.

20 Conversely, it is difficult to imagine circumstances in which it would be just to order the appointment of a receiver unless it were also convenient to do so. A similar observation may be made as to the phrase "just and equitable". In each case it is appropriate to adapt the felicitous approach of Laskin C.J.C. to the phrase "cruel and unusual" as found in s. 2(b) of the Canadian Bill of Rights: see *R. v. Miller*, [1977] 2 S.C.R. 680, [1976] 5 W.W.R. 711, 38 C.R. (N.S.) 139, 70 D.L.R. (3d) 324, 31 C.C.C. (2d) 177 at 184 [B.C.]. Adapting what he said there to the two combinations of nouns in s. 13(2) of the Judicature Act and s. 45(1.1) of the Law of Property Act, those combinations of words are not to be treated "as conjunctive in the sense of requiring a rigidly separate assessment of each word", but "rather as interacting expressions colouring each other, so to speak, and hence, to be considered together as a compendious expression of a norm".

21 I am further of the view that the following passage at p. 309 of Price and Trussler's work is a correct approach to the matter:

Unless the mortgagor can point to reasons why the appointment of a receiver will prejudice his position, it is difficult to see why the mortgagee should not be entitled to a receiver, regardless of the equity position. The fact that there may be sufficient to pay the mortgagee out if the property is ultimately sold is of little comfort to the mortgagee, who is faced with the prospect of no regular monthly return on his investment on which he may be budgeting, particularly where he holds the mortgage in trust for an investor. In addition, in considering what is "just and equitable," the Court must surely have regard to the mortgage contract, which normally contains an express covenant agreeing to the appointment of a receiver in the event of default, and to the fact that although the mortgagor is receiving the rents, he is pocketing them or diverting them to other investments instead of paying the mortgage on the property as he had covenanted to do. In weighing the equities in this fashion, it is difficult to come down on the side of the defaulting mortgagor/landlord. Instead, it is "just and equitable" that a receiver be appointed.

22 Mr. Crump has cited *N.A. Properties Ltd. v. Ronald J. Young Prof. Corp.* (1982), 43 C.B.R. (N.S.) 152, 20 Alta. L.R. (2d) 399 at 400, in which Master Quinn stated:

In my opinion, a receiver should not be appointed under s. 45 of the Law of Property Act unless it is shown that the equity of the debtor is such that there may be inadequate security afforded to the creditor.

With respect, I do not accept that as an accurate statement, if it was intended as a general statement of the law. I do not doubt that the existence of a substantial equity may, in some circumstances, assume a dominant position among the factors to be taken into account in deciding what is "just and equitable". The same would apply to a decision under s. 13(2) of the Judicature Act. But one cannot go further than that.

23 Master Quinn further said that even if, as in that case, the defendant was in arrears and there were three mortgages against the title, all of which required the defendant to make payments, those facts alone did not constitute "sufficient reason to grant an order for receivership in the absence of evidence that the vendor is in a tenuous position from a security point of view". If Master Quinn meant that a receiver should be appointed only when the vendor "is in a tenuous position from a security point of view", then, with respect, I disagree. That was a case of the appointment of a receiver being sought by an unpaid vendor under an agreement for sale. The view apparently expressed by Master Quinn (if it is to be read as a general proposition) is, in my opinion, not correct either in the case of an unpaid vendor or that of a mortgagee.

24 It is also true that Alberta courts have expressed reluctance to appoint a receiver when the lending instrument gives the lender a power of private appointment. For example, in *C.I.B.C. v. El Dorado Hldg. Ltd.*, Alta. C.A., No. 15672, 14th October 1983 (unreported) (cited in Price and Trussler's book at p. 308n), Laycraft C.J.A., in a memorandum of judgment delivered from the Bench, said:

We have on the other hand a debenture holder with a power of private appointment who has come to the court to receive a court appointment instead of proceeding on its own. That is something the court is usually loath to do unless there are exceptional circumstances.

Despite the apparent generality of that statement, it will be noted that it is no more than a generalization. The facts of that case themselves were such as to persuade the Court of Appeal to appoint a receiver of rents, the rents to "be applied against the municipal taxes and levies, against the proper insurance of the property, and otherwise to prevent waste", and the "balance of the rents if any" to be held by the receiver. Among the other factors which the court balanced were those militating against the appointment (an allegation that a lease of the property to companies affiliated with the borrower authorized the lessees to cancel the lease if a receiver were appointed, and the fact that the appointment of a receiver might damage the commercial credit of the borrower), and those militating in favour of the appointment (an allegation by the borrower that the debenture had been amended by a third party — not the borrower — lack of precision in another defence as pleaded, the failure of the borrower to make any of the payments due to the lender, and the facts that the land charged by the debenture was the sole asset of the borrower and that there had been no evidence as to where the rents had gone, why the taxes were not paid with the rent, or whether the rents were being paid at all).

25 Another instance of reluctance to appoint a receiver is *Macotta Co. of Can. v. Condor Metal Fabricators Ltd.* (1979), 35 C.B.R. (N.S.) 144 (Alta. Q.B.). Cavanagh J. held that a receiver should not be appointed where there was no evidence that the proposed receiver (already in possession of the property pursuant to a private appointment under debentures) could, if appointed by the court, do something that he could not do or had not already done. The receiver had sought "no help from the court in carrying out its task". Therefore, Cavanagh J. held that it had not been shown that it would be just or convenient to make the appointment. In those circumstances, it was not surprising that Cavanagh J. observed

One can speculate that the real purpose of such an application [to appoint the same receiver already appointed privately] is to clothe the appointed receiver with the authority of the court, which may tend to dissuade other creditors and dispossessed debtors from looking too deeply into the actions of debenture holders. If that is the aim of the applicants in such a situation, I think it ought to be discouraged.

26 In the present case no mention has been made of the lending documents giving the lender a power to appoint a receiver privately, and in any event that has not been done.

27 In the first of the two passages I have quoted earlier from Price and Trussler's book, two Alberta cases are cited in support of the proposition that before the 1984 amendment to the Law of Property Act "it was rare for a receiver to be appointed where there was equity in the property, and where the mortgagee applying for the order was well secured". For that proposition the authors cited two cases. One was *N.A. Properties Ltd. v. Ronald J. Young Prof. Corp.*, a decision of Master Quinn which I have already discussed. The other was *Madison Dev. Corp. v. Mehra* (1981), 40 C.B.R. (N.S.) 180 (Alta. Q.B.), a decision of Master Funduk. Both were really cases in which the evidence fell far short of establishing facts which might support a conclusion that it would be just or convenient to appoint a receiver. In the Madison case, for example, there was no evidence of the value of the land and hence no support for the submission apparently made that the borrower had no equity in the land. That does not make the case authority for the proposition that a receiver will not be appointed where the mortgagee is well secured. Nor is the ratio decidendi of the *N.A. Properties* case authority for that proposition, although it is true that Master Quinn's judgment appears to support it. What I say, as I have said earlier, is that there is no such general rule.

28 As I have said, Mr. Crump submits that a receiver should not be appointed because there is fundamental dispute between the bank and Renaissance as to whether the event of default by Auto Centre occurred, being the non-payment by Renaissance to the bank. He relies upon the following passage in Kerr on Receivers, 7th ed. (1921), p. 7:

The duty of the court upon a motion for a receiver is merely to protect the property for the benefit of the person or persons to whom the court, when it has all the materials necessary for a determination, shall think it properly belongs. On a motion for a receiver the court will not prejudice the action, or say what view it will take at the trial. *Indeed the court will not appoint a Receiver at the instance of a person whose right is disputed, where the effect of the order would be to establish the right*, even if the court be satisfied that the person against whom the demand is made is fencing off the claim. (The italicized sentence is emphasized by Mr. Crump.)

29 In my view the sentence emphasized is not authority for the wide proposition advanced by Mr. Crump. As authority for the proposition stated in that sentence Kerr cites *Greville v. Fleming* (1845), 2 Jo. & Lat. 335, and *Marshall v. Charteris*, [1920] 1 Ch. 520 (C.A.). The facts of those cases must be examined in order to understand the precise meaning of Kerr's sentence. *Greville v. Fleming* was a decision of Sugden L.C. of the High Court of Chancery of Ireland. He decided to appoint a receiver of tithe rent-charges upon the application of the son of one G., by then deceased. G. had asserted that he was the lay impropiator of a certain parish and therefore entitled to all tithes or rent-charges in lieu of tithes in respect of lands in the parish, that were payable to whoever was the lay impropiator of the parish for the time being. However, in his lifetime G.'s title to the rights of the lay impropiator was contested, and after his death those opposing the application for the appointment of a receiver continued to contest it. The court refused to appoint a receiver because the appointment of a receiver in a summary proceeding, not subject to appeal, would conclude the question of title for all practical purposes. In that case, therefore, the making of the order sought would have been to conclude the issue for all time. That is not so if the order I am asked to make is made, particularly if the funds collected are not placed at the disposal of the bank until the issues in the litigation are resolved by judgment or settlement.

30 The other case cited by Kerr is *Marshall v. Charteris*, a judgment by Eve J. In an ejectment action in which the title to a house was in dispute, the defendant was in possession. In an interlocutory application the plaintiff sought an order appointing a receiver of the rents and profits of the house and ordering the defendant to give up possession to the receiver. In refusing to make the order, Eve J. gave several reasons, one of which was that to deprive the defendant of possession would prejudice her right to plead her possession as a statutory defence and would thus in substance give the plaintiff judgment in the action. Moreover, there was no real concern about rents because the defendant, being in possession, was not receiving any. That case is distinguishable from the present case, for the making of the order I propose to make, in the form I intend (i.e., not placing the rents collected at the disposal of the bank), would in no way decide the issues in the litigation.

31 I turn now to whether in the present case it is "just or convenient" or "just and equitable" to appoint a receiver of the rents. In my view both those tests are interchangeable and are met in the circumstances. A useful summary of the circumstances that ought to be considered is found in Bennett on Receiverships (1985), p. 91, as follows:

In determining whether it is "just or convenient" that a receiver should be appointed, the court will consider many factors which will vary in the circumstances of the case. The court will consider whether irreparable harm might be caused if no order were made, the risk to the security holder, the apprehended or actual waste of the debtor's assets, the preservation and protection of the property pending the judicial resolution, the balance of convenience to the parties and the enforcement of rights under a security instrument where the security holder encounters or expects to encounter difficulty with the debtor and others. In many cases, a security holder whose instrument charges all or substantially all of the debtor's property will request a court-appointed receivership if the debtor is in default.

In the present case I think that, again bearing in mind that the limited order which I intend to make is only to preserve the rents and prevent the sale of the property by Burnco for taxes, the order will not irreparably harm the interests of the defendants.

32 In assessing the risk to the security holder I have regard to the extent to which Auto Centre and Western have equity in the mortgaged lands vis-à-vis the amount claimed by the bank; if Burnco completes its foreclosure the equity of Auto Centre in its undeveloped lands (now \$3.06 million) will be lost, leaving a maximum equity of \$2.1 million in the Mercedes land and \$2.7 million in Western's properties, for a total of \$4.8 million. This is not greatly in excess of the present claim of the bank. The risk to the security holder would, moreover, be increased if the order were not made because there can be no assurance that the defendants will use the rents to pay taxes or Burnco, or that they will not use the money for purposes unrelated to the obligation they incurred at least prima facie by executing the security instruments upon which the bank relies.

33 There is here no question of waste.

34 What I have said already addresses in part the issue of the preservation and protection of the property; in addition, the receiver will be able to use the rents, as provided in the master's order, to insure the property, pay taxes, pay utilities and necessary operating expenses and reasonable management fees to Auto Centre.

35 The balance of convenience, in my view, is in favour of making the order.

36 Finally, by making the order the court is ensuring that if the bank is successful in the litigation, the rent moneys (after making the deductions already mentioned) will be available as a means of enforcing the bank's rights under the security investments when those moneys might otherwise be used for other purposes and be exposed to the claims of other creditors of the borrower. The balance of the rent moneys so held in trust will be held on behalf of the parties to the action alone according to their rights: see Halsbury's Law of England, 4th ed., Vol. 39, p. 408.

37 The master's order is therefore confirmed except for the following:

38 1. The bank by its solicitor will give an undertaking as to damages which will appear in the usual form in the preamble to the order.

39 2. Paragraph 2(c) of the master's order, which provides for payments of the balance to the bank, will be deleted. Instead, the order will provide that the balance be held by the receiver in trust for the parties to the actions according to their rights, to be paid out to whichever of the parties is held to be entitled to them at the conclusion of the actions by judgment.

40 I have questioned counsel as to the master's appointment of Auto Centre and Western as the receivers. This flies in the face of the principle that a receiver appointed by the court should be a disinterested party. Despite my concern, Mr. Crump has assured me that he is content that Auto Centre and Western should be the receivers of their respective properties, and I am prepared in that circumstance not to disturb the master's order in that respect.

41 Costs may be spoken to.

Appeal dismissed; order confirmed subject to certain variations.

Tab 7

Most Negative Treatment: Distinguished

Most Recent Distinguished: 389179 Ontario Ltd. (No. 4), Re | 1979 CarswellOnt 233, 31 C.B.R. (N.S.) 193 | (Ont. S.C., Oct 4, 1979)

1973 CarswellOnt 325
Ontario High Court of Justice

Ostrander v. Niagara Helicopters Ltd.

1973 CarswellOnt 89, 19 C.B.R. (N.S.) 5, 1 O.R. (2d) 281, 40 D.L.R. (3d) 161

Ostrander v. Niagara Helicopters Ltd. et al.

Stark, J.

Judgment: October 30, 1973

Counsel: *B. B. Papazian*, for plaintiff

A. McN. Austin, for defendant, C. R. Bawden

W. G. Charlton, for defendants, New Unisphere Resources Limited, Baltraco Limited and Toprow Investments Limited

R. M. Loudon, Q.C., for defendants, Roynat Limited, Canada Trust Company and Niagara Helicopters Limited

Related Abridgment Classifications

Debtors and creditors

VII Receivers

VII.6 Conduct and liability of receiver

VII.6.c Duties

VII.6.c.ii To act in reasonable manner

Headnote

Receivers --- Conduct and liability of receiver — Duties

Debenture holders appointing receiver -- Receiver's duty to protect and enforce security of mortgagee debenture holders -- Receiver only owing fiduciary duty to mortgagee where appointed by Court -- Receiver having duty only to act reasonably and conduct fair sale -- Sale of debtor company's assets made in good faith not capable of being set aside even though receiver having personal interest in company purchasing assets.

Stark, J.:

1 In spite of the lengthy evidence that was taken in these proceedings continuing over many days, I am satisfied that the real questions involved have become quite narrowed and confined. This result was mainly achieved by the very careful and thorough arguments of all counsel and by their careful review of the evidence. Summarily stated the facts are briefly these. The company known as Niagara Helicopters Limited (hereinafter referred to for convenience as "Niagara"), was founded by the plaintiff Paul S. Ostrander who was the owner of 90% of the stock of the company. This company operated out of the City of Niagara Falls providing charter commercial air services, a flight school, tourist operations and various other services using helicopters. While Ostrander was an experienced helicopter pilot he proved to be an inept financial manager and when the company experienced serious financial difficulties the defendant Roynat was approached for a substantial loan by way of bond mortgage. A debenture dated October 1, 1969, (ex. 1) was entered into between Niagara Helicopters Limited and the Canada Trust Company as trustee, as a result of which Roynat became the single debenture holder. An initial advance of \$125,000 was made on November 4, 1969. Two or three months later Niagara defaulted on the loan and the

insurance on its aircraft was cancelled. On January 16, 1970, the defendant, C. R. Bawden, was appointed as receiver-manager by virtue of the default provisions contained in the deed of trust. It was admitted by counsel for the plaintiff and was placed on the record that all powers of the trustee were properly delegated to Roynat pursuant to s. 9.2 of the debenture and, in effect, Bawden was appointed receiver and manager as the agent of Roynat for the purpose of protecting and enforcing its security. The defendant Bawden was considered by Roynat to be an experienced receiver-manager, having acted in that capacity on many previous occasions. Bawden took immediate steps to reinstate the insurance, came to the conclusion that the company was a viable operation, although it lacked working capital, and a further \$15,000 was advanced under the debenture. Bawden's duties as receiver-manager were then terminated but Roynat insisted that the company retain a financial adviser; and with the consent of Ostrander, indeed it appears with the urging of Ostrander, Bawden acted in this capacity. However, during this period the financial position of Niagara deteriorated mainly because of Ostrander's inability to operate the company efficiently and due also to his frequent absences from the company for various reasons and Roynat became increasingly concerned as to the safety of its security. Thus, ex. 50 indicated that during the year ending December 31, 1970, a loss of \$84,000 had been incurred as opposed to a net loss the previous year of \$65,000. By February 24, 1971, it was necessary to again call in the loan and once again Bawden was appointed receiver-manager in accordance with the terms of the debenture and was instructed by Roynat to find a buyer for the shares as being the best possibility for all concerned. Bawden had had some previous satisfactory dealings with principals in the defendant company New Unisphere and this company displayed interest in Niagara. Negotiations were opened between New Unisphere and Ostrander, both parties being represented by independent counsel, and an agreement was formalized. The agreement was finally negotiated and signed and appears herein as ex. 20. No evidence was presented to indicate undue influence by Bawden or anyone else with respect to the negotiations and execution of this agreement. Indeed, from Ostrander's standpoint it was a highly desirable agreement in which Ostrander would have received a substantial payment for his shares. It appears from the evidence that Bawden did all he could reasonably do to assist in the completion of this deal and in postponing public sale of the assets as long as this could be done. However, delays occurred, probably caused by both parties in meeting the terms of the agreement, and as the fall of 1971 approached Roynat became increasingly concerned about the position of its security and urged and instructed Bawden to proceed with preparations for the sale of the assets by public tender. Conditions for sale were prepared, advertisements were duly inserted in the newspapers and a closing date fixed for the receipt of bids. The final date for the receipt of bids was September 24, 1971. An attempt was made by one White, a well-known entrepreneur in Niagara Falls resort properties whom Ostrander had succeeded in interesting in his company before the hour when the bids were to be opened to persuade Roynat to accept a sum of money which he believed would be sufficient to pay off the debenture indebtedness. The amount mentioned was in the approximate sum of \$150,000 but it was quickly explained to White and his advisers that there were other liabilities to be taken care of and that a total amount exceeding \$200,000 would be needed. White's suggestion that he make up the difference by providing some form of security on his other holdings did not appeal to Roynat and it was decided to proceed with the tenders.

2 Only two tenders for the working assets of the company as listed in the conditions of sale were received. One of these tenders was a hastily written offer which turned out to be ambiguous in meaning, made by White and prepared in the few moments that preceded the opening. The other tender was the Toprow tender, the benefits of which were later assigned to Baltraco. It was admitted by all parties that since the defendant New Unisphere is the sole owner of its subsidiaries Baltraco Limited and Toprow Investments Limited, that the Toprow bid may fairly be regarded as in fact the bid of New Unisphere Limited. After two or three days' consideration, the Toprow tender was accepted, the decision being made by Roynat's representatives acting on its own views and acting as well on the advice of Bawden. I have considered the details of the Toprow tender, which appears herein as ex. 7, and the White tender, ex. 23. In effect, White tendered for the "complete package and as a going concern of Niagara Helicopters Limited Parcels 1-10 of the conditions of sale inclusive, subject to approval of transfer of licences and lease as per your terms of conditions of sale the sum of \$151,000." The Toprow tender offered the sum of \$150,000 cash for all of the assets offered with the exception of the accounts receivable. These accounts receivable were variously estimated at from \$50,000 to \$80,000. Under the Toprow tender, Toprow proposed to

assume full responsibility for the pilot school and for the student contracts and these obligations were estimated to represent some \$30,000. While the Toprow tender made clear that it desired the transfer of the lease and the licences it expressly made its offer not conditional on these being obtained. The White offer, however, expressly conditioned the offer upon approval of the transfer of licences and lease. There was considerable controversy both in the evidence and in the argument as to which of these two offers was the better. Thus, it was submitted that although the White offer did not expressly mention liabilities, that since the words "as a going concern" were included that White would have to assume all liabilities. It was also contended that since the Toprow offer did not require as a condition the transfer of the licences and the lease that Bawden had improperly acted in arranging for the transfer of the licences and lease or attempting to obtain the transfer without receiving consideration for so doing. For the reasons given later I do not consider it necessary to attempt to interpret the true meaning of each of these tenders or to determine which in fact was the better offer. That determination was the sole responsibility of Roynat and in the absence of fraud or bad faith its decision is not open to question.

3 Basically this action is brought by Ostrander in an attempt to regain possession of Niagara which he has always regarded as his company. He asks that the agreement to sell to New Unisphere or its subsidiaries following the opening of the bid be declared null and void. He asks that Niagara be permitted to discharge the charge on its assets placed as a result of the deed of trust. In effect he asks that the sale be reopened and that a new receiver-manager be appointed. He asks also for damages. He also claims that the fees paid to the receiver are excessive and he asks for a full accounting. He bases all these claims for relief on his allegations that the defendants have conspired against him, have wrongfully converted assets and have committed fraud and breaches of trust. In my view the evidence convincingly shows that all these charges are unfounded and without merit. On the other hand, certain suspicious circumstances and events occurred which required explanation, which threw an aura of suspicion over the event and which in my view placed a burden upon the defendants to provide appropriate answers. I now turn to a consideration of these circumstances.

4 In the month of August, 1971, Bawden acting as a receiver-manager did three things upon which the plaintiff laid great stress: first, he issued a cheque for \$2,000 to New Unisphere on August 3rd which appears to have been cashed later in September. Bawden justified this payment by reason of para. 5 of the agreement between Ostrander and New Unisphere which permitted the receiver-manager to pay the costs of investigation of the assets of the company being conducted by the proposed purchaser up to a maximum of \$3,000 subject to certain conditions including a proviso that the purchaser exercise its right to terminate the agreement. This payment appears to have been made prematurely but is justifiable on the grounds that Bawden was doing his best to retain the continued interest of New Unisphere in the agreement. In any event, that deal did abort and in my view this payment then became justifiable. Two other payments were made by Bawden at around this same period of time which in my view were not justifiable, and which should be recredited to Niagara in the final accounting. One was an account in the sum of \$307.25 (ex. 102) paid to New Unisphere to reimburse that company for certain aircraft valuations which it had arranged; and the other item which in my view was improper was to relieve New Unisphere of an account receivable of \$1,500 for the use of aircraft for experiment with respect to that company's gas and oil operations. In my view these items can be properly adjusted after completion of the sale and the rendering of a final accounting including the fixing of Bawden's own fees and disbursements.

5 The three matters which I have just mentioned above are of relatively minor significance but a fourth incident occurred which has given me much concern. Commencing in June, 1971, and continuing until November of the same year, Bawden began purchasing for his own personal account through his broker shares in New Unisphere. The total of his purchases amounted to 42,000 shares for a total purchase price of approximately \$20,000. These shares represented a 2% interest in the total issued shares of New Unisphere. The shares of that company are listed on the public exchanges. Bawden admitted quite frankly in his evidence that under the circumstances this was a "stupid" thing to do. His own counsel admitted to the Court that, "of all the matters brought before this Court by the plaintiff, this was the only one which has any appearance of substance. There is no question, whatever, that Mr. Bawden should not in the circumstances have been purchasing shares in New Unisphere." Bawden in his evidence

contended that his decision to purchase New Unisphere shares had no connection whatever with Niagara, that he does speculate in the market to a considerable extent and that he was interested in this company because of its holdings in certain well known oil producing companies. In placing great stress upon these dealings, the plaintiff submits that Bawden, acting as receiver-manager was in a fiduciary position, that even if there was no actual fraud involved there was constructive fraud, that Bawden had created a conflict between his interests and his duty and that these dealings must vitiate the ultimate deal with Toprow. He argues also that Roynat must be responsible for the misdeeds of its agents. I should hasten to point out that there is not one shred of evidence to indicate that Roynat, Canada Trust or New Unisphere or its subsidiaries had any knowledge of these purchases by Bawden. However, because of the suspicious nature of these circumstances it appeared to me that there was an onus thrown upon the defendants to uphold the validity of the Toprow sale and to satisfy the Court that the decision to make that sale was not in any way affected or influenced by Bawden's foolish purchase of these shares.

6 My decision might well be otherwise if I had come to the conclusion that Bawden as receiver-manager was acting in a fiduciary capacity. I am satisfied that he was not. His role was that of agent for a mortgagee in possession. The purpose of his employment was to protect the security of the bondholder. Subsequently his duty was to sell the assets and realize the proceeds for the benefit of the mortgagee. Of course he owed a duty to account in due course to the mortgagor for any surplus; and in order to be sure there would be a surplus he was duty bound to comply with the full terms of the conditions of sale set out in the debenture, to advertise the property and to take reasonable steps to obtain the best offer possible. Certainly he owed a duty to everybody to act in good faith and without fraud. But this is not to say that his relations to Ostrander or to Niagara or to both were fiduciary in nature. A very clear distinction must be drawn between the duties and obligations of a receiver-manager, such as Bawden, appointed by virtue of the contractual clauses of a mortgage deed and the duties and obligations of a receiver-manager who is appointed by the Court and whose sole authority is derived from that Court appointment and from the directions given him by the Court. In the latter case he is an officer of the Court; is very definitely in a fiduciary capacity to all parties involved in the contest. The borrower, in consideration of the receipt by him of the proceeds of the loan agrees in advance to the terms of the trust deed and to the provisions by which the security may be enforced. In this document he accepts in advance the conditions upon which a sale is to be made, the nature of the advertising that is to be done, the fixing of the amount of the reserve bid and all the other provisions contained therein relating to the conduct of the sale. In carrying on the business of the company pending the sale, he acts as agent for the lender and he makes the decisions formerly made by the proprietors of the company. Indeed, in the case at hand, Mr. Bawden found it necessary to require that Ostrander absent himself completely from the operations of the business and this Ostrander consented to do. As long as the receiver-manager acts reasonably in the conduct of the business and of course without any ulterior interest, and as long as he ensures that a fair sale is conducted and that he ultimately makes a proper accounting to the mortgagor, he has fulfilled his role which is chiefly of course to protect the security for the benefit of the bondholder. I can see no evidence of any fiduciary relationship existing between Ostrander and Bawden. Mr. Papazian in his able argument put it very forcibly to the Court that the duties and obligations of a receiver-manager appointed by the Court and a receiver-manager appointed under the terms of a bond mortgage without a Court order, were in precisely the same position, each being under fiduciary obligations to the mortgagor. I do not accept that view and I am satisfied that the cases clearly distinguish between them. A good example of the obligation placed upon the Court-appointed receiver-manager is provided by *Re Newdigate Colliery, Ltd.*, [1912] 1 Ch. 468. That case was authority for the proposition that it is the duty of the receiver and manager of the property and undertaking of a company to preserve the goodwill as well as the assets of the business, and it would be inconsistent with that duty for him to disregard contracts entered into by the company before his appointment. At p. 477 Buckley, L.J., described the duties of the Court-appointed receiver and manager in this way:

The receiver and manager is a person who under an order of the Court has been put in a position of duty and responsibility as regards the management and carrying on of this business, and has standing behind him — I do not know what word to use that will not create a misapprehension, but I will call them "constituents" — the persons to whom he is responsible in the matter, namely, the mortgagees and the mortgagor, being the persons

entitled respectively to the mortgage and the equity of redemption. If we were to accede to the application which is made to us, and to allow the receiver and manager to sell the coal at an enhanced price, the result would be that the enhanced price would fall within the security of the mortgagees and they would have the benefit of it; but, on the other hand, there would be created in favour of the persons who had originally contracted to purchase the coal a right to damages against the mortgagor, the company, with the result that there would be large sums of damages owing.

Lord Justice Buckley then continued with language which further accentuates the difference between the two classes of receiver-managers:

It has been truly said that in the case of a legal mortgage the legal mortgagee can take possession if he choose of the mortgaged property, and being in possession can say "I have nothing to do with the mortgagor's contracts. I shall deal with this property as seems to me most to my advantage." No doubt that would be so, but he would be a legal mortgagee in possession, with both the advantages and the disadvantages of that position. This appellant is not in that position. He is an equitable mortgagee who has obtained an order of the Court under which its officer takes possession of assets in which the mortgagee and mortgagor are both interested, with the duty and responsibility of dealing with them fairly in the interest of both parties.

7 It appears to me unfortunate that the same terms "receiver-manager" are customarily applied to both types of offices, when in fact they are quite different. The difference is well pointed out in the case of *Re B. Johnson & Co. (Builders) Ltd.*, [1955] 1 Ch. 634, where it was held that a receiver and manager of a company's property appointed by a debenture holder was not an officer of the company within the meaning of the *Companies Act*. The language of Evershed, M.R., at p. 644 is in point:

The situation of someone appointed by a mortgagee or a debenture holder to be a receiver and manager — as it is said, "out of court" — is familiar. It has long been recognized and established that receivers and managers so appointed are, by the effect of the statute law, or of the terms of the debenture, or both, treated, while in possession of the company's assets and exercising the various powers conferred upon them, as agents of the company, in order that they may be able to deal effectively with third parties. But, in such a case as the present at any rate, it is quite plain that a person appointed as receiver and manager is concerned, not for the benefit of the company but for the benefit of the mortgagee bank, to realize the security; that is the whole purpose of his appointment ...

Again, at p. 662, Lord Justice Jenkins stated:

The company is entitled to any surplus of assets remaining after the debenture debt has been discharged, and is entitled to proper accounts. But the whole purpose of the receiver and manager's appointment would obviously be stultified if the company could claim that a receiver and manager owes it any duty comparable to the duty owed to a company by its own directors or managers.

.....

The duties of a receiver and manager for debenture holders are widely different from those of a manager of the company. He is under no obligation to carry on the company's business at the expense of the debenture holders. Therefore he commits no breach of duty to the company by refusing to do so, even though his discontinuance of the business may be detrimental from the company's point of view. Again, his power of sale is, in effect, that of a mortgagee, and he therefore commits no breach of duty to the company by a bona fide sale, even though he might have obtained a higher price and even though, from the point of view of the company, as distinct from the debenture holders, the terms might be regarded as disadvantageous.

In a word, in the absence of fraud or mala fides (of which there is not the faintest suggestion here), the company cannot complain of any act or omission of the receiver and manager, provided that he does nothing

that he is not empowered to do, and omits nothing that he is enjoined to do by the terms of his appointment. If the company conceives that it has any claim against the receiver and manager for breach of some duty owed by him to the company, the issue is not whether the receiver and manager has done or omitted to do anything which it would be wrongful in a manager of a company to do or omit, but whether he has exceeded or abused or wrongfully omitted to use the special powers and discretions vested in him pursuant to the contract of loan constituted by the debenture for the special purpose of enabling the assets comprised in the debenture holders' security to be preserved and realized.

8 Similar principles are to be found in the case of *Deyes v. Wood et al.*, [1911] 1 K.B. 806.

9 A similar situation to the case at hand arose in the decision in *Farrar v. Farrars, Ltd.* (1889), 40 Ch.D. 395. In that case three mortgagees in possession were selling under powers of sale in their mortgage to a company formed for the purpose of buying the property. This company was to some extent promoted by one of the mortgagees who had a substantial interest as a shareholder. It was held in that case the sale could not be set aside on the simple ground that F. was a shareholder in the company since the sale by a person to a corporation of which he is a member is not either in form or substance a sale by him to himself along with other people. But it was also held that there was such a conflict of interest and duty in F., of which the company had notice, as to throw upon them the burden of upholding the sale. It was held that the company had discharged themselves of this burden by showing that F. had taken all reasonable pains to secure a purchaser at the best price. Again in that case the rights and duties of a mortgagee in possession, which is our situation, are dealt with. Chitty, J., at p. 398 said this:

The first question then is, was the sale a dishonest transaction? A mortgagee exercising a power of sale is not a trustee of the power. The power arises by contract with the mortgagor, and forms part of the mortgagee's security. He is bound to sell fairly, and to take reasonable steps to obtain a proper price; but he may proceed to a forced sale for the purpose of paying the mortgage debt.... The mortgagor has no right after the power has arisen to insist that the mortgagee shall wait for better times before selling.

That case went to appeal and Lord Lindley, L.J., at p. 410 used this pertinent language:

A mortgagee with a power of sale, though often called a trustee, is in a very different position from a trustee for sale. A mortgagee is under obligations to the mortgagor, but he has rights of his own which he is entitled to exercise adversely to the mortgagor. A trustee for sale has no business to place himself in such a position as to give rise to a conflict of interest and duty. But every mortgage confers upon the mortgagee the right to realize his security and to find a purchaser if he can, and if in exercise of his power he acts *bona fide* and takes reasonable precautions to obtain a proper price, the mortgagor has no redress, even although more might have been obtained for the property if the sale had been postponed.

10 While I find that the purchase by Mr. Bawden of the shares in New Unisphere, in the amounts and at the times when he did, were purchases which he should better not have made, I cannot find anything in these transactions to impugn the validity of the final sale by tender. I am satisfied that Mr. Bawden and his principal Roynat did the very best they could to protect their own security but at the same time went out of their way to assist Ostrander in so far as his private negotiations had any hopes of success. Other than the tactless purchase of these shares and the minor misjudgment with respect to certain payments with which I have already dealt, I can find nothing censurable in Mr. Bawden's conduct. I am satisfied that the power of sale was exercised in a fair and proper manner and that in the opinion of Roynat and its advisers the better offer was obtained. I do not consider it necessary to analyse in detail the nature of the offers that were being considered because no evidence has been placed before the Court to show that the Toprow offer was a disadvantageous one or that the White offer was a better one. Certainly as far as New Unisphere and its subsidiaries are concerned there is no evidence to indicate that they had the slightest knowledge of the purchases by Bawden and they are in the position of purchasers in good faith without notice of any such wrongdoing, if such it were, and accordingly the sale must stand. No legal or moral stigma of any kind should be attached to any defendant in this action and the most that can be said against Mr. Bawden is that he

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

ROYAL BANK OF CANADA

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND
1000122550 ONTARIO INC.

Applicant

Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

BOOK OF AUTHORITIES

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Lawyers for the Applicant

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

BETWEEN:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION
243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3,
AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43, AS AMENDED**

**AFFIDAVIT OF SERVICE
(Sworn September 13, 2023)**

I, **Mariela Adriana Gasparini**, of the City of Vaughan, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a law clerk at the law firm of Borden Ladner Gervais LLP and as such have knowledge of the matters herein deposed.
2. On Wednesday, September 13, 2023, I served the parties with email addresses listed on the Service List attached hereto and marked as **Exhibit "A"** with a copy of the Application Record, Factum and Book of Authorities of Royal Bank of Canada (the "Applicant"), returnable September 13, 2023, by sending a copy of same via email. Attached hereto and marked as **Exhibit "B"** is a copy of my email correspondence (without attachments) serving the aforementioned document.

3. On Wednesday, September 13, 2023, I also served the parties without email addresses listed on the Service List by sending a hardcopy of the Application Record of the Applicant via overnight courier.

SWORN BEFORE ME at the City of Toronto, in)
the Province of Ontario, this 13 day of September,)
2023.)
)
)
)

A Commissioner for Taking Affidavits

Tyler Mondor McNaughton

MARIELA ADRIANA GASPARINI

This is **Exhibit "A"** referred to in the Affidavit sworn by Mariela
Adriana Gasparini sworn before me this 13th day of September,
2023



Commissioner for Taking Affidavits (or as may be)

Tyler Mondor McNaughton

Service List
(as at September 12, 2023)

TO:	<p>BORDEN LADNER GERVAIS LLP Bay Adelaide Centre, East Tower 22 Adelaide Street West Toronto, ON M5H 4E3 Tel: (416) 367-6000 Fax: (416) 367-6749</p> <p>Roger Jaipargas Tel: (416) 367-6266 rjaipargas@blg.com</p> <p>Lawyers for Royal Bank of Canada</p>
AND TO:	<p>msi Spergel Inc. 200 Yorkland Blvd., Suite 1100 Toronto, ON M2J 5C1 Tel: 416-497-1660 Fax: 416-498-4314</p> <p>Mukul Manchanda Tel: (416)- 498-4314 mmanchanda@spergel.ca</p> <p>Proposed Receiver</p>
AND TO:	<p>HARRISON PENZA LLP 130 Dufferin Avenue, Suite 1101 London, ON N6A 5R2 Tel : (519) 679-9660 Fax : (519) 667-3362</p> <p>Tim Hogan Tel: (519) 661-6743 thogan@harrisonpensa.com</p> <p>Lawyers for msi Spergel Inc., Proposed Receiver</p>

AND TO:	<p>M. Singh Law Professional Corporation 100 King Street West, Suite 5700 First Canadian Place Toronto, ON M5X 1C7</p> <p>Manjit Singh Phone: (647) 722-8400 Email: msingh@msinghlaw.ca Website: www.msinghlaw.ca</p> <p>Lawyers for Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.</p>
AND TO:	<p>DEPARTMENT OF JUSTICE Ontario Regional Office 120 Adelaide Street West, Suite 400 Toronto ON M5H 1T1</p> <p>Ed Park Tel: 647-256-7429 Fax: 416-973-0810 edward.park@justice.gc.ca</p> <p>Lawyers for the Canada Revenue Agency</p>
AND TO:	<p>INSOLVENCY UNIT ONTARIO MINISTRY OF FINANCE 33 King Street West, 6th Floor Oshawa, ON L1H 8H5</p> <p>Leslie Crawford Tel: 905.433.5657 Leslie.Crawford@ontario.ca</p> <p>Insolvency Unit insolvency.unit@ontario.ca</p>
AND TO:	<p>PRIDE FLEET SOLUTIONS INC. 1450 Meyerside Dr., Suite 401 Mississauga, ON L57 1A6</p> <p>6050 Dixie Road Mississauga, ON L5T 2N5</p>
AND TO:	<p>AXIOM LEASING INC. 4 Robert Speck Parkway, 15th Floor Mississauga, ON L4Z 1S1</p>

AND TO:	MERCADO CAPITAL CORPORATION Suite 1900, 13450 102 Ave Surrey, BC V3T 5Y1
AND TO:	TFG FINANCIAL CORPORATION 400-4180 Lougheed Highway Burnaby, BC V5C 6A7 Email: absecparties@avssystems.ca
AND TO:	DAIMLER TRUCK FINANCIAL SERVICES CANADA CORPORATION 2680 Matheson Blvd. E Ste 202 Mississauga, ON L4W 0A5
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AND TO:	TPINE LEASING CAPITAL CORPORATION 6050 Dixie Road Mississauga, ON L5T 1A6 Email: absecparties@avssystems.ca

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This is **Exhibit "B"** referred to in the Affidavit sworn by Mariela
Adriana Gasparini sworn before me this 13th day of September,
2023



Commissioner for Taking Affidavits (or as may be)

Tyler Mondor McNaughton

IN THE MATTER OF ROYAL BANK OF CANADA AND TEN 4 SYSTEM LTD., 1000043321 **A553**
ONTARIO INC. AND 1000122550 ONTARIO INC. - Court File No.: CV-23-00705869-00CL



agasparini@blg.com

Sep 13, 2023, 12:37 PM

To:

mmanchanda@spergel.ca, thogan@harrisonpensa.com, msingh@msinghlaw.ca, absecparties@avssystems.ca, edward.park@justice.g
c.ca, insolvency.unit@ontario.ca, leslie.crawford@ontario.ca

Cc: rjaipargas@blg.com

Bcc: kdimitrakoudis@blg.com

3 attachments - Expire: 1697255999000

TO THE SERVICE LIST:

We are the lawyers for Royal Bank of Canada, the Applicant.

Please find attached the Application Record, Factum and Book of Authorities in connection to a motion that will be heard via Zoom videoconference on Wednesday September 20, 2023 at 10:30 a.m. before Justice Cavanagh, which is hereby served upon you pursuant to the *Rules of Civil Procedure* (Ontario).

Best,
Adriana Gasparini
Law Clerk

File attachments expire: Oct 13, 2023

<input type="checkbox"/> Name	Size	Digital Fingerprint
<input type="checkbox"/> Application Record - Applicant - RBC - 13SEPT23(13966...	26.2 MB	285f10947d9520046eece7b3ee3e27028842b85
<input type="checkbox"/> Factum - Applicant - RBC - 12SEPT23.pdf	68.2 KB	03b45b1ff8ff4bab872b76be48dfd8d326731366
<input type="checkbox"/> Book of Authorities - Applicant - RBC - 12SEPT23.pdf	1.0 MB	2c1ac5eba6c5362b139bbba0cf164f465dd7efc2

A553

Court File No.: CV-23-00705869-00CL

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

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SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF SERVICE

BORDEN LADNER GERVAIS LLP

Bay Adelaide Centre, East Tower
22 Adelaide St West
Toronto, Ontario M5H 4E3
Tel: 416-367-6000
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Roger Jaipargas (LSO No. 43275C)

Tel: 416-367-6266
RJaipargas@blg.com

Lawyers for the Applicant

Earl, Joanna

From: Smith, Douglas O.
Sent: September 19, 2023 11:18 AM
To: MSingh@msinghlaw.ca
Cc: Jaipargas, Roger; Earl, Joanna
Subject: RE: Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.

Hi Manjit,

I note that you have not responded to either of my emails. Please note that we will be uploading this email chain to Caselines so that it can be brought to the attention of the presiding Justice at tomorrow's case conference.

My best regards,



Douglas O. Smith

Partner

T 416.367.6015 | DSmith@blg.com

Bay Adelaide Centre, East Tower, 22 Adelaide St. W, Toronto, ON, Canada M5H 4E3

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Borden Ladner Gervais LLP

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From: Smith, Douglas O. <DSmith@blg.com>
Sent: September 17, 2023 5:48 PM
To: MSingh@msinghlaw.ca
Cc: Jaipargas, Roger <RJaipargas@blg.com>
Subject: Re: Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.

Hi Manjit,

Further to my email below, I propose the following timetable:

- Respondents' record – [Sept 22](#)
- Cross-examinations – afternoon of [Sept 27](#)
- Factum of respondent – [Sept 29](#)
- Hearing – week of [October 2](#)

Please confirm that this is acceptable.

My best regards,

Doug Smith
Borden Ladner Gervais
416.795.6015

From: Smith, Douglas O.
Sent: Thursday, September 14, 2023 7:46:28 PM
To: MSingh@msinghlaw.ca <MSingh@msinghlaw.ca>
Cc: Jaipargas, Roger <RJaipargas@blg.com>
Subject: RE: Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.

Hi Manjit,

I am a litigation partner who works with Roger, and he has asked that I assist with this matter.

I have your email below regarding the scheduling of this matter. While I am sympathetic to your workload and schedule, this is a receivership application, the urgency of which takes priority over things like CLE seminars and travel. Accordingly, at the upcoming case conference on September 20, we are going to be asking for a hearing date during the week of October 2, 2023, subject to court availability. I am happy to discuss, but our firm instructions are to get this to the earliest possible hearing date available.

My best regards,



Douglas O. Smith

Partner

T 416.367.6015 | DSmith@blg.com

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Sent: September 13, 2023 5:31 PM
To: Jaipargas, Roger <RJaipargas@blg.com>
Subject: Re: Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.

[External / Externe]

Hi Roger,

Thank you for your email. My apologies for not being able to get back to you earlier as I was predisposed with another matter. **A557**

Although I appreciate your client's preference to move quickly on this matter, the suggested return date is a bit too ambitious. It is not so much a matter of when your materials will be served (which you had already been working on to serve by today), but when I can realistically have my client's responding materials ready to be served upon you (with enough time to file them with the court in advance of the hearing). In particular, and as discussed, I will need time for the following:

1. Review and prep my client Ten 4 System's materials;
2. Arrange for a non-party to swear/affirm an Affidavit re: the cheque situation with Ten 4 System; and,
3. Review and prep my clients the numbered companies' materials re: mortgage.

In particular, step #2 is a bit of a wildcard in that I must rely upon a non-party in order to complete it.

Additionally, this is what my schedule looks like in September:

- 14 - Responding Motion Materials due in another matter (3 motions)
- 15 - Hearing in the Federal Court on an Application
- 18 - Motion Materials to be delivered to opposing counsel in a Class Action
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- 20 - Out of Town (including travel to/from)
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- 26 - Class Action hearing
- 29 - Law Conference (CLE)

October is a little better, but:

- 5 - Medical Procedure (I will be sedated all day)
- 12 - Thanksgiving
- 13 Out-of-Town

Realistically, I could have my materials to you by the 11th and the return hearing on the 16th.

So, I would propose the following Timetable to be endorsed:

Responding materials = October 11th
Hearing = October 16th

I trust that is a satisfactory in the circumstances.

Sincerely,

Manjit Singh, JD

M. SINGH LAW PROFESSIONAL CORPORATION

100 King Street West - Suite 5700
First Canadian Place
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M5X 1C7

Phone: (647) 722-8400

A557

Email: msingh@msinghlaw.ca
Website: www.msinghlaw.ca

A558

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From: Jaipargas, Roger <RJaipargas@blg.com>
Sent: Wednesday, September 13, 2023 4:42 AM
To: Manjit Singh <MSingh@msinghlaw.ca>
Subject: RE: Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.

Hi Manjit,

Thank you for your email below. I now have instructions from RBC in connection with same.

In light of the fact that you will not be available on September 20th at 10:30AM for the hearing, the Bank is agreeable to timetabling the hearing of the receivership application, so that Justice Cavanagh can make an Endorsement on September 20th, approving the timetable, providing that the hearing of the receivership application occurs prior to September 30th. I suspect that this will not be a problem, in light of the fact that our materials will be served today.

In light of the foregoing, you have indicated that you will accept service of our Application Record, Factum and Book of Authorities on behalf of the 3 Respondents in the Application, which will be served today by Adriana Gasparini of our office. I look forward to receiving your proposed timetable today for my consideration. Many thanks Manjit.

Regards,

Roger



Roger Jaipargas

T 416.367.6266 | RJaipargas@blg.com

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To: Jaipargas, Roger <RJaipargas@blg.com>
Subject: Re: Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.

[External / Externe]

A558

Hi Roger,

Thanks for the call (and follow-up call) today.

Further to said call, I understand that your client (RBC) intends to bring an application seeking to put the following companies into receivership:

Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.

...and, that you have unilaterally secured a date of September 20th, 2023 to speak to said application before Justice Cavanagh at the Commercial List (Toronto).

You had requested my confirmation that I will accept service of said application materials in writing which I am happy to provide, as follows:

I will accept said service so long as the application is not heard on the 20th (since I will be out of town on that date) but rather that the appearance to speak to the matter on the 20th be utilized solely for the purpose of having a consent Timetable (that we have agreed we will work on in good faith in the interim) endorsed by His Honour.

I trust the foregoing is satisfactory.

Sincerely,

Manjit Singh, JD

M. SINGH LAW PROFESSIONAL CORPORATION

100 King Street West - Suite 5700
First Canadian Place
Toronto, Ontario
M5X 1C7

Phone: (647) 722-8400
Email: msingh@msinghlaw.ca
Website: www.msinghlaw.ca

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From: Jaipargas, Roger <RJaipargas@blg.com>
Sent: Tuesday, September 12, 2023 3:40 PM
To: Manjit Singh <MSingh@msinghlaw.ca>
Subject: Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.

Hi Manjit,

I hope all is well. Manjit, I just left you a message. Would you be able to call me please at 416-859-4607? Thank you.

Regards,



Roger Jaipargas

T 416.367.6266 | RJaipargas@blg.com

Bay Adelaide Centre, East Tower, 22 Adelaide St. W, Toronto, ON, Canada M5H 4E3

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Earl, Joanna

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Sent: September 19, 2023 2:20 PM
To: Smith, Douglas O.
Cc: Jaipargas, Roger; Earl, Joanna
Subject: Re: Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.

[External / Externe]

Hi Doug,

Thank you for your emails.

I rec'd your email from last Thursday, but did not understand you were looking for a response in light of your "firm instructions". I've now had an opportunity to review your second email sent over the weekend (on Sunday) and unfortunately there is simply no possibility that we will be able to meet the overly-aggressive timetable you have proposed for the reasons stated in my September 13, 2023 email to Roger that you quoted in the email chain below.

In reviewing the correspondence below, it appears that the difference between the parties is exactly a mere 2 weeks: you propose a hearing during the week of October 2nd and we have proposed a hearing during the week of October 16th (viz., 14 days later).

I note that your timetable is based upon your client's firm instructions and our timetable is based upon the reasonable time necessary for my client (the respondents) to be able to adequately respond to your client's application (which I note was served with less than 1 days' notice, despite the fact that you must have received instructions to prepare said Application and must have worked on said Application well before you informed me of your client's intent), including obtaining and providing evidence from non-parties.

As such, it appears that we will both be in His Honour's hands to determine what is a reasonable timeline to afford the defendants a fair hearing for such an extreme measure as putting said defendants into receivership.

I trust you will also include this my email in the correspondence you are uploading to Caselines so His Honour is aware of my response to your emails as well.

ps I note in my email below I mistakenly indicated that Thanksgiving is on the 12th of October (in fact, it is on the 9th - which date I had actually taken into consideration in my timetable calculations, notwithstanding that I mistakenly quoted the incorrect date in my email) - accordingly, the date in October that I will be out-of-town is the 10th (not the 13th).

Sincerely,

M. SINGH LAW PROFESSIONAL CORPORATION

100 King Street West - Suite 5700

First Canadian Place

Toronto, Ontario

M5X 1C7

Phone: (647) 722-8400

Email: msingh@msinghlaw.ca

Website: www.msinghlaw.ca

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Partner

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seminars and travel. Accordingly, at the upcoming case conference on September 20, we are going to **A564** asking for a hearing date during the week of October 2, 2023, subject to court availability. I am happy to discuss, but our firm instructions are to get this to the earliest possible hearing date available.

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Douglas O. Smith

Partner

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Sent: September 13, 2023 5:31 PM

To: Jaipargas, Roger <RJaipargas@blg.com>

Subject: Re: Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.

[External / Externe]

Hi Roger,

A565

Thank you for your email. My apologies for not being able to get back to you earlier as I was predisposed with another matter.

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Hearing = October 16th

I trust that is a satisfactory in the circumstances.

Sincerely,

A565

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100 King Street West - Suite 5700
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Regards,

Roger



Roger Jaipargas

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Subject: Re: Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.

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Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.

...and, that you have unilaterally secured a date of September 20th, 2023 to speak to said application before Justice Cavanagh at the Commercial List (Toronto).

You had requested my confirmation that I will accept service of said application materials in writing which I am happy to provide, as follows:

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I trust the foregoing is satisfactory.

Sincerely,

Manjit Singh, JD

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Hi Manjit,

A568

I hope all is well. Manjit, I just left you a message. Would you be able to call me please at 416-859-4607? Thank you.

Regards,

Roger



Roger Jaipargas

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A568

Court File No.: CV-23-00705869-00CL

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION
243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3,
AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43, AS AMENDED**

**REPLY AFFIDAVIT OF TRO DERBEDROSSIAN
(Sworn October 4, 2023)**

I, **TRO DERBEDROSSIAN**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY** as follows:

1. I am Director in the Special Loans and Advisory Services (“**SLAS**”) of the Applicant, Royal Bank of Canada (the “**Bank**” or “**RBC**”) and as such have knowledge of the matters hereinafter deposed to, or where I do not possess such personal knowledge, I have stated the source of my information and in all such cases do verily believe it to be true.
2. This Affidavit is supplementary to my affidavit sworn on September 12, 2023 (the “**Initial Affidavit**”) and in response to the affidavit of Nasir Mahmood dated October 2, 2023 (the “**Mahmood Affidavit**”). Capitalized terms not defined herein shall have the meanings ascribed thereto in the Initial Affidavit.

3. References to amounts herein shall be in Canadian currency, unless otherwise specified.

Reasons for Initiating these Proceedings

4. In response to paragraph 13 of the Mahmood Affidavit, I can advise that the fact that Ten 4's accounts with the Bank are overdrawn is only one reason for the Bank initiating these proceedings.
5. The Ten 4 EOI and the Visa Agreement contain provisions requiring Ten 4 to report to the Bank on a monthly and quarterly basis on such matters as the monthly borrowing limit, the monthly aged list of accounts receivable and the quarterly financial statements (the **"Reporting Covenants"**).
6. Ten 4 failed to report to the Bank on May 15, 2023 and August 14, 2023, as required and is therefore in breach of its quarterly Reporting Covenants.
7. Ten 4 was required to provide their monthly reporting (borrowing base certificate, aged accounts receivable, aged accounts payable, priority payables listing and the list of lienable payables on September 30, 2023. This information was not provided to the Bank.
8. Further, as outlined in paragraph 24 of the Initial Affidavit, there has been unusual activity involving the accounts of the Debtors, which resulted in the accounts of the Debtors being transferred to SLAS.
9. In fact, the unusual account activity includes the company mentioned in the Mahmood Affidavit, namely, Northwest Carrier Ltd. (**"Northwest"**). However, the unusual account activity is much more extensive than only the return of \$1,100,000 in cheques from Northwest due to non-sufficient funds, as referenced in paragraphs 4, 9 and 10 of the Mahmood Affidavit.
10. In fact, the unusual banking activity relates to a significant increase in the volume of activity in the Ten 4 RBC accounts during the period July 1 to August 14, 2023 that is disproportionate to the levels of activity in the preceding six months. Further, this increase in activity volume is attributable to numerous suspicious deposits sourced from Northwest and other entities into Ten 4's accounts with the Bank, and then electronic funds transfers

from Ten 4's accounts with the Bank to companies related to the Debtors in July and August of 2023. In fact, in late July and early August 2023, there was also an increase in the number of cheque deposits received from the Northwest and other entities that were subsequently returned, the large majority due to having insufficient funds to clear the originating account. These returns included 51 cheques with a combined value of over \$3,000,000 received from Northwest, 46 of which were returned due to having insufficient funds to clear.

11. Of the 36 Northwest cheques dated August 4 and 8, 2023 that are referenced in Exhibit "A" to Mahmood Affidavit. 29 cheques totalling \$1,989,360 and four cheques totaling US \$110,010 (as opposed to the \$1,100,000 referenced in para. 4 of the Mahmood affidavit) were returned on August 9 and 10, 2023, due to having insufficient funds to clear.
12. These returned Northwest cheques were effectively replaced on August 9 and 10, 2023 with the deposit to the Ten 4 accounts of a further series of 69 cheques, totalling over \$3,500,000, from two other entities that we believe to be connected to Ten 4 and/or Nasir Mahmood. These 69 cheques were also all subsequently returned, between August 11 and 14, 2023, due to having insufficient funds to clear. The return of these 69 cheques deposits left the RBC accounts of Ten 4 in an overdraft position of \$2,466,785 and US \$452,385 as at end of day of August 14, 2023.
13. Further, Ten 4 has not made deposits to the accounts it has at RBC since August 10, 2023. Additionally, the alleged partial payment received by Ten 4 from Northwest in the form of a \$720,840.57 draft, referenced as Exhibit "C" to the Mahmood Affidavit, has not been deposited to the Ten 4 accounts held at RBC, which remain in a significant overdraft position as reflected in para 12. above.
14. Further, the Bank has received information from Northwest's bankers that certain of Northwest's accounts have been "exited" as a result of unusual activity involving a number of parties, including Ten 4. A confidential brief ("**Confidential Brief**") evidencing the unusual account activity of the Debtors has been prepared and will be made available to the Court, if the Court requests same at the hearing of this application. In the event that the Court requests that the Applicant produce the Confidential Brief, I understand that counsel

for the Bank will request that the Court grant a sealing Order in respect of same, until further Order of the Court.

15. In any event, as outlined in the Initial Affidavit, the credit facilities extended by the Bank to Ten 4 are demand facilities and the Bank has demanded repayment in full.

Payment of Property Taxes

16. Appended to the Mahmood Affidavit at Exhibit “D” are what purports to be statements evidencing payments to the Township of Dumfries in September of 2013 by a company known as Vaho Truck Solutions Inc. The debtors have not, however, provided certified Tax Certificates from the Township to show that all property taxes have now been paid.
17. As noted at paragraph 31 of the Initial Affidavit, the failure to pay the property taxes was another cause for concern for the Bank. I am advised by Roger Jaipargas, a partner at BLG, and do verily believe, that property taxes are a priority payable that ranks ahead of the claims of the Bank, with respect to the two properties in Ayr, Ontario.
18. In any event, as noted at paragraph 26 of the Initial Affidavit, 321 Ontario and 550 Ontario failed to make payment of the principal and interest payments when due, which constituted a default which permitted the Bank to demand full repayment of the Indebtedness.

Deposits

19. With respect to paragraph 15 of the Mahmood Affidavit, it is not at all accurate to say that the mortgages are up to date.
20. I am advised by Mr. Jaipargas, and do verily believe, that on September 5, 2023 he advised counsel for the debtors in a “without prejudice” email that, without waiving any of the rights and remedies that the Bank has, the debtors were at liberty to make deposits into the accounts with certified funds that had been cleared and that any such deposits made would be without prejudice to the Bank’s rights and would not be deemed to be a waiver of the Bank’s rights.

21. While certain deposits have been made into the accounts of 550 Ontario and 321 Ontario, these funds have not yet been applied by the Bank to the indebtedness of 550 Ontario and 321 Ontario. The Bank's position is that the entire Indebtedness is due and owing and that absent a failure to make full payment of same, it has the right under the terms of its security to seek the appointment of a receiver.

The \$6,000,000 Charge against the Property

22. With respect to the information provided at paragraph 16 of the Mahmood Affidavit and the draft Notice of Application appended at Exhibit "F" thereto, the Bank had no knowledge of the loans discussed in the draft Notice of Application and that these charges had been registered against the Property owned by the Debtors. The Debtors failed to report these matters to the Bank until the Mahmood Affidavit was served in the afternoon of October 2, 2023.
23. This new development obviously causes the Bank to have even further significant concerns with respect to the stability of the Debtors and the risk to the Bank's collateral.
24. The Bank has lost confidence in the principals of the Respondents and is of the view that a Receiver should be appointed to secure the Property and develop a marketing and sale strategy, with a view to maximizing the realizations for the benefit of the stakeholders.
25. Further, a Receiver will be able to gather information with regard to the events that have transpired to date, as canvassed in this affidavit, to see if there are further avenues of recovery that should be explored, in light of the overdraft of the Ten 4 accounts.

26. This Affidavit is sworn in support of an Order for the appointment of Spergel as Receiver over the Property of the Debtors and for no other or improper purpose.

SWORN BEFORE ME over video conference)
this 4th day of October 2023, in accordance with)
Ontario Regulation 431/20. The affiant was)
located in Toronto, in the Province of Ontario,)
while the commissioner, Mariela Adriana)
Gasparini, was located in Vaughan, in the)
Province of Ontario.)



A Commissioner for taking affidavits)

LSO License No.: P14458



TRO DERBEDROSSIAN

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

ROYAL BANK OF CANADA

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Applicant

Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDINGS COMMENCED AT TORONTO

REPLY AFFIDAVIT OF TRO
DERBEDROSSIAN
(Sworn October 4, 2023)

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Toronto, ON M5H 4E3
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Lawyers for the Applicant

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

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC.

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION
243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3,
AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43, AS AMENDED**

**AFFIDAVIT OF SERVICE
(Sworn October 4, 2023)**

**I, Mariela Adriana Gasparini, of the City of Vaughan, in the Province of Ontario, MAKE
OATH AND SAY:**

1. I am a law clerk at the law firm of Borden Ladner Gervais LLP and as such have knowledge of the matters herein deposed.

2. On Wednesday, October 4, 2023, I served the parties with email addresses listed on the Service List attached hereto and marked as **Exhibit "A"** with a copy of the Reply Affidavit of Tro DerBedrossian, pertaining to the motion returnable October 11, 2023, by sending a copy of same via email. Attached hereto and marked as **Exhibit "B"** is a copy of my email correspondence (without attachments) serving the aforementioned document.

SWORN BEFORE ME over video)
conference this 4th day of October 2023, in)
accordance with Ontario Regulation 431/20.)
The affiant was located in Vaughan, in the)
Province of Ontario, while the commissioner,)
Tyler McNaughton, was located in Toronto, in)
the Province of Ontario.)



A Commissioner for Taking Affidavits)



MARIELA ADRIANA GASPARINI

This is **Exhibit “A”** referred to in the Affidavit sworn by Mariela Adriana Gasparini of the City of Vaughan, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on October 4th, 2023, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Service List
(as at September 15, 2023)

TO:	<p>BORDEN LADNER GERVAIS LLP Bay Adelaide Centre, East Tower 22 Adelaide Street West Toronto, ON M5H 4E3 Tel: (416) 367-6000 Fax: (416) 367-6749</p> <p>Roger Jaipargas Tel: (416) 367-6266 rjaipargas@blg.com</p> <p>Lawyers for Royal Bank of Canada</p>
AND TO:	<p>msi Spergel Inc. 200 Yorkland Blvd., Suite 1100 Toronto, ON M2J 5C1 Tel: 416-497-1660 Fax: 416-498-4314</p> <p>Mukul Manchanda Tel: (416)- 498-4314 mmanchanda@spergel.ca</p> <p>Proposed Receiver</p>
AND TO:	<p>HARRISON PENZA LLP 130 Dufferin Avenue, Suite 1101 London, ON N6A 5R2 Tel : (519) 679-9660 Fax : (519) 667-3362</p> <p>Tim Hogan Tel: (519) 661-6743 thogan@harrisonpensa.com</p> <p>Lawyers for msi Spergel Inc., Proposed Receiver</p>

AND TO:	<p>M. Singh Law Professional Corporation 100 King Street West, Suite 5700 First Canadian Place Toronto, ON M5X 1C7</p> <p>Manjit Singh Phone: (647) 722-8400 Email: msingh@msinghlaw.ca Website: www.msinghlaw.ca</p> <p>Lawyers for Ten 4 System Ltd., 1000043321 Ontario Inc. and 1000122550 Ontario Inc.</p>
AND TO:	<p>INTAKE CENTRE FOR INSOLVENCY (Ontario Region) Administrative Agreement Requests Manager, Insolvency Toronto Centre Tax Services Office Canada Revenue Agency</p> <p>AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca</p> <p>Lawyers for the Canada Revenue Agency</p>
AND TO:	<p>INSOLVENCY UNIT ONTARIO MINISTRY OF FINANCE 33 King Street West, 6th Floor Oshawa, ON L1H 8H5</p> <p>Leslie Crawford Tel: 905.433.5657 Leslie.Crawford@ontario.ca</p> <p>Insolvency Unit insolvency.unit@ontario.ca</p>
AND TO:	<p>PRIDE FLEET SOLUTIONS INC. 1450 Meyerside Dr., Suite 401 Mississauga, ON L57 1A6</p> <p>6050 Dixie Road Mississauga, ON L5T 2N5</p>
AND TO:	<p>AXIOM LEASING INC. 4 Robert Speck Parkway, 15th Floor Mississauga, ON L4Z 1S1</p>

AND TO:	<p>MERCADO CAPITAL CORPORATION Suite 1900, 13450 102 Ave Surrey, BC V3T 5Y1</p> <p>C/O PROSPERA EQUIPMENT FINANCE <i>A division of Mercado Capital Corporation</i> Email: Linda.Cerqueira@prospera.ca Angela.Nalliah@prospera.ca crmsupport@prospera.ca</p>
AND TO:	<p>TFG FINANCIAL CORPORATION 400-4180 Lougheed Highway Burnaby, BC V5C 6A7 Email: absecparties@avssystems.ca</p>
AND TO:	<p>DAIMLER TRUCK FINANCIAL SERVICES CANADA CORPORATION 2680 Matheson Blvd. E Ste 202 Mississauga, ON L4W 0A5</p>
AND TO:	<p>BODKIN, A DIVISION OF BENNINGTON FINANCIAL CORP. 102-1465 North Service Rd E Oakville, ON L6H 1A7</p>
AND TO:	<p>TPINE LEASING CAPITAL CORPORATION 6050 Dixie Road Mississauga, ON L5T 1A6 Email: absecparties@avssystems.ca</p>

Email Service List

rjaipargas@blg.com; mmanchanda@spergel.ca; thogan@harrisonpensa.com;
msingh@msinghlaw.ca; edward.park@justice.gc.ca; Leslie.Crawford@ontario.ca;
insolvency.unit@ontario.ca; absecparties@avssystems.ca; Linda.Cerqueira@prospera.ca;
Angela.Nalliah@prospera.ca; crmsupport@prospera.ca

This is **Exhibit “B”** referred to in the Affidavit sworn by Mariela Adriana Gasparini of the City of Vaughan, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on October 4th, 2023, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Gasparini, Adriana

From: Gasparini, Adriana
Sent: October 4, 2023 6:09 PM
To: mmanchanda@spergel.ca; thogan@harrisonpensa.com; msingh@msinghlaw.ca; edward.park@justice.gc.ca; Leslie.Crawford@ontario.ca; insolvency.unit@ontario.ca; absecparties@avssystems.ca; Linda.Cerqueira@prospera.ca; Angela.Nalliah@prospera.ca; crmsupport@prospera.ca
Cc: Jaipargas, Roger; Smith, Douglas O.
Subject: IN THE MATTER OF ROYAL BANK OF CANADA AND TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND 1000122550 ONTARIO INC. - Court File No.: CV-23-00705869-00CL
Attachments: CV-23-00705869-00CL RBC v Ten 4 Sys Endorsement Sept 20 23.pdf; Reply Affidavit of Tro DerBedrossian - RBC - Applicant - 4OCT23.pdf

TO THE SERVICE LIST:

We are the lawyers for Royal Bank of Canada, the Applicant.

Attached is the Endorsement of Justice Osborne dated September 20, 2023, stating the application will be heard via Zoom videoconference on Wednesday October 11, 2023 at 11:00 AM. Please find attached the Reply Affidavit of Tro DerBedrossian sworn today which is hereby served upon you pursuant to the *Rules of Civil Procedure* (Ontario).

Best,
Adriana

Adriana Gasparini

Law Clerk

T 416.367.6472 | AGasparini@blg.com

Bay Adelaide Centre, East Tower, 22 Adelaide St. W, Toronto, ON, Canada M5H 4E3

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Borden Ladner Gervais LLP

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IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

ROYAL BANK OF CANADA

- and -

TEN 4 SYSTEM LTD., 1000043321 ONTARIO INC. AND
1000122550 ONTARIO INC.

Applicant

Respondents

ONTARIO
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(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

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