



Court File No. BK-25-00208782-OT31

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCY OF  
JINAMART INC.  
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**APPLICATION FOR BANKRUPTCY ORDER**

**ROYAL BANK OF CANADA** (the "**Applicant**"), a chartered bank with offices in the City of Toronto, in the Province of Ontario and elsewhere throughout Canada, hereby applies to the Court that **Jinamart Inc.** be adjudged bankrupt and that a Bankruptcy Order be made in respect of the property of Jinamart Inc., having a head office in the City of Toronto, in the Province of Ontario, and says:

1. That the said Jinamart Inc. at some time during the six months next preceding the filing of this Application, carried on business at 1111 Flint Road, Unit 9-11, in the City of Toronto, in the Province of Ontario (the "**Business Premises**"), within the jurisdiction of this Honourable Court.
2. That the said Jinamart Inc. is justly and truly indebted to the Applicant, in the sum of \$1,120,796.06 as of February 3, 2025, for which payment has been demanded on February 8, 2024 under a credit facilities agreement dated July 19, 2022, and which remains unpaid.
3. That the Applicant holds security from Jinamart Inc. for payment of said sums and estimate the value of such security is approximately \$0.00, as advised by msi Spergel

inc., the Court-Appointed Receiver of all of the assets, undertakings and properties of Jinamart Inc.

4. That the said Jinamart Inc., within the six months next preceding the date of filing of this Application, has committed the following acts of bankruptcy, namely,

- a) it has ceased to meet its liabilities generally as they become due in that it has failed to pay its obligations to the Applicant; and
- b) a receivership order was made by the Honourable Mr. Justice W.D. Black on June 10, 2024 appointing msi Spergel inc. as the Court-Appointed Receiver of all of the assets, undertakings and properties of Jinamart Inc.


5. That msi Spergel inc., having an office at 200 Yorkland Blvd., Suite 1100, Toronto, Ontario, M2J 5C1, is qualified to act as Trustee of the property of Jinamart Inc. and has agreed to act as such and is acceptable to the under mentioned Applicant:


-3-

| CREDITOR             | ADDRESS  | AMOUNT OF UNSECURED DEBT                         |
|----------------------|--|--|
| Royal Bank of Canada | Special Loans and Advisory Services<br>20 King Street West, 2 <sup>nd</sup> Floor<br>Toronto, ON M5H 1C4 | \$1,120,796.06 plus legal and professional costs |

DATED at the City of Toronto, this 17<sup>th</sup> day of April, 2025.

SIGNED by the Applicant Creditor, in my presence:

  
\_\_\_\_\_  
Signature of Witness  
Name: Carol Liu

ROYAL BANK OF CANADA  
Per:   
\_\_\_\_\_  
Name: Lee-Ann Walduck  
Title: Associate Director, Group Risk Management  
I have authority to bind the Bank.

ISSUED at the City of Toronto, in the Province of Ontario, this 13 day of MAY, 2025.

\_\_\_\_\_  
Registrar in Bankruptcy

Hamza  
Mohammed  
Digitally signed by Hamza Mohammed  
Date: 2025.05.13 14:25:19 -04'00'

\_\_\_\_\_  
PER Nour Boudarga, Registrar in Bankruptcy  
OFFICER OF THE BANKRUPTCY COURT IN ONTARIO

Court File No. BK-25-00208782-OT31

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCY OF  
JINAMART INC.  
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**AFFIDAVIT**

**I, LEE-ANN WALDUCK**, of the City of Pickering, in the Regional Municipality of Durham, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am Associate Director, Group Risk Management of Royal Bank of Canada ("**RBC**"), the Applicant herein, and, as such, I have knowledge of the facts hereinafter deposed.

2. Jinamart Inc. (the "**Company**") carried on business in North York, Ontario. Hamidreza Bagheri is its sole director. Attached hereto as **Exhibit "A"** is a copy of the federal corporate information report for the Company.

3. The Company is truly indebted to the Bank in the amount of \$1,120,796.06 as of February 3, 2025, pursuant to a credit facilities agreement dated July 19, 2022 (the "**Credit Agreement**"), an RBC Royal Bank Business Credit Card Agreement dated February 4, 2022 (the "**Visa Agreement**") and two conditional sales contracts dated May 27, 2023 and January 22 respectively (the "**Auto Loan Agreements**"). Attached hereto as **Exhibit "B"** are true copies of the Credit Agreement, the Visa Agreement and the Auto Loan Agreements.



4. On February 8, 2024, the Bank issued formal payment demand upon the Company, pursuant to the Credit Agreement (the "**Demand**"), together with a Notice of Intention to Enforce Security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) (the "**Section 244 Notice**"). Attached hereto as **Exhibit "C"** are true copies of the Demand, the Section 244 Notice and General Security Agreement.

5. The Demand and Section 244 Notice expired on February 19, 2024 without repayment.

6. On June 3, 2024, RBC brought an application on the Commercial List seeking the appointment of msi Spergel inc. ("**Spergel**") as receiver, without security, of all of the assets, undertakings and properties of the Company.

7. On June 10, 2024, Spergel was appointed as the Receiver of the Company pursuant to the Order and Endorsement of Justice W.D. Black dated June 10, 2024. Attached hereto as **Exhibit "D"** are copies of the Order and Endorsement of Justice W.D. Black dated June 10, 2024.

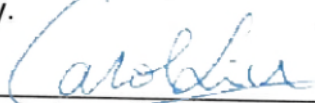
8. By email dated January 7, 2025, Melinda Vine, counsel to Spergel, confirmed via email to Rachel Moses, counsel to RBC, that Spergel as the Receiver consents to RBC's prosecution of the bankruptcy application against the Company and the stay is lifted. Attached hereto as **Exhibit "E"** are copies of emails exchanged between Ms. Moses and Ms. Vine dated January 7, 2025.

9. I am advised by Mukul Manchanda, the representative of Spergel, and believe that it does not expect to make any distributions to RBC under the receivership.

-3-

10. The facts alleged in the said Application are within my own knowledge, true.

**SWORN BEFORE ME** at the City of  
Toronto, in the Province of Ontario, on  
April 17, 2025, in accordance with O. Reg.  
431/20, Administering Oath or Declaration  
Remotely.



Commissioner for Taking Affidavits  
(or as may be)



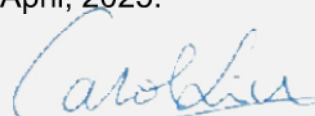
LEE-ANN WALDUCK

This is **Exhibit “A”** referred to

in the Affidavit of Lee-Ann Walduck

Sworn this 17<sup>th</sup>

day of April, 2025.



.....  
A Commissioner for Taking Affidavits



Government  
of Canada

Gouvernement  
du Canada

[Canada.ca](http://Canada.ca) → [Innovation, Science and Economic Development Canada](#) → [Corporations Canada](#)

→ [Search for a Federal Corporation](#)

## Federal Corporation Information - 1129864-0

**⚠** Beware of scams and other suspicious activities. See [Corporations Canada's alerts](#).

### **i** Note

This information is available to the public in accordance with legislation (see [Public disclosure of corporate information](#)).

Order copies of corporate documents

### Corporation Number

1129864-0

### Business Number (BN)

704708114RC0001

### Corporate Name

JINAMART INC.

### Status

Active

### Governing Legislation

*Canada Business Corporations Act - 2019-03-14*

[Order a Corporate Profile](#) [[View PDF Sample](#)] [[View HTML Sample](#)].

[Find existing extra-provincial registrations of this corporation on Canada's Business registries](#) **i**

## Registered Office Address

1111 FLINT ROAD  
UNIT 9-11

Canada

**i Note**

Active CBCA corporations are required to update this information within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

**Directors****Minimum** 1**Maximum** 4

HAMIDREZA BAGHERI  
12 DOUGLAS AVE  
TORONTO ON M5M 1G5  
Canada

**i Note**

Active CBCA corporations are required to update director information (names, addresses, etc.) within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

**Annual Filings****Anniversary Date (MM-DD)**

03-14

**Date of Last Annual Meeting**

Not available

**Annual Filing Period (MM-DD)**

03-14 to 05-13

**Type of Corporation**

Non-distributing corporation with 50 or fewer shareholders

2024 - Not due  
2023 - Overdue  
2022 - Filed

## Corporate History

### Corporate Name History

|                          |                 |
|--------------------------|-----------------|
| 2019-03-14 to 2019-06-26 | ROHAM 2020 INC. |
| 2019-06-26 to Present    | JINAMART INC.   |

### Certificates and Filings

#### Certificate of Incorporation

2019-03-14

#### Certificate of Amendment \*

2019-06-26

Amendment details: Corporate name

\* Amendment details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed. For more information, [contact Corporations Canada](#).

Order copies of corporate documents

Start New Search

[Return to Search Results](#)

Date Modified:

2023-12-22

This is **Exhibit “B”** referred to

in the Affidavit of Lee-Ann Walduck

Sworn this 17<sup>th</sup>

day of April, 2025.



.....  
A Commissioner for Taking Affidavits



Royal Bank

FORM 460 (Rev 07/2022) O

**ROYAL BANK OF CANADA CREDIT AGREEMENT**

**DATE: July 19, 2022**

|  |                                 |
|--|---------------------------------|
| <b>BORROWER:</b><br><b>JINAMART INC.</b>   | <b>SRF:</b><br><b>336286604</b> |
| <b>ADDRESS (Street, City/Town, Province, Postal Code)</b><br>1111 Flint Road<br>Unit 9-11<br>Toronto, ON M3J 3C7 |                                 |

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

**CREDIT FACILITIES**

**Facility #1**      **Revolving demand facility in the amount of \$750,000.00, available by way of RBP based loans.**  
Minimum retained balance \$5,000.00  
Revolved by the Bank in increments of \$5,000.00  
Interest rate: RBP + 1.00% per annum. Interest payable monthly, in arrears, on the same day each month as determined by the Bank.  
Margined: Yes ☐ No ☒

**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 \$200,000.00 available in Canadian currency and US currency.

**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) Postponement and assignment of claim on the Bank's form 918 signed by Hamidreza Bagheri.

**FEES**

Arrangement fee of \$500.00 payable upon acceptance of this Agreement or as agreed upon between the Borrower and the Bank.

Facility #1 management fee of \$250.00 payable in arrears on the same day each month.

**REPORTING REQUIREMENTS**

The Borrower will provide to the Bank:

- a) annual aged list of accounts receivable, aged list of accounts payable and listing of inventory for the Borrower, within 120 days of each fiscal year end;  
b) annual review engagement financial statements for the Borrower, within 120 days of each fiscal year end;  
c) such other financial and operating statements and reports as and when the Bank may reasonably require.

\* Registered trademark of Royal Bank of Canada.



### **OTHER INFORMATION/REQUIREMENTS**

- a) In no event will the Credit Facilities or any part thereof be available unless the Bank has received a personal statement of affairs for Hamidreza Bagheri, satisfactory to the Bank.

### **BUSINESS LOAN INSURANCE PLAN**

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

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

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

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

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

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

### **STANDARD TERMS**

The following standard terms have been provided to the Borrower:

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

\* Registered trademark of Royal Bank of Canada.

**ACCEPTANCE**

This Agreement is open for acceptance until August 18, 2022, after which date it will be null and void, unless extended by the Bank in its sole discretion.

**ROYAL BANK OF CANADA**



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

**RBC Contact: ANTHONY GONG**

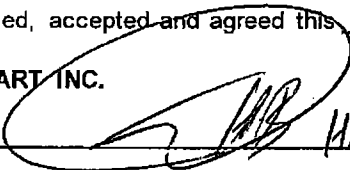
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**CONFIRMATION & ACCEPTANCE**

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

Confirmed, accepted and agreed this 28 day of July, 2022.

**JINAMART INC.**

Per:  \_\_\_\_\_  
Name: Hamid Reza Bayheri  
Title: Director

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

I/We have the authority to bind the Borrower

**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS**

**FORM 472 (11/2020)**

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

**GENERAL**

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

**CONDITIONS PRECEDENT**

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

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

**AVAILABILITY**

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

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

**LOAN REVOLVEMENT**

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

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

**REPAYMENT**

- a) Amounts outstanding under the Credit Facilities, together with interest, shall become due in the manner and at the rates and times specified in or pursuant to this Agreement and shall be paid in the currency of the Borrowing. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day.
- b) Unless the Bank otherwise agrees, any payment hereunder must be made in money which is legal tender at the time of payment.

**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS**

**FORM 472 (11/2020)**

- c) In the case of a demand facility of any kind, the Borrower shall repay all principal sums outstanding under such facility upon demand including, without limitation, an amount equal to the face amount of all LCs and LGs, if applicable, which are unmatured 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.
- d) Where any Borrowings are repayable by scheduled blended payments of principal and interest, such payments shall be applied, firstly, to interest due, and the balance, if any, shall be applied to principal outstanding with any balance of such Borrowings being due and payable as and when specified in this Agreement. If any such payment is insufficient to pay all interest then due, the unpaid balance of such interest will be added to such Borrowing, will bear interest at the same rate, and will be payable on demand or on the date specified herein, as the case may be.
- e) Borrowings repayable by way of scheduled payments of principal plus interest shall be so repaid with any balance of such Borrowings being due and payable as and when specified in this Agreement.
- f) For any Borrowings that are repayable by scheduled payments, if the scheduled payment date is changed then the maturity date of the applicable Borrowings shall automatically be amended accordingly.
- g) Without limiting the right of the Bank to terminate or demand payment of or to cancel or restrict availability of any unused portion of any revolving demand tender loan facility, Borrowings by way of tender loans shall be repaid (i) if the tender is not accepted, by returning the relevant draft, or certified cheque, if applicable, to the Bank for cancellation or (ii) if the tender is accepted, by returning the relevant draft, or certified cheque, if applicable, once letters of guarantee or performance bonds are arranged. In the event such draft, or certified cheque, if applicable, is presented for payment, the amount of the draft, or certified cheque, if applicable, will be converted to an RBP based loan with an interest rate of RBP plus 5% per annum.
- h) Should the Bank demand immediate repayment in full of any amounts outstanding under any term facility due to an Event of Default, the Borrower shall immediately repay all principal sums outstanding under such facility and all other obligations in connection with any such term facility.
- i) Except for Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the rate of RBP plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%, or, in the case of an amount in US currency if applicable, RBUSBR plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%. Such interest on overdue amounts shall be computed daily, compounded monthly and shall be payable both before and after any or all of default, maturity, demand and judgement. For Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the same rate as the interest rate applicable to the principal amount of the Borrowings as specified in this Agreement.
- j) In the case of any reducing term loan and/or reducing term facility ("**Reducing Term Loan/Facility**"), provided that nothing contained in this paragraph shall confer any right of renewal or extension upon the Borrower, the Borrower and the Bank agree that, at the Bank's option, the Bank may provide a letter ("**Renewal Letter**") to the Borrower setting out the terms upon which the Bank is prepared to extend the Reducing Term Loan/Facility. In the event that the Bank provides a Renewal Letter to the Borrower and the Reducing Term Loan/Facility is not repaid on or before the maturity date of the applicable Reducing Term Loan/Facility, then at the Bank's option the Reducing Term Loan/Facility shall be automatically renewed on the terms set out in the Renewal Letter and the terms of this Agreement shall be amended accordingly.

**PREPAYMENT**

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

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

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

- a) the greater of:

**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS**

**FORM 472 (11/2020)**

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

plus:

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

plus:

- c) a processing fee.

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

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

**EVIDENCE OF INDEBTEDNESS**

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

**CALCULATION AND PAYMENT OF INTEREST AND FEES**

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

**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS**

**FORM 472 (11/2020)**

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

**FEES, COSTS AND EXPENSES**

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

**GENERAL COVENANTS**

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

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

**GENERAL INDEMNITY**

The Borrower hereby agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from and against any and all claims, suits, actions, demands, debts, damages, costs, losses, obligations, judgements,

**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS**

**FORM 472 (11/2020)**

charges, expenses and liabilities of any nature which are suffered, incurred or sustained by, imposed on or asserted against any such Person as a result of, in connection with or arising out of i) any breach of any term or condition of this Agreement or any Security or any other agreement delivered to the Bank by the Borrower or any Guarantor if applicable or any Event of Default, ii) the Bank acting upon instructions given or agreements made by electronic transmission of any type, iii) the presence of Contaminants at, on or under or the discharge or likely discharge of Contaminants from, any properties now or previously used by the Borrower and iv) the breach of or non compliance with any Applicable Law by the Borrower or any Guarantor.

**AMENDMENTS AND WAIVERS**

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

**SUCCESSORS AND ASSIGNS**

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

**GAAP**

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

**SEVERABILITY**

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

**DEFAULT BY LAPSE OF TIME**

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

**SET-OFF**

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

**CONSENT OF DISCLOSURE**

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

**JOINT AND SEVERAL / SOLIDARY**

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

**EVENTS OF DEFAULT**

Without affecting or limiting the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, each of the following shall constitute an "Event of Default" which shall entitle the Bank, in its sole discretion, to cancel any Credit Facilities, demand immediate repayment in

**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS**

**FORM 472 (11/2020)**

full of any amounts outstanding under any term facility, together with outstanding accrued interest and any other indebtedness under or with respect to any term facility, and to realize on all or any portion of any Security:

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

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

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

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

**FEF CONTRACTS**

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

- a) the Borrower shall promptly issue or countersign and return a confirmation or acknowledgement of the terms of each such FEF Contract as required by the Bank;
- b) the Borrower shall, if required by the Bank, promptly enter into a Foreign Exchange and Options Master Agreement or such other agreement in form and substance satisfactory to the Bank to govern the FEF Contract(s);
- c) in the event of demand for payment under the Agreement, the Bank may terminate all or any FEF Contracts. If the agreement governing any FEF Contract does not contain provisions governing termination, any such termination shall be effected in accordance with customary market practice. The Bank's determination of amounts owing under any terminated FEF Contract shall be conclusive in the absence of manifest error. The Bank shall apply any amount owing by the Bank to the Borrower on termination of any FEF Contract against the Borrower's obligations to the Bank under the Agreement and any amount owing to the Bank by the Borrower on such termination shall be added to the Borrower's obligations to the Bank under the Agreement and secured by the Security;
- d) the Borrower shall pay all required fees in connection with any FEF Contracts and indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank in relation to any FEF Contract;
- e) any rights of the Bank herein in respect of any FEF Contract are in addition to and not in limitation of or substitution for any rights of the Bank under any agreement governing such FEF Contract. In the event that there is any inconsistency at any time between the terms hereof and any agreement governing such FEF Contract, the terms of such agreement shall prevail;
- f) in addition to any security which may be held at any time in respect of any FEF Contract, upon request by the Bank from time to time, the Borrower will deliver to the Bank such security as is acceptable to the Bank as continuing collateral security for the Borrower's obligations to the Bank in respect of FEF Contracts; and
- g) the Borrower will enter each FEF Contract as principal, and only for purposes of hedging currency risk arising in the ordinary course of the Borrower's business and not for purposes of speculation. The Borrower understands and hereby acknowledges the risks associated with each FEF Contract.



**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS**

**FORM 472 (11/2020)**

**EXCHANGE RATE FLUCTUATIONS**

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

**LANGUAGE**

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

**WHOLE AGREEMENT**

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

**GOVERNING LAW**

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

**NOTICES**

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

**COUNTERPART EXECUTION**

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

**ELECTRONIC MAIL AND FAX TRANSMISSION**

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

**ELECTRONIC IMAGING**

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

**CONFIDENTIALITY**

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

**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS**

**FORM 472 (11/2020)**

any press release or make any other public announcement or filing with respect to the Confidential Information without the Bank's prior written consent.

**DEFINITIONS**

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

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

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

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

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

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

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

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

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

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

**"Current Ratio"** means the ratio of Current Assets to Current Liabilities;

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

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

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

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

**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS**

**FORM 472 (11/2020)**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**"Overdraft"** means advances of credit by way of debit balances in the Borrower's current account;

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

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

**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS**

**FORM 472 (11/2020)**

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

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

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

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

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

**"RBR"** 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.





Royal Bank

## RBC ROYAL BANK® BUSINESS CREDIT CARD AGREEMENT

This Agreement sets out the terms under which each Cardholder may use their Card, Account and Credit Card Cheques (as such terms are defined below). It replaces all prior RBC® Visa® CreditLine for Small Business™, RBC Business Credit Card (joint and several liability) and RBC Business Cash Back Mastercard® agreements.

**IMPORTANT:** Read this Agreement carefully as it explains the rights and duties applicable to you, each Signing Authority and each Cardholder. It also is your promise to pay all Debt owing on an Account.

### 1. What the Words Mean:

Here are the definitions of some of the words used in this Agreement. The words are in their singular form, but the definitions also apply to the plural forms of the words.

"we", "our" or "us" means Royal Bank of Canada and companies under RBC;

"you" or "your" means the Applicant and each Owner;

"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 Business Cash Back Mastercard ("Cash Back Mastercard"), RBC Visa CreditLine for Small Business ("CLSB"), RBC Visa Business ("Visa Business") or RBC Visa Business Gold ("Visa Business Gold") account that we have opened for the Applicant. We may add other types of accounts to this list at any time. All Cards we issue to Cardholders under an Account form part of the Account;

"Account Credit Limit" means the maximum amount of Debt that can remain outstanding and unpaid in an Account;

"Account Documentation" means any document relating to an Account we may send to you and/or Cardholders from time to time including, but not limited to, changes to the Agreement or pricing changes, an insert enclosed with a paper Account Statement or information provided on an Account Statement, legal and regulatory information that we may be required by law to send you or, with your consent, any marketing offer;

"Account Statement" means the monthly written statement(s) of the Account in either paper or electronic format;

"Agreement" means this agreement and the Liability Waiver Program insurance certificate sent with the Card(s), if applicable. A copy of the certificate is also available at [www.rbcroyalbank.com/credit-cards/documentation.html](http://www.rbcroyalbank.com/credit-cards/documentation.html);

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

"ATM" means an automated teller machine;

"Card" means any credit card issued to a Cardholder on an Account;

"Card Credit Limit" means, for Avion Visa Infinite Business, Avion Visa Business, Visa Business and Visa Business Gold Accounts only, the maximum amount that can remain outstanding and unpaid on a Card;

"Cardholder" means an individual to whom a Card is issued;

"Cash Advance" means an advance of cash that is charged to an Account through any eligible means including, but not limited to, a cash withdrawal from an Account, use of a Credit Card Cheque, a balance transfer, a Cash-Like Transaction or a bill payment (that is not a pre-authorized charge that you set up with a merchant);

"Cash Advance Interest Rate" means the annual interest rate applicable to Cash Advances made on an Account. The Cash Advance Interest Rate is shown on each Account Statement;

"Cash-Like Transaction" means a transaction that is similar to cash and we treat as a Cash Advance including, but not limited to, a money order, a wire transfer, a traveller's cheque and a gaming transaction (including, but not limited to, betting, off-track betting, race track wagers, casino gaming chips and lottery tickets);

"Credit Card Cheque" means a cheque drawn on an Account. It can only be in the form of a cheque that we provide to you for the Account;

"Debt" means, on any day, the total amount owing to us under this Agreement. The Debt is made up of all amounts charged to an Account including, but not limited to, Purchases, Cash Advances, Credit Card Cheques, interest and Fees;

"Electronic Means" means any communication method permitted by us from time to time including, but not limited to, computer, tablet, telephone, cell phone, smart phone, Internet, email, personal digital assistant, facsimile or other method of telecommunication or electronic transmission;

"Fee" means a fee that applies to an Account. Fees are set out in this Agreement and may also be in any other Account Documentation we may send to you and/or Cardholders from time to time;

"Grace Period" means the number of days between the last Statement Date and the Payment Due Date for an Account. For CLSB, there is no Grace Period;

"Interest Rate" means either the Cash Advance Interest Rate or Purchase Interest Rate and "Interest Rates" means both the Cash Advance Interest Rate and the Purchase Interest Rate;

"Introductory Interest Rate" means a special low Interest Rate that may be offered to Cardholders. Only new Accounts are eligible for an Introductory Interest Rate;

"Liability Waiver Program" means the RBC Royal Bank Business Credit Card Liability Waiver Insurance program for Avion Visa Infinite Business, Avion Visa Business, Visa Business and Visa Business Gold Accounts only, in force from time to time;

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

"New Balance" means the amount indicated as such on an Account Statement. The New Balance is made up of all Debt incurred up to the Statement Date;

"Owner" means each individual who signs this Agreement as such, and includes any individual who owns a business as a sole proprietor, or has invested in a business as a partner, shareholder, member, limited partner or beneficial owner, and

who is authorized to act and make financial decisions on behalf of the Applicant including, but not limited to, opening an Account, asking for additional Cards on an Account or asking for an Account Credit Limit increase;

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

**"PIN"** means the personal identification number used by a Cardholder to access the Account;

**"Prime Interest Rate"** means the annual rate of interest we announce from time to time and post at our branches and on our website at [www.rbcroyalbank.com/rates](http://www.rbcroyalbank.com/rates) as a reference rate for determining interest rates on Canadian dollar commercial loans in Canada;

**"Promotional Interest Rate"** means a special low Interest Rate that may be offered to Cardholders periodically after an Account has been opened;

**"Purchase"** means a purchase of goods or services (or both) that is charged to an Account. A Purchase may be made with or without the use of a Card;

**"Purchase Interest Rate"** means the annual interest rate that applies to Purchases made on an Account. The Purchase Interest Rate is shown on each Account Statement;

**"Service Administrator"** means any individual an Owner or Signing Authority has designated as such;

**"Signing Authority"** means any individual (who may or may not be an Owner) designated, in the way we require the designation to be made, as being authorized to act and make financial decisions on behalf of the Applicant and the Owners including, but not limited to, opening an Account, asking for additional Cards on an Account or asking for an Account Credit Limit increase;

**"Statement Date"** means the last date of the Account 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 self-manage 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 applies to each Card, Account and Credit Card Cheque. It also applies if we send you or a Cardholder a

renewal or replacement Card. You agree to all of the terms and conditions set out in this Agreement and the terms and conditions in any amended or replacement agreement relating to the Account. You must give a copy of this Agreement, including any amendments to this Agreement, to each Owner and to each Cardholder.

If a Cardholder signs, activates, or uses their Card or their Card number, it will mean that each Owner and the Cardholder has received and read this Agreement and agrees to and accepts all of its terms applicable to them.

By accepting this Agreement and using the Card, you have requested the benefits and services provided automatically with the Card. Different types of Cards come with different features. Some of these features are highlighted later in this Agreement. The "Welcome Kit" that Cardholders receive with their Cards outlines the benefits and services that Cardholders can enjoy. We may change any of these features at any time. Third parties will provide some of the benefits and services outlined in your "Welcome Kit". These third parties, and not us, are responsible to you and the Cardholders for the services and benefits offered or provided by them. Optional features are available at an additional cost to you. If you request any of these optional features, we may send you a separate agreement outlining any additional terms and conditions for the optional features.

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

You must promptly give us up-to-date credit and financially related information about you when we ask for it.

The Section and Sub-Section headings in this Agreement are for ease of reference only. They do not form part of this Agreement.

## 3. Account Opening/Card Issuance:

### a. Applicable to Avion Visa Infinite Business, Avion Visa Business, Visa Business and Visa Business Gold Accounts

At your request and subject to our approval, we will open an Account and issue a Card to the Cardholder(s) that you designate.

For any Cardholder who is not responsible for paying the Debt, we will only keep a record of the name of the Cardholder. In this situation, you must obtain and record the name, address, telephone number and date of birth of each Cardholder. You must keep this information for at least seven (7) years after a Card has been cancelled. If we ask, you will give us this information.

### b. Applicable to CLSB and Cash Back Mastercard Accounts

At your request and subject to our approval, we will open an Account and issue a Card to the Cardholder(s) that you designate. The maximum number of Cardholders for each Account is two (2), and each Cardholder must be an Owner.

## 4. Card Renewal and Replacement:

A renewal or replacement Card will be issued before the expiration date on the Card. Renewal and replacement Cards will continue to be issued to Cardholders in this way until you tell us to stop.

## 5. Account and Card Use:

A Card can only be used by the Cardholder in whose name it has been issued. Cardholders can use their Card and/or Card number for any permitted purpose including, but not limited to:

- making purchases, whether they buy in person, over the phone, using the Internet or by mail order;
- making cash withdrawals at one of our branches, at another financial institution or at an ATM;
- writing cheques using the Credit Card Cheques; and
- taking advantage of a balance transfer offer by transferring all or part of a balance they owe elsewhere to the Account, through our online banking service or by calling 1-800 ROYAL® 1-2 (1-800-769-2512).

A Cardholder must not use their Card for any illegal, improper or unlawful purpose. We may refuse to authorize certain types of transactions as we decide including, but not limited to, Internet gambling.

#### **6. Debt Incurred Without a Card:**

If a Cardholder incurs Debt using their Card number only, without having presented their Card to a merchant (such as for an Internet, mail order or telephone Purchase), the legal effect will be the same as if the Cardholder had used their Card and signed a sales draft or receipt or entered their PIN.

#### **7. If the Card Expires:**

The Card expires at the end of the month shown on the Card. Cardholders must not use their Card or Card number if their Card has expired or after this Agreement is terminated. If anything is charged to an Account after the Card has expired or this Agreement is terminated, you are still responsible for and must pay the Debt.

#### **8. Lost or Stolen Card:**

If a Card is lost or stolen or if any one of you or the Cardholder suspects it is lost or stolen or being used by someone else, you or the Cardholder must tell us immediately.

After we have been told that a Card has been or may have been lost, stolen or misused, we will be able to prevent the use of the Card and Card number. If we suspect unauthorized or fraudulent use of a Card or a Card number, the use of any Card can be blocked or prevented without notice to you.

You will not be liable to us for any Debt resulting from the loss, theft or misuse of a Card that is incurred after the time any one of you or the Cardholder tells us about the loss, theft or misuse of a Card.

Notwithstanding the above, if a Card is lost, stolen or misused, you will be liable to us for:

- i. all amounts owing on the Card, up to a maximum of \$1,000.00, resulting from the loss, theft or misuse of the Card that is incurred before the time any one of you or the Cardholder tells us about that loss, theft or misuse through any one or more transactions on the Card, for which the Card or Card number has been used to complete those transactions; and
- ii. all amounts owing on the Card, resulting from the loss, theft or misuse of the Card that is incurred before the time any one of you or the Cardholder tells us about that loss, theft or misuse through any one or more transactions on the Card, for which the Card and PIN have been used together to complete those transactions.

#### **9. Credit Limits:**

##### **a. Applicable to Avion Visa Infinite Business, Avion Visa Business, Visa Business and Visa Business Gold Accounts**

If you have more than one Card, we will set an Account

Credit Limit representing the total credit limit for all Cards.

We may change the Account Credit Limit from time to time, without notice.

The Debt must not exceed the Account Credit Limit. However, we may (but are not required to, even if we have done so before) permit the Debt to exceed the Account Credit Limit.

A Card Credit Limit will be set for each Card. We may change any Card Credit Limit from time to time, without notice.

We will tell you the Card Credit Limit on the documents accompanying each Card when it is issued, and on each Account Statement.

Each Cardholder must observe their Card Credit Limit. The amounts owing on a Card must not exceed the Card Credit Limit. However, we may (but are not required to, even if we have done so before) permit the amounts owing on a Card to exceed the Card Credit Limit. We may, at any time, refuse to permit the amounts owing on a Card to exceed the Card Credit Limit and require you to pay any balances which exceed the Card Credit Limit.

When the amounts owing on a Card exceed the Card Credit Limit at any time during the Account Statement period, an Overlimit Fee will be charged to the Account.

If you consistently make late payments or no payments, we may reduce the Card Credit Limit for a particular Card and/or the Account Credit Limit, without notice.

##### **b. Applicable to CLSB and Cash Back Accounts**

An Account Credit Limit will be set for the Account. We may change the Account Credit Limit from time to time, without notice. We will tell you the Account Credit Limit on the documents accompanying each Card when it is issued, and on each Account Statement.

The Debt must not exceed the Account Credit Limit. However, we may (but are not required to, even if we have done so before) permit the Debt to exceed the Account Credit Limit.

We may, at any time, refuse to permit the Debt to exceed the Account Credit Limit and require you to pay any balances that exceed the Account Credit Limit.

When the Debt exceeds the Account Credit Limit at any time during the Account Statement period, an Overlimit Fee will be charged to the Account.

If you consistently make late payments or no payments, we may reduce the Account Credit Limit without notice.

#### **10. Card Cancellation/Revocation or Suspension of Use:**

The Applicant may cancel a Card by giving us a notice to cancel the Card. Except as otherwise set out in this Agreement, you will be liable to us for all Debt resulting from the use of the Card from the time we receive the notice of cancellation until the time the Applicant notifies us that the Card has been destroyed.

If the amounts owing on a Card exceed the Card Credit Limit or the Debt outstanding on an Account exceeds the Account Credit Limit, we may suspend the right to use the Card or the Account and all services we provided under this Agreement until the excess is paid in full.

We may revoke or suspend a Cardholder's right to use their Card or Card number at any time without notice. A Cardholder must give up their Card to you or to us at your (or our) request.



**11.11.11.11 Card Security Features**

We will provide each Cardholder with a PIN for their Card or tell them how to select it. We will also tell them how to change their PIN. We will treat a PIN as the Cardholder's authorization whenever it is used with a Card. Any transactions done using the Card with the PIN will have the same legal effect as if the Cardholder signed a written direction to us.

Each Cardholder must protect the security of their Card and the Account by keeping their PIN confidential and separate from their Card at all times. Cardholders must select a PIN which cannot be easily guessed. Cardholders must not select a PIN using a combination of their name, date of birth, telephone numbers, address or social insurance numbers. No one but the Cardholder is permitted to know or use the PIN or any other security codes such as passwords, access codes and Card numbers that may be used or required for Internet or other transactions. Each Cardholder will keep these security codes confidential and separate as well.

If someone uses a Card and PIN or the Card number with any other security code to make unauthorized purchases or otherwise obtain the benefits of the Card or Account, you will not be responsible for those charges provided that (i) you and the Cardholder are able to establish to our reasonable satisfaction that the Cardholder has taken reasonable steps to protect their Card, Account and/or Credit Card Cheque against loss or theft and to safeguard their PIN and other security codes in the manner set out in this Agreement, or as we may otherwise advise Cardholders from time to time, and (ii) you and the Cardholder cooperate fully with our investigation.

You will however remain fully responsible for all Debt incurred in connection with an unauthorized use if a Cardholder voluntarily discloses their PIN or other security code or otherwise contributes to the unauthorized or fraudulent use of a Card or access to the Account, or you or the Cardholder fails to tell us in a reasonable time that a Card or Credit Card Cheque has been lost or stolen or that you believe someone else may know a Cardholder's PIN or other security code.

You are not responsible for unauthorized use of Card(s) or Card number(s) in transactions in which neither a PIN nor a security code is used as the Cardholder verification method.

For the purposes of this protection, "unauthorized use" of a Card or Card number means use by a person other than the Cardholder who does not have actual, implied or apparent authority for such use, and from which neither you nor the Cardholder receives any benefit. In addition to what is set out in this Agreement, we may tell Cardholders other steps they must take to safeguard their PIN or security codes.

**12. Visa Business Reporting and Visa Payment Controls:****Applicable to Avion Visa Infinite Business Accounts only**

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

**12.1. Applicant's Acknowledgment**

The Applicant acknowledges that:

- (a) Visa Business Reporting and Visa Payment Controls are provided by Visa and the Terms of Use have been established solely by Visa, not us;

**(b) 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](http://www.visa.ca/en_CA/legal/privacy-policy.html);

- (c) all information and data contained in Visa Business Reporting and Visa Payment Controls remain our property;
- (d) we are not in any way responsible for the availability of such Visa Business Reporting and Visa Payment Controls at any time or their accuracy thereof;
- (e) we 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. We 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) we specifically disclaim any implied warranty of merchantability or fitness for a particular purpose of Visa Business Reporting and/or Visa Payment Controls; and
- (g) we 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.

**12.2 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 us and hold us 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.

### 12.3 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 RBC, 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 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.

### 13. Liability for Debt:

Except as otherwise set out in this Agreement and, for Avion Visa Infinite Business, Avion Visa Business, Visa Business and Visa Business Gold Accounts only, except as may otherwise be provided under the Liability Waiver Program, the Applicant, together with each Owner, will be jointly and severally (in Quebec, solidarily) liable to us for all Debt charged to the Account, no matter how it is incurred or who has incurred it and even though we may send Account Statements to Cardholders and not to any of you. However, we will provide Account Statement(s) or other information about that Debt to any of you at the request of any Owner or Signing Authority. The Applicant, together with each Owner, will also be jointly and severally (in Quebec, solidarily) liable to us for everything else you have agreed to with us in this Agreement.

An Owner will continue to be liable for the Debt as long as the Owner's name appears on this Agreement. If there is any change to the ownership or structure of the Applicant including, but not limited to, if an Owner ceases to be an owner, it is your responsibility to notify us as a new Agreement may need to be signed.

We may apply any money the Applicant or an Owner has on deposit with us or any of our affiliates against any Debt you owe us. We can apply the money on deposit against any Debt without notice to you or any of you.

### 14. Making Payments:

It is your responsibility to ensure that payment on the Account is received by us for credit to the Account by the Payment Due Date shown on each Account Statement.

Even when normal postal service is disrupted, payments must continue to be made on each Account.

Payments can be made on the Account at any time. Payments can be made by mail, at one of our branches, at an ATM that processes such payments, through our telephone, mobile or online banking service or at certain other financial institutions that accept such payments, by registering the Account as a "Bill Payment" for this purpose.

Payments sent to us by mail or made through another financial institution's branch, ATM or online banking service may take several days to reach us. A payment is not credited to the Account and does not automatically adjust the available Card Credit Limit or Account Credit Limit until we have processed the payment. It may take several days to adjust the available Card Credit Limit or Account Credit Limit depending on how payment is made. To ensure that a payment is credited to an Account and automatically adjusts the available Card Credit Limit or Account Credit Limit on the same business day, a payment must be made prior to 6:00pm local time on that business day at one of our branches or our ATMs in Canada or through our telephone, mobile or online banking service.

You can also ask us to process your payments on the Payment Due Date each month as a pre-authorized debit ("PAD") from a deposit account. The account must be with a Canadian financial institution and must be in Canadian dollars.

You may choose to pay the Minimum Payment or your New Balance. If you ask us to automatically process payments as a PAD, you will 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, as well as this Agreement. You also waive any pre-notification requirements that exist where variable payment amounts are being authorized. You may notify us at any time that you wish to revoke your authorization for a PAD. A PAD may, under certain circumstances, be disputed for up to ninety (90) days. To obtain more information on our rights against you under a PAD, you may contact the financial institution that holds the bank account you have designated for the PAD or review the Rules at [www.cdnpay.ca](http://www.cdnpay.ca).

You are not permitted to make a payment exceeding a Card Credit Limit unless the amounts owing on the Card at the time of payment are more than the Card Credit Limit. You are not permitted to make a payment exceeding the Account Credit Limit unless the Debt at the time of payment is more than the Account Credit Limit. If you do make a payment of more than the Card Credit Limit or the Account Credit Limit, interest will not be paid on the positive balance. Any positive balance is not considered a deposit account for the purpose of insurance given by Canadian Deposit Insurance Corporation.

### 15. Payment of Debt:

- a. Except as otherwise set out in this Agreement, you may pay the Debt in respect of each Account in full or in part at any time.

**1.1 Interest Rates and Charges**

- b. Except as otherwise set out in this Agreement, you must make a Minimum Payment, by the Payment Due Date, equal to the lesser of (i) for all Accounts except CLSB, \$10.00, plus interest, plus Fees or, for CLSB, \$100.00, plus interest, plus Fees, and (ii) your New Balance, in order to keep the Account up to date. Each of these amounts will be shown on the Account Statement. Any past-due amounts will be included in your Minimum Payment amount.
- c. You must also pay any amount that exceeds either the Card Credit Limit or Account Credit Limit immediately, even though we may not yet have sent an Account Statement on which that excess appears.
- d. You must keep the Account up-to-date at all times even if we are delayed in or prevented from sending, for any reason, any one or more Account Statements. You must contact one of our branches or our Cards Customer Service at 1-800 ROYAL® 1-2 (1-800-769-2512) at least once a month during such a delay or interruption to obtain any payment information you do not have and need to know in order for you to comply with your obligations under this Section.
- e. If any payment made by you in respect of the Account is not honoured, or if we must return it to you because it cannot be processed, a "Dishonoured Payment Fee" will be charged and Card privileges may be revoked or suspended.
- f. If the New Balance on a previous Account Statement was paid in full by the Payment Due Date, the Grace Period for the current Account Statement will continue to be the minimum number of days applicable to the Card. If the New Balance on the previous Account Statement was not paid in full by the Payment Due Date, the Grace Period for the current Account Statement will be extended to twenty-five (25) days from the last Statement Date. This section 15(f) does not apply to CLSB, which has no Grace Period.

**16. Payment Allocation:**

When you make a payment, we will apply the amount up to your Minimum Payment, first to any interest and second to any Fees. We will apply the remainder of any Minimum Payment to your New Balance, generally starting with amounts bearing the lowest Interest Rate before amounts bearing a higher Interest Rate.

If you pay more than your Minimum Payment, we will apply the amount over the Minimum Payment to the remainder of your New Balance. If the different amounts that make up your New Balance are subject to different Interest Rates, we will allocate your excess payment in the same proportion as each amount bears to the remainder of your New Balance. If the same Interest Rate is applicable to both a Cash Advance and a Purchase, we will apply your payment against the Cash Advance and the Purchase in a similar proportionate manner.

If you have paid more than your New Balance, we will apply any payment in excess of the New Balance to amounts that have not yet appeared on your Account 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 Debt owing in the same manner as we apply payments in excess of the Minimum Payment.

The current Interest Rates are set out on each Account Statement. They are expressed as annual percentage rates. The standard Interest Rates are shown in the chart outlined in the "Standard Annual Fees, Grace Period and Interest Rates" Section of this Agreement. If you are taking advantage of any special offers, the Interest Rates may be different than those on the chart. The Interest Rates may change from time to time.

**a. Applicable to all Accounts except CLSB**

You can avoid interest on both Purchases and Fees by always paying the New Balance in full on or before the Payment Due Date every month. Your New Balance is shown on your Account Statement and is made up of all Purchases, Cash Advances, interest and Fees incurred up to the Statement Date.

If you do not pay your New Balance in full on or before the Payment Due Date, you will lose your interest-free status for Purchases and Fees. If this happens, you must pay interest on all Purchases and Fees shown on that month's Account Statement as well as interest on all new Purchases and new Fees. Interest is calculated from the transaction date, until the day we process your payment for the total amount you owe. To regain interest-free status on your Purchases and Fees, you must pay your New Balance by the Payment Due Date. Interest on previously billed Purchases and Fees that has accrued since the end of the last Account Statement period to the date payment in full of the New Balance is received will appear on your next month's Account Statement.

Cash Advances never benefit from an interest-free Grace Period. This means interest is charged from the transaction date.

**b. Applicable to CLSB Accounts only**

The Interest Rate(s) in effect for the entire period covered by an Account Statement is calculated by taking our Prime Interest Rate in effect on the first business day of the month in which we prepare your Account Statement and adding the interest rate premium (fixed percentage) applicable to the Account. We will tell you what your interest rate premium is in a document accompanying each Card. Your Interest Rate changes as our Prime Interest Rate changes. We will review the Account and Interest Rates from time to time, and may decrease or increase your interest rate premium at any time. If we change your interest rate premium, we will give you thirty (30) days written notice of the change.

We will charge you interest on the amount of each Purchase, Cash Advance and Fee from (and including) the transaction date recorded for them on the Account Statement, where they appeared for the first time, up to the day we receive payment in full of the Debt.

**c. Applicable to all Accounts**

Fees are treated in the same manner as Purchases for the purpose of charging interest. The transaction date for a Fee is the date that the Fee is posted to the Account.

We do not charge interest on interest.

We calculate interest daily; however we only add it to the Account monthly. The amount of interest we charge is calculated as follows:

- we add the amount you owe each day, and divide that total by the number of days in the Account Statement period. This is your average daily balance; and
- We multiply the average daily balance by the applicable daily Interest Rate(s) (obtained by taking the annual Interest Rate(s) and dividing by the number of days in the year). We then multiply this value by the total number of days in the Account Statement period to determine the interest we charge you.

If there is more than one applicable Interest Rate, we calculate the amount of interest you owe based on the average daily balances that apply to each Interest Rate.

The Account Statement will show your New Balance, Payment Due Date, transaction and posting dates, and your Interest Rate(s), including any Introductory Interest Rate or Promotional Interest Rate.

#### 18. Cash Advances:

Interest is always charged on a Cash Advance from the day the Cash Advance is made. "Cash Advance Fees" or "Promotional Rate Fees" also apply to certain Cash Advances. These fees are set out in the "Other Fees" Section of this Agreement. All of the following types of transactions are treated as Cash Advances:

- When a Cardholder makes a cash withdrawal from the Account at an RBC Royal Bank branch or ATM, or at any other financial institution's branch or ATM;
- When a Cardholder uses a Credit Card Cheque;
- When a Cardholder takes advantage of a balance transfer offer by transferring all or part of a balance they owe elsewhere to the Account, through our online banking service or by calling 1-800 ROYAL® 1-2 (1-800-769-2512);
- When a Cardholder makes bill payments from the Account or transfers funds from the Account to another RBC Royal Bank account, at one of our branches or ATMs, or through our online banking or telephone banking service (1-800 ROYAL® 1-1) (bill payments made by pre-authorized charges to the Account that a Cardholder sets up with a merchant will usually be treated as Purchases, not as Cash Advances, and we will not charge interest from the transaction date); and
- When a Cardholder makes Cash-Like Transactions.

If you are uncertain as to whether a particular transaction will be treated as a Cash Advance or as a Purchase, you should contact us.

#### 19. Standard Annual Fees, Grace Period and Interest Rates:

The following provides some guidance with respect to standard non-refundable annual fees, Grace Periods and standard Interest Rates for our Cards. Your annual fee may be different from that shown in this Agreement if the terms and conditions for other banking and related services you have with us provide otherwise. Annual fees are charged on the first day of the month following the Account opening (whether or not the Card is activated) and annually thereafter on the first day of that same month.

| Credit Card                        | Non-Refundable Annual Fees |                      | Grace Period (days) | Interest Rate          |                            |
|------------------------------------|----------------------------|----------------------|---------------------|------------------------|----------------------------|
|                                    | First Card                 | Each Additional Card |                     | Purchase Interest Rate | Cash Advance Interest Rate |
| Visa CreditLine for Small Business | \$0                        | \$0                  | 0                   | Prime + 2.9%-11.9%     | Prime + 2.9%-11.9%         |
| Business Cash Back Mastercard      | \$0                        | \$0                  | 21                  | 19.99%                 | 22.99%                     |
| Visa Business                      | \$12.00                    | \$12.00              | 21                  | 19.99%                 | 22.99%                     |
| Visa Business Gold*                | \$40.00                    | \$40.00              | 21                  | 19.99%                 | 22.99%                     |
| Avion Visa Business**              | \$120.00                   | \$50.00              | 17                  | 19.99%                 | 22.99%                     |
| Avion Visa Infinite Business       | \$175.00                   | \$75.00              | 21                  | 19.99%                 | 22.99%                     |

\*We no longer accept applications for this Card.

\*\* Formerly "Visa Business Platinum Avion"

#### 20. Other Fees:

##### Cash Advance Fee:

| CLSB  | All Accounts (except CLSB)  |
|---|---|
| <p>No additional charge for a Cash Advance obtained from one of our ATMs in Canada.</p> <p>\$3.50 for a Cash Advance obtained from any other designated ATM located in Canada or for a Cash-Like Transaction made in Canada.</p> <p>\$5.00 for a Cash Advance obtained from an ATM located outside Canada or for a Cash-Like Transaction made outside Canada.</p> | <p>When a Cardholder obtains the following types of Cash Advances at the standard Interest Rate or at an Introductory Interest Rate, a \$3.50 fee for each transaction will be charged to the Account, unless otherwise stated:</p> <p>(i) cash withdrawals from an Account at one of our branches or ATMs, or at any other financial institution's ATM, in Canada;</p> <p>(ii) bill payments from an Account (that are not pre-authorized charges that a Cardholder sets up with a merchant) or when a Cardholder transfers funds from the Account to another RBC Royal Bank account at one of our branches or ATMs, or through our online banking or telephone banking service;</p> |

|  | All Accounts (except CLSB)  |
|--|---|
|  | <p>(iii) when a Cardholder makes Cash-Like Transactions, in Canada.</p> <p>If the cash withdrawal or Cash-Like Transaction occurs outside Canada, a \$5.00 fee will be charged to the Account each time.</p> <p>There is no fee if a Credit Card Cheque is used at the standard Cash Advance Interest Rate or Introductory Interest Rate.</p> |

**Promotional Rate Fee:** If a Cardholder takes advantage of a Promotional Interest Rate offer during the promotional period by writing a Credit Card Cheque or making a balance transfer through our online banking service or by calling 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 the Account. The exact Promotional Rate Fee will be disclosed at the time the offer is made to you.

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

**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 by your financial institution for insufficient funds in the Account.

**Additional Account Statement Copy:** For an additional copy of an Account Statement, a \$5.00 fee will be charged. For each Account Statement update obtained from one of our branches in Canada or at an ATM that provides Account Statement updates, a \$1.50 fee will be charged.

**Transaction Receipt Copy Fee:** For a copy of any transaction receipt that relates to a transaction on the current Account Statement, no fee will be charged. Otherwise, a \$2.00 fee for each copy will be charged each time the situation occurs. Receipt copies are not always available for Purchases made using a Card with a PIN.

You must pay all Fees. Fees are charged within three (3) business days from when the transaction is posted. Fees may change, and if they do, we will tell you in advance.

## 21. Foreign Currency Conversion:

The exchange rate shown on your 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 your 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](http://usa.visa.com/support/consumer/travel-support/exchange-rate-calculator.html), if set by Visa, or [mastercard.com/global/currencyconversion/index.html](http://mastercard.com/global/currencyconversion/index.html), if set by Mastercard. If you are paying interest on your Account, interest will also be charged on the full value of your foreign purchases, as determined by our exchange rate. If you have any questions, please call us at 1-800 ROYAL® 1-2 (1-800-769-2512).

## 22. RBC Rewards Program:

If a Card allows Cardholders to earn RBC Rewards® points which can be redeemed for merchandise, travel and other rewards, you and the Cardholders acknowledge that you and their participation in the RBC Rewards program is subject to the RBC Rewards Terms and Conditions, which are available for review at [www.rbc Rewards.com](http://www.rbc Rewards.com). The RBC Rewards Terms and Conditions are subject to change without notice. Paper copies are available upon request by calling 1-800 ROYAL® 1-2 (1-800-769-2512).

## 23. RBC Cash Back Program:

If a Card allows Cardholders to earn back a certain percentage of the total amount of eligible net Purchases charged to the Account annually, as a credit to the Account, you and the Cardholders acknowledge that you and their participation in the program is subject to the RBC Cash Back Terms and Conditions, which are available for review at [www.rbc.com/cashbackterms](http://www.rbc.com/cashbackterms). The RBC Cash Back Terms and Conditions are subject to change without notice. Paper copies are available upon request by calling 1-800 ROYAL® 1-2 (1-800-769-2512).

## 24. Special Offers:

We may make special offers to any Cardholder from time to time including, but not limited to, Introductory Interest Rate and other Promotional Interest Rate offers that temporarily lower the Interest Rate applicable to portions of the Debt, such as certain types of Cash Advances.

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

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

If we make any Cardholder a special offer, we will explain its scope and duration and any additional terms that apply to it. If a Cardholder accepts the special offer by using the Credit Card Cheques or otherwise taking advantage of the special offer, both you and the Cardholder will be bound by this Agreement and any additional terms we 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, but not limited to, those related to the Interest Rate and payments. The Account Statement will set out any Introductory Interest Rate(s) or Promotional Interest Rate(s) that apply to the Cardholder's New Balance, any remaining balances associated with those rates, and when those rates expire. If any expiry date falls on a date for which we do not process Account Statements (for example,

the Cardholder with the benefit of the Introductory Interest Rate or Promotional Interest Rate until the next statement processing day.

#### **25. Credit Vouchers:**

If a store or merchant issues a credit voucher or otherwise gives us a refund, we will reduce the balance you owe by the amount of the refund. However, if interest has been charged as a result of the transaction, we will not refund the interest.

If a Cardholder uses their Card or their Card number for a transaction in a foreign currency, and the merchant gives them a credit voucher or refund, the two transactions (the charge and the credit) will not exactly balance because of the exchange rate and currency fluctuations.

#### **26. Recurring Payments:**

You are responsible for any recurring payments Cardholders have authorized merchants to charge to an Account, even after you or we cancel this Agreement. If you wish to discontinue any recurring payment, you must contact the merchant in writing and then check the Account Statement to ensure that the payments have, in fact, stopped. If the payments have not stopped despite your instructions to a merchant, we may be able to help you if you give us a copy of the written request to the merchant.

#### **27. Problems with a Purchase:**

We are not responsible for any problem you or the Cardholder has with any Purchase. If you or the Cardholder has a problem with anything purchased using a Card or Card number, you must still pay all Debt as required by this Agreement. You must settle the problem or dispute directly with the store or merchant.

In some circumstances, we may be able to help you resolve disputed transactions. If you wish to discuss a dispute, contact us toll-free during regular business hours at 1-800 ROYAL® 1-2 (1-800-769-2512).

We will not be responsible if a Card is not honoured by a merchant at any time and for any other problem or dispute you or a Cardholder may have with a merchant.

#### **28. Account Statement, Verification and Disputes:**

Each month, we will provide an Account Statement. We will not provide an Account Statement if there has been no activity on the Account in that month and no Debt is owing.

We prepare the Account Statement at approximately the same time each month. Unless you have opted and consented to electronic Account Statements, we will send the Account Statement to you, directed to the Applicant's address last provided to us by any of you or the Signing Authority or, in the case of Avion Visa Infinite Business, Avion Visa Business, Visa Business and Visa Business Gold Accounts, directly to Cardholders at your request. If the date on which we would ordinarily prepare the Account Statement falls on a date for which we do not process statements (for example, weekends and certain holidays), we will prepare the Account Statement on the next statement processing day. The Payment Due Date will be adjusted accordingly.

When available, you may choose to receive the Account Statement and Account Documentation through Electronic Means. In that case, the Account Statement and Account Documentation will only be made available to the Applicant and will not be sent directly to Cardholders.

Account Statement and each transaction, Interest Rate, charge and fee recorded in it. You will notify us 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 you do not notify us as required, we are entitled to treat the Account Statement entries and balances as complete, correct and binding on you and we will be released from all claims by you in respect of those Account Statement entries and balances.

We may use scanning and microfilm, electronic or other reproduction of any Purchase or Cash Advance draft or other document evidencing Debt to establish your liability for that Debt. Upon request, we 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. Original records of Purchases may not be available in paper form. Digital and microfilm records are valid to establish the accuracy of our records.

#### **29. Transfer of Rights:**

We may, at any time, sell, transfer or assign any or all of our rights under this Agreement. If we do so, we can share information concerning the Account with prospective purchasers, transferees or assignees. In such case, we will ensure that they are bound to respect your privacy rights in the same way that we are.

#### **30. Electronic Communication:**

You acknowledge and agree that we may provide Account Statements, this Agreement or Account Documentation through Electronic Means, with your consent. Any documents sent through Electronic Means will be considered "in writing" and to have been signed and delivered by us as though it were an original document. We may rely on and consider any document received through Electronic Means from the Applicant, an Owner or any Signing Authority, as applicable, or which appears to have been received from either one of you as authorized and binding on you, as though it were an original document. In order to communicate with us by Electronic Means, you agree to comply and require each Cardholder to comply with certain security protocols that we 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 through Electronic Means.

#### **31. Service Administrator:**

A Service Administrator is a person you or a Signing Authority designates, in the manner we have prescribed for this purpose, as eligible to perform non-financial transactions on an Account on behalf of the Applicant such as, but not limited to, redeeming RBC Rewards points if your Card(s) earns RBC Rewards points under the RBC Rewards program. A Service Administrator is not authorized to perform financial transactions on behalf of the Applicant such as opening an Account, asking for additional Cards on an Account or for an Account Credit Limit increase.

#### **32. Amending This Agreement:**

We may change the Interest Rates and Fees for each Account periodically. Except as otherwise set out in this Agreement, we may also change this Agreement at any time. If we do, you will be given at least thirty (30) days prior notice of each change. We will notify you of any change in any one or more

or the following ways, by sending you a notice (written or through Electronic Means, with your consent), by adding a notice on your Account Statement, by posting a notice in all of our branches, by displaying a notice at our ATMs or by posting notice on our website. If we send you a written notice, we will direct it to the Applicant's address last appearing on our records. If any Card or Card number is used or any Debt remains unpaid after the effective date of a change, it will mean that you have accepted the amendment made to the Agreement.

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

### **33. Limitations on Our Liability:**

We try to ensure that your Card and Card number are accepted when presented. However, we will not be liable to you or any Cardholder for damages (including, but not limited to, special, indirect or consequential damages) that may result if, for any reason, a Card or Card number is not accepted or a Cardholder is unable to access the Account.

### **34. Termination:**

- a. We or any one of you may terminate this Agreement at any time by giving notice of termination to the other party(ies) in writing. We will direct it to the Applicant's address last appearing on our records. Your notice must be directed to our address appearing on your last Account Statement.
- b. If any one of the following events occurs, it will mean you are in default. We may terminate this Agreement immediately and without giving you any notice, if:
  - i. any one of you becomes insolvent or bankrupt;
  - ii. someone files a petition in bankruptcy against any one of you;
  - iii. any one of you makes an unauthorized assignment for the benefit of your creditors;
  - iv. any one of you or someone else institutes any proceedings for the dissolution, liquidation or winding up of your affairs;
  - v. any one of you or someone else institutes any other type of insolvency proceeding involving your assets under the Bankruptcy and Insolvency Act or otherwise;
  - vi. the Applicant ceases or gives notice of its intention to cease to carry on business or makes or agrees to make a bulk sale of its assets without complying with applicable laws or any one of you commits an act of bankruptcy;
  - vii. you fail to pay any Debt or to perform any other obligation to us as required under this Agreement;
  - viii. any one of you makes any statement or representation to us that is untrue in any material respect when made; or
  - ix. there is, in our opinion, a material adverse change in the financial condition of any one of you.
- c. If this Agreement is terminated, you must immediately pay all Debt and ensure that each Cardholder destroys their Card and any unused Credit Card Cheques.
- d. If you fail to comply with your obligations to us under this Agreement, you will be liable to us for:

- i. all costs and expenses if we use a collection agency to collect or attempt to collect the Debt;
- ii. all court costs and reasonable legal fees and expenses (on a solicitor-client basis) we incur through any legal process to recover any Debt; and
- iii. all costs and expenses we incur in reclaiming any Card and Credit Card Cheque.

### **35. Exchange of Information Between You and Us:**

Information about a Cardholder's use of their Card or Account, and pertinent information about any reimbursement of Debt received by a Cardholder from the Applicant (or any Owner), Cardholder employment status and location, and any other related Cardholder tracking information may be exchanged between you and us.

### **36. Liability Waiver Program:**

If you have an Avion Visa Infinite Business, Avion Visa Business, Visa Business or Visa Business Gold Account, the Liability Waiver Program is made available at no cost. You may request us to waive, in accordance with the Liability Waiver Program, your liability for certain unauthorized charges posted to the Account, as set out in this Agreement.

You will abide by the provisions of the Liability Waiver Program as in effect from time to time.

### **37. Governing Law:**

This Agreement shall be interpreted and governed in accordance with the laws of the province or territory in which the Applicant resides (or the laws of the Province of Ontario if the Applicant resides outside Canada) and the applicable laws of Canada. In the event of a dispute, you agree that the courts in the province or territory where the Applicant resides (or the courts in the Province of Ontario if the Applicant resides outside of Canada) shall be competent to hear such dispute, and you agree to be bound by any judgment of that court.

### **38. Complete Agreement, etc.:**

This Agreement constitutes the complete agreement between you and us with respect to the Account and Card(s) and related matters. No failure on your part to exercise, and no delay by us in exercising, any right under this Agreement will operate as a waiver thereof; nor will any single or partial exercise by us of any right under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, by us under this Agreement.

### **39. No Assignment:**

Neither the Applicant, nor any Owner, Cardholder or Signing Authority has the right to assign or transfer this Agreement, any Card or Account, to anyone else. If a transfer or assignment takes place, this Agreement will be terminated unless we state, in writing, that it is not terminated.

### **40. Your Choice of Language:**

When you applied for an Account, you indicated whether you wanted us to communicate with you in English or French. We will respect your choice in all our correspondence with you. If you would like a copy of this Agreement in the other language or would otherwise prefer to deal with us in the other language, you will let us know.

### **41. In Quebec:**

You have expressly requested that this Agreement and all related documents, including, but not limited to, notices, be



drawn up in the English language, *vous avez expressément demandé que ce contrat et tout document y afférent, y compris tout avis, soient rédigés en langue anglaise.*

#### 42. How to Contact Us:

If you need help or have questions about the Account, call us toll-free at 1-800 ROYAL® 1-2 (1-800-769-2512) during regular business hours.

#### 43. Additional Access to Account:

We authorize any individual holding a business client card or business client identification number (B.C.I.N.), issued by us in the name of the Applicant, to obtain advances from the Account, to transfer and deposit funds to the Account and to obtain information about the Account and transactions on the Account by using such business client card or B.C.I.N. in accordance with the terms of the agreements governing the use of such business client card or B.C.I.N.

#### 44. Collection, Use and Disclosure of Information:

This Section describes how we collect, use and disclose Customer information in connection with the Account. In this Section: (i) "Customer" means the Applicant and each Owner, Signing Authority and Cardholder; and (ii) "Representatives" means directors, officers, employees, signing authorities, agents, contractors, subcontractors, service providers, consultants, internal or external auditors, legal or other professional advisors.

##### I. Collecting Information

We may collect and confirm financial and other information about Customer during the course of our 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 us, 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.

We 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 us; (iii) credit reporting agencies; (iv) other financial institutions; (v) registries; and (vi) references provided to us.

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

##### II. Using Information

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

- i. to verify Customer's identity and investigate Customer's background;
- ii. to open and operate the Account or provide other products and services;
- iii. to better understand Customer's financial situation;
- iv. to determine, and make decisions about, the eligibility of Customer or Customer's affiliates for products and services;
- v. to help us better understand the current and future needs of our clients;

- vi. to communicate to Customer any benefit, feature or other information about products and services;
- vii. to help us better manage our business and our 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, we may (i) share the information with other persons, including our Representatives who are required to maintain the confidentiality of the information; (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 the 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, we may give the information to other persons.

We may also use the information and share it with our affiliates to: (i) manage our risks and operations and those of our 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 our affiliates know Customer's choices under "Other Uses" below for the sole purpose of honouring Customer's choices.

**If we 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 us may also be used and disclosed for the following purposes:

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

For the purposes described in subsections (i) and (ii), we and our 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 us, 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 us or on behalf of us or our affiliates, or in any of our advertisements hosted on



technology, and used with other information about the Customer, to understand Customer interests and needs, to provide a customized online experience, and to communicate to the Customer information about the products or services. Customer may choose not to have this information collected or used for the online personalization purposes described in this Section by contacting us.

#### V. Contact Us

Customer may obtain access to personal information we have about Customer at any time, including to review its content and accuracy and have it amended as appropriate; however, 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", contact Customer's main branch or call us toll free at 1-800 ROYAL® 1-1 (1-800-769-2511). More information about our 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 our website at [www.rbc.com/privacysecurity/ca/](http://www.rbc.com/privacysecurity/ca/).

#### VI. Personal Information

The parties will treat all personal information in accordance with applicable laws. From time to time, we may request Customer to take steps, including the entering into of additional agreements, to ensure the protection of personal information and compliance with all applicable laws. Customer will promptly comply with these requests.

#### VII. Other Persons

We 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 by us and our Representatives to the extent agreed by us in this Agreement.

#### VIII. Consents, etc.

Customer confirms that any necessary consent, approval, or

2022-02-04

Signed as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ Year

(PRINT) JINAMART INC.

Applicant's legal business name (Name of the sole proprietor, partnership or corporation)

e-Signed by HAMIDREZA BAGHERI

Per: on 2022-02-04 17:14:30 GMT \*

Name of Owner: HAMIDREZA BAGHERI

Title:

Per: \*

Name of Owner:

Title:

Per: \*

Name of Owner:

Title:

\*I/WE have authority to bind the Applicant.

\*I/WE agree to be jointly and severally (in Quebec, solidarily) liable with the Applicant and the Owner(s).

® /™ 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

purposes of collecting, using, and disclosing Customer information in accordance with this Agreement and applicable laws.

#### IX. Additional Consent

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. Our Information

Customer will use the products and services and our confidential information only for the purposes they are provided by us, and will ensure that our confidential information is not disclosed to any person except: (i) 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, Customer will notify us in writing prior to any such disclosure; (iii) in accordance with this Agreement; or (iv) as otherwise agreed to in writing by us.

#### 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.



Electronically issued / Délivré par voie électronique : 13-May-2025  
 Toronto Superior Court of Justice in Bankruptcy and Insolvency / Cour supérieure de justice en matière de faillite et d'insolvabilité

Court File No./N° du dossier du greffe : BK-25-00208782-OT31

Application Number 72646009



Royal Bank of Canada

Conditional Sales Contract - (For use in all provinces except Quebec)

PARTIES (cont'd)

|   |                  |   |                              |
|---|------------------|---|------------------------------|
| <b>Co-Buyer</b>   |                  |   |                              |
| First Name<br><b>HAMIDREZA</b>  | Full Middle Name | Last Name (Surname)<br><b>BAGHERI</b>         |                              |
| Address Street Number & Name<br><b>488 FAIRLAWN AVENUE</b> W488 Co W.B. |                  |   | Apt. No.                     |
| City<br><b>NORTH YORK</b>   |                  | Province<br><b>ON</b>                         | Postal Code<br><b>M5M1V2</b> |
| Identification Type<br><b>CANADIAN DRIVER'S LICENSE</b>                 |                  | Identification No.<br><b>B01413110770309</b>  |                              |
| Place of Issue/Country of Issuance<br><b>ON</b>                         |                  | Expiry Date (MM/DD/YYYY)<br><b>11-09-2023</b> |                              |
| Date of Birth (MM/DD/YYYY)<br><b>03-09-1977</b>                         | Email Address    |   |                              |

|                                    |                  |                          |             |
|------------------------------------|------------------|--------------------------|-------------|
| <b>Co-Buyer</b>                    |                  |                          |             |
| First Name                         | Full Middle Name | Last Name (Surname)      |             |
| Address Street Number & Name       |                  |                          | Apt. No.    |
| City                               |                  | Province                 | Postal Code |
| Identification Type                |                  | Identification No.       |             |
| Place of Issue/Country of Issuance |                  | Expiry Date (MM/DD/YYYY) |             |
| Date of Birth (MM/DD/YYYY)         | Email Address    |                          |             |

This conditional sales contract (this "**Contract**") includes this conditional sales contract and all addenda and schedules (if any) made or attached to it at the time this conditional sales contract is executed, together with any bill of sale or other document between Seller and you that evidences the agreement by Seller and you to sell and purchase the goods described below, as each may be amended and supplemented from time to time in accordance with the terms of this Contract and each of which are incorporated into this Contract. You acknowledge executing any such bill of sale or other document and receiving a copy of it, and confirm that you have read it and agree to its terms.

In this Contract, please remember that the words "**you**" and "**your**" mean all persons signing this Contract as the Buyer and Co-Buyer, and the words "**we**", "**us**" and "**our**" mean the Seller, and after the Seller assigns this Contract to the Royal Bank of Canada (the "**Bank**"), those words also mean the Bank and its successors or assigns.

## 1. TRANSACTION

We agree to sell and you jointly and severally agree to purchase from us and agree to pay for, under the terms and conditions set out below, the following property together with all attachments, accessories, repairs or replacement parts or other equipment placed on or added to the property (collectively called the "**Goods**"). Each Buyer, if more than one, is responsible both individually and on a joint and several basis for all the obligations of the Buyer pursuant to this Contract.

Application Number 72646009



Royal Bank of Canada  
**Conditional Sales Contract**  
(For use in all provinces except Quebec)



|                              |                    |
|------------------------------|--------------------|
| Effective Date: (MM/DD/YYYY) | Place of Contract: |
| 01-26-2022                   | THORNHILL ONTARIO  |

## PARTIES

|   |                       |                              |
|---|-----------------------|------------------------------|
| <b>Seller</b>   |                       |                              |
| Legal Name And Trade Name<br><b>ROY FOSS MOTORS LTD</b>                 |                       |                              |
| Business/Mailing Address (Street Number & Name)<br><b>7200 YONGE ST</b> |                       |                              |
| City<br><b>THORNHILL</b>  | Province<br><b>ON</b> | Postal Code<br><b>L4J1V8</b> |
| Telephone Number<br><b>(905) 886-2000</b>                               | Email Address         |                              |

|  |                          |                              |
|--|--------------------------|------------------------------|
| <b>Buyer</b>   |                          |                              |
| First Name<br><b>JINAMART INC.</b>                     |                          |                              |
| Full Middle Name                                       | Last Name (Surname)      |                              |
| Address Street Number & Name<br><b>1111 FLINT ROAD</b> |                          | Apt. No.<br><b>9, 10, 11</b> |
| City<br><b>NORTH YORK</b>                              | Province<br><b>ON</b>    | Postal Code<br><b>M3J3C7</b> |
| Identification Type                                    | Identification No.       |                              |
| Place of Issue/Country of Issuance                     | Expiry Date (MM/DD/YYYY) |                              |
| Date of Birth (MM/DD/YYYY)                             | Email Address            |                              |

Electronically issued / Délivré par voie électronique : 13-May-2025  
Toronto Superior Court of Justice in Bankruptcy and Insolvency / Cour supérieure de justice en matière de faillite et d'insolvabilité

Court File No./N° du dossier du greffe : BK-25-00208782-OT31

Application Number 72646009



Royal Bank of Canada

Conditional Sales Contract - (For use in all provinces except Quebec)

## 2. DESCRIPTION OF GOODS COVERED

|   |           |  |        |                   |                   |
|---|-----------|--|--------|-------------------|-------------------|
| <b>Automobile / Boat / Other</b>  |           |  |        |                   |                   |
| <input checked="" type="checkbox"/> New <input type="checkbox"/> Used <input checked="" type="checkbox"/> Automobile <input type="checkbox"/> Boat <input type="checkbox"/> Other Property: |           |  |        |                   |                   |
| Make  | CHEVROLET | Model No.                              | BLAZER | Body Type         | RS 4D UTILITY AWD |
| Year  | 2021      | Vehicle/Hull Identification/Serial No. |        | 3GNKBKRS5MS578491 |                   |
| Licence No./Plate   |           |  |        |                   |                   |

|  |  |                           |  |           |  |
|--|--|---------------------------|--|-----------|--|
| <b>Recreational Vehicle</b>                                |  |                           |  |           |  |
| <input type="checkbox"/> New <input type="checkbox"/> Used |  | Make                      |  | Model No. |  |
| Year   |  | Identification/Serial No. |  |           |  |
| Licence No./Plate  |  |                           |  |           |  |

|  |  |                           |  |           |  |
|--|--|---------------------------|--|-----------|--|
| <b>Trailer</b>   |  |                           |  |           |  |
| <input type="checkbox"/> New <input type="checkbox"/> Used |  | Make                      |  | Model No. |  |
| Year   |  | Identification/Serial No. |  |           |  |
| Licence No./Plate  |  |                           |  |           |  |

|  |  |                           |  |           |  |
|--|--|---------------------------|--|-----------|--|
| <b>Motor 1</b>   |  |                           |  |           |  |
| <input type="checkbox"/> New <input type="checkbox"/> Used |  | Make                      |  | Model No. |  |
| Year   |  | Identification/Serial No. |  |           |  |

|  |  |                           |  |           |  |
|--|--|---------------------------|--|-----------|--|
| <b>Motor 2</b>   |  |                           |  |           |  |
| <input type="checkbox"/> New <input type="checkbox"/> Used |  | Make                      |  | Model No. |  |
| Year   |  | Identification/Serial No. |  |           |  |

|                          |  |  |  |  |  |
|--------------------------|--|--|--|--|--|
| <b>Location of Goods</b> |  |  |  |  |  |
| THORNHILL ONTARIO        |  |  |  |  |  |

Electronically issued / Délivré par voie électronique : 13-May-2025  
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Application Number 72646009



Royal Bank of Canada

Conditional Sales Contract - (For use in all provinces except Quebec)

## 3. DISCLOSURE STATEMENT

| A. COST OF FINANCING THE PURCHASE OF THE GOODS |   |               |                |
|--|---|---------------|----------------|
| 1  | Price of Goods (including accessories, installation, delivery and other costs)                                      |               | \$ 56,811.00   |
| 2a   | Replacement (GAP) warranty (including applicable taxes)   | + \$ 0.00     |                |
| 2b   | Optional accident and health insurance (including applicable taxes)   | + \$ 0.00     |                |
| 2c   | Optional extended warranty insurance premium (including applicable taxes)   | + \$ 3,169.65 |                |
| 2d   | Optional life insurance (including applicable taxes)  | + \$ 0.00     |                |
| 2e   | Personal Property Security Registration Fee (including applicable taxes)  | + \$ 106.17   |                |
| 2f   | Other components (including applicable taxes) (if applicable) – Describe:   | + \$ 0.00     |                |
| 3a   | GST/HST (calculated on total of (1 – 5) x tax rate)   | + \$ 7,385.43 |                |
| 3b   | PST (calculated on total of (1 – 5) x tax rate)   | + \$ 0.00     |                |
| 4  | <b>Total cost of Goods</b>  |               | = \$ 67,472.25 |
| 5  | Trade-in allowance [Note for GST/HST registrant: Do not subtract trade-in if it was used in commercial activities.] | \$ 0.00       |                |
| 6  | Less lien on trade-in   | – \$ 0.00     |                |
| 7  | Net trade-in allowance  | = \$ 0.00     |                |
| 8  | Cash down-payment   | + \$ 3,600.00 |                |
| 9  | Total down-payment (7 + 8)  |               | = \$ 3,600.00  |
| 10   | Administration fee  | + \$ 0.00     |                |
| 11   | <b>Total amount financed (4 + 10 – 9) ("Amount Financed")</b>   |               | = \$ 63,872.25 |

## B. INSTALLMENTS

|     |   |              |
|-----|---|--------------|
| 12a | Maturity Date: <b>01-25-2029</b> (MM/DD/YYYY) ("Maturity Date")   |              |
|     | Payment frequency is as follows:  |              |
|     | <input checked="" type="checkbox"/> Monthly, on the <b>25</b> day of each month commencing <b>02-25-2022</b> (MM/DD/YYYY)       |              |
|     | <input type="checkbox"/> Weekly, every week on every _____ commencing _____ (MM/DD/YYYY)  |              |
|     | <input type="checkbox"/> Bi-weekly, every two weeks on every second _____ commencing _____ (MM/DD/YYYY)                         |              |
|     | <input type="checkbox"/> Semi-monthly, twice a month on the _____ and the _____ day of each month commencing _____ (MM/DD/YYYY) |              |
|     | The amount of each regular installment is \$: <b>760.38</b>   |              |
| 12b | <b>Total amount of all regular installments</b>   | \$ 63,872.25 |

Application Number 72646009



Royal Bank of Canada

Conditional Sales Contract - (For use in all provinces except Quebec)

## 3. DISCLOSURE STATEMENT (cont'd)

| C. COST OF BORROWING   |   |                       |
|--|---|-----------------------|
| Interest Rate per Annum (initial interest rate if it is a variable rate) |   | <b>0.00 %</b>         |
| 13a  | <input checked="" type="checkbox"/> Fixed Rate:<br><b>0.00 %</b> per annum, calculated in arrears at the same frequency as your payment, on amounts owing, except overdue interest, both before and after maturity, default and judgment.   |                       |
|  | <input type="checkbox"/> Variable Rate:<br>The Prime Rate (as of the Effective Date _____%) in effect from time to time, plus or minus _____% per annum, calculated and compounded in arrears at the same frequency as your payment, on amounts owing, before and after maturity, default and judgment.<br>The Prime Rate is the annual rate of interest announced from time to time by the Bank as a reference rate for determining interest rates on Canadian dollar commercial loans in Canada. The Prime Rate is posted at all of the Bank's branches and on its website.<br>"Triggering Rate": Estimated at _____% per annum |                       |
| 13b  | Rebate for Cash Customer Only (including applicable taxes)  | \$ <b>0.00</b>        |
| 13c  | Total Value Given By You (payments) (5 + 8 + 12b + Balance at Maturity (if applicable))   | \$ <b>67,472.25</b>   |
| 13d  | Total Value Received By You (advances) (4 + 6 - 13b)  | \$ <b>67,472.25</b>   |
| 13e  | Total Cost of Borrowing (13c - 13d)   | \$ <b>0.00</b>        |
| 13f  | Annual Percentage Rate (APR) (Total Cost of Borrowing expressed as an annual percentage rate)   | <b>0.00 %</b>         |
| 14   | <b>Total Balance (11 + 13e - 10 - 13b) ("Contract Amount")</b>  | <b>= \$ 63,872.25</b> |
| D. ADDITIONAL DISCLOSURES  |   |                       |
| 15   | Balance of cash price – Nova Scotia/Yukon/Nunavut (4 - 9)   | \$ <b>0.00</b>        |
| 16   | Aggregate/Total Cost for the Term – Yukon/Nunavut (13e + 4)   | \$ <b>0.00</b>        |
| 17   | Sum of insurance charges and official fees (including applicable taxes) – Nova Scotia (2a + 2b + 2c + 2d + 2e)  | \$ <b>0.00</b>        |
| 18   | Aggregate Cost – Nova Scotia (15 + 17)  | \$ <b>0.00</b>        |



Application Number 72646009



Royal Bank of Canada

## Conditional Sales Contract - (For use in all provinces except Quebec)

## 4. TERMS OF PAYMENT

You must pay the Contract Amount to the Bank as follows:

- (a) The Contract Amount in equal MONTHLY payments which include principal and interest of \$ 760.38 commencing on the date shown in section 3 row 12a and continuing at the payment frequency shown in that row up to and including the Maturity Date and the outstanding balance, if any, is payable on the Maturity Date.

For payments due on the 29th, 30th or 31st of each month, the February payment will fall due on the last day of the month. For payments due on the 31st, the April, June, September or November payments will be due on the 30th of the month.

Interest will be calculated and charged from the Effective Date. The term of this Contract is 84 months, the amortization period is 84 months, and if all payments are made on their respective due dates, based on the annual percentage rate stated in section 3 row 13f of this Contract, you will owe \$ 0.00 ("Balance at Maturity") on the Maturity Date.

The Bank will apply each payment in section 4 and any other payment that you may make from time to time under this Contract first to accumulated interest and then to reduce the balance of the principal.

- (b) **Additional Terms if this is a Variable Rate Contract:** The interest rate will, from time to time, vary automatically, each time there is a change in the Prime Rate. The interest rate will always be the Prime Rate plus or minus the number of percentage points per annum referred to in the Disclosure Statement above; however, if the interest rate includes a discount below the Prime Rate, your interest rate can never go below 0% per annum. For example, if the Prime Rate is 1.0% and your discount is 1.5%, the interest rate will be 0% until the point in time the Prime Rate is higher than 1.5%. If the Prime Rate is 2.5% and your discount is 1.5%, your interest rate will be 1.0% until the Prime Rate changes.

If the Prime Rate increases, a larger portion of your payment will be applied against accrued interest. This will delay the reduction of the amount you owe. If the Prime Rate declines, a larger portion of your payment will be applied against the principal amount you owe. This will accelerate the reduction of the amount you owe. Based on the Contract Amount, the annual interest rate above which your payment would not cover the interest due from one payment date to the next is the Triggering Rate shown in section 3 row 13a. Beyond this interest rate, the outstanding principal amount would begin to increase. This would extend the amortization period of this Contract.

Your regular payment is designed to cover interest and pay off some of the principal amount. Your interest rate is linked to our Prime Rate, which changes from time to time, so your interest rate may change. If your interest rate increases such that your payment is less than the amount of interest accrued during the payment period, then your payment must increase to cover the interest. The Triggering Rate is the interest rate at which this will happen.

As you pay down your principal, the Triggering Rate will increase, which makes it less likely that a payment increase will occur. If you are not in default under this Contract and a regular installment is not sufficient to pay all interest owing on the Contract Amount then outstanding, and provided we have not demanded payment of the outstanding balance, you agree that we may, without notice to you, increase your regular installment in increments of \$2.00 until your regular installment is sufficient to pay all interest that has accrued from the last regular installment date up to and including the date of the next regular installment. This amount will become your new regular installment unless we agree to accept a different regular installment payment or the regular installment payment is again increased as described in this paragraph. The annual interest rate at which this will occur, calculated on the Amount Financed, is the Triggering Rate shown in section 3 row 13a above.

You agree that if it is necessary for the Bank to prove the Prime Rate in effect at any time, a written certificate from the Bank setting forth its Prime Rate at that time shall be conclusive evidence for that purpose.

- (c) **Pre-Payment:** In addition to the payments in this section 4, you may at any time pay the amount owing under this Contract in whole or in part without notice, penalty or bonus. Any partial payment shall not reduce the amount of the regular installment payment. If you prepay the full outstanding balance of the Contract Amount at any time, you will be entitled to any refund or credit from us on the Cost of Borrowing for this Contract as may be required by, and calculated in accordance with the following formula:

$$R = A \times ((n-m)/n)$$

where

R is the amount to be refunded or credited; A is the amount of the charges; n is the period between the imposition of the charge and the time when the services were, before the cancellation, scheduled to end; and m is the period between the imposition of the charge and the cancellation.

- (d) **Payment Default:** If you have a variable rate and you do not pay a regular installment on its due date or the entire unpaid amount of the Contract Amount is declared to be due and payable and is not paid when due, we will add the overdue interest to the outstanding balance and charge you interest on the combined amount until it is paid. This is called compound interest. We calculate compound interest at the then current variable interest rate calculated in accordance with section 3 row 13a of this Contract. You promise to pay compound interest at the same frequency as your regular installments, both before and after maturity, default and judgment, until the outstanding balance is paid in full. If, at the end of a payment period, you do not pay the compound interest calculated in the manner provided above in this section 4d in addition to your regular installment, we will add such unpaid compound interest to the outstanding balance and charge interest at the then current variable interest rate on such outstanding balance, as increased by the unpaid compound interest. Alternatively, we can demand payment of, and you promise to pay, overdue interest and unpaid compound interest immediately when we ask you to pay it.



Application Number 72646009



Royal Bank of Canada

## Conditional Sales Contract - (For use in all provinces except Quebec)

## SALES CONTRACT TERMS AND CONDITIONS

## Title To The Goods

The title to and ownership of the Goods will not pass to you on delivery. The title to and ownership of the Goods will remain with us until all amounts owing under this Contract or any related judgment has been paid in full, at which time it will pass to you. For greater certainty, the Goods are not available to any other creditor to satisfy a debt owed by you until the amounts owing under this Contract are paid in full and title to the Goods has passed to you.

## Buyer's Promises

So long as this Contract remains in effect, you promise and agree:

- a) to keep the Goods in good condition and repair and shall replace all worn, broken or defective parts and shall permit us or our representative to inspect the Goods at any reasonable time;
- b) to keep the Goods free of any security interest, mortgage, lien, charge or encumbrance in favour of a third party and to defend the Goods from all other parties claiming an interest in the Goods, and if any of the above mentioned rights is placed or acquired against the Goods, we may satisfy the same, at our option, and at your expense;
- c) to promptly pay all taxes, assessments, license fees and other charges levied or assessed against the Goods;
- d) to not relinquish or part with any registered or unregistered ownership, possession, interest or control of the Goods, rent, sell or otherwise dispose of any interest in the Goods or permanently remove or cause or permit the Goods to be removed from province or territory listed in your address or relocate the Goods out of Canada without our express written consent;
- e) ensure the Goods are at all times kept within Canada and its territorial waters;
- f) if the Goods are described as a boat in section 2 of this Contract, (i) this Contract shall constitute a bill of sale for the purpose of licensing the boat pursuant to the Canada Shipping Act; and (ii) you will not register the Goods under the Canada Shipping Act without our prior written consent;
- g) to promptly notify us by calling us at 1-800-769-2511 in advance of any changes in the information contained in this Contract, including if you change your address, and of any claim, litigation, loss or damage which relates to you or the Goods;
- h) to execute, acknowledge and deliver such financing statements, financing change statements and further documents as we may reasonably request with respect to the Goods in order to give effect to this Contract and to pay all costs for related searches and filings, including any fees of a service provider;
- i) to fully insure the Goods on an all risks basis, at your expense, for the full insurable value with an insurer of your choice that has been approved by us (acting reasonably) with the loss payable to us as the insured, and to deliver copies of all policies to us upon request and furthermore, in the event that the carrier of your insurance is a government or government agency, to ask and authorize them to pay us instead of you all monies which might be payable to you in respect of your insurance;
- j) not to use the Goods in violation of the provisions of this Contract or any policy insuring them;

- k) to at all times use and operate the Goods strictly in accordance with any applicable statutes, by-laws and regulations from time to time in force and maintain in good standing all licenses applicable to the Goods or their operation;
- l) not to commit any act of fraud, or engage in any criminal or illegal activity in relation to this Contract or the Goods, nor engage in any act or behaviour which would make it unlawful for us to continue to have this Contract with you; and
- m) to ensure the Goods will remain personal or moveable property and will not become part of any real or immoveable property.

## Default

You are in default of this Contract ("Default") if:

- a) you fail to pay when due any amounts payable under this Contract or to perform any obligation contained in this Contract or any other agreement between you and us; or
- b) you die or become insolvent or go or are put into bankruptcy or receivership, or if the Goods are substantially damaged, destroyed or seized under any legal process; or
- c) you breach any promise under this Contract, or any information provided in connection with this Contract proves to have been false; or
- d) we in good faith believe and have reasonable cause to believe that the prospect of payment is or is about to be impaired or that the Goods are or are about to be placed in jeopardy; or
- e) loss, theft, material damage, abandonment, distribution or sale to or of any of the Goods, or the making of any levy, seizure or attachment to the Goods occurs; or
- f) we reasonably believe that you have committed fraud, or criminal or illegal activity in relation to this Contract or your vehicle, or we determine it would be unlawful for us to continue to have this Contract with you.

Upon Default we can require you to pay at once the Contract Amount due and anything else payable under this Contract, without notice demand or, alternatively, with such notice as required by applicable law. If you commit an act of bankruptcy or if bankruptcy, receivership or insolvency proceedings are commenced against you and we allow you to keep the Goods and continue to make payments, upon the making of any such one payment, you reaffirm your obligation to repay the entire amount owing under this Contract.

Furthermore, upon Default we may take possession of or otherwise enforce our rights against the Goods, and we may sell, lease, or otherwise dispose of the Goods in such manner and for such consideration as we feel is reasonable and in accordance with applicable law. You agree to pay any amounts still owing under this Contract after the sale or other disposition of the Goods.

You agree to pay all amounts charged to you pursuant to this Contract and all costs, charges and expenses we reasonably incur and any legal fees on a solicitor and client basis and court costs when enforcing this Contract and our rights against the Goods which will be a first charge on the proceeds of realization of the Goods and shall be secured by this Contract. All money collected or received by us in exercise of any right we possess with respect to the Goods shall be applied against the Contract Amount in such a

Application Number 72646009



Royal Bank of Canada

## Conditional Sales Contract - (For use in all provinces except Quebec)

manner as we deem best and in accordance with applicable law. Furthermore, you agree that if any cheque or pre-authorized payment is not processed or is returned unpaid for any reason on the date the related payment was due, you will pay the Bank the NSF Fee of **\$45.00** representing a standard charge fee for each such occurrence. The total amount of the NSF Fees, if any, will be due and payable on the Maturity Date.

**BUYER'S ACKNOWLEDGEMENT**

**Acknowledgement.** You accept and acknowledge delivery of the Goods in good condition. You acknowledge that the Goods comply with the written description of them given in this Contract and that no representation, collateral agreement, condition, warranty, or guarantee expressed or implied, by statute or otherwise, has been made by us. You further acknowledge that this Contract is being assigned, and waive any defence to payment or right of set-off as against the Bank.

**TRANSACTION DOCUMENTS**

This Contract is signed as part of your transaction to purchase the Goods. You may also have signed another agreement detailing further terms and conditions relating to the purchase of the Goods. If you have signed another document, it is attached to this Contract as a schedule and forms an integral part of this Contract. You agree that this Contract and any related agreement will constitute the entire agreement relating to the sale of the Goods. If there is a conflict between the terms of this Contract and any other agreement relating to the sale of the Goods, the terms of this Contract will prevail.

**AUTHORIZATION FOR PRE-AUTHORIZED PAYMENT (PAD)**

This PAD and this conditional sale is for personal ☒ or business ☐ (please select one) purposes. You, the Buyer and/or Payor(s) hereby authorize the Bank to debit from the account indicated below (the "Account") that you have with the Bank or another financial institution (i) the amount of each payment on or shortly after its payment due date (a "Scheduled Debit Date") as set out in this Contract and (ii) any other amount that may become due under this Contract, on the next Scheduled Debit Date. You acknowledge that we may seek to contact you to obtain a separate authorization for any withdrawal on a date that is not a Scheduled Debit Date. In the event that there are insufficient funds in the Account, the Bank may represent for payment within 30 days. This authorization is provided for the benefit of the Bank and is provided in consideration of the Bank's agreement to process the PAD against the Account in accordance with the rules of Payments Canada.

You agree that any PAD drawn in accordance with this authorization will be binding on you. You agree that delivery of this authorization to the Bank constitutes delivery by you to the Bank and to the financial institution where the Account is held. You agree that the financial institution holding the Account is not required to verify that any PAD has been drawn in accordance with this authorization, including the amount, frequency and fulfilment of any purpose of any PAD.

These instructions are effective until written notice to the contrary is given by you to the Bank. You agree that from time to time you

may authorize the Bank to deduct such PAD from another account which may be held at the same or another financial institution upon your written or oral instructions. Upon designating such other account, the terms of this authorization and the authority provided to the Bank and to any other financial institution shall apply to that account and all debits made pursuant to this authorization.

This authorization may be cancelled or revoked at any time upon notice being provided by any one of the undersigned, in writing, to the Royal Bank of Canada, 10 York Mills Road, Toronto, Ontario M2P 2E5, with proper authorization to verify the identity of the person, within 30 days before the next PAD is to be issued. For more information on this PAD, call 1-800-769-2511. To obtain a sample cancellation form, or for more information on the right to cancel a PAD agreement, you may contact your financial institution or visit [www.payments.ca](http://www.payments.ca).

The Bank may cancel your right to pay by PAD (i) immediately without notice, if any PAD is not honoured by the financial institution where the Account is held because there are insufficient funds in the Account; or for any other reasons whatsoever which prevent the transfer of funds; or (ii) on 30 days written notice to you at the address shown in the Bank's records. You acknowledge that revocation or cancellation of this authorization applies only to the method of payment and does not terminate or otherwise have any bearing on this Contract or the amount owing under this Contract.

**We may change the amount or frequency of your pre-authorized debits from your Account upon your written or verbal instruction requesting the change. You waive your right to receive pre-notification/confirmation under Sections 15 and 16 of Canadian Payments Association (CPA) Rule H1, and you agree no advance notice will be provided to you in the event of a change in the amount or timing of a pre-authorized debit. If applicable, you agree to reduce the confirmation period to three (3) Calendar Days.**

You have certain recourse rights if any debit does not comply with this authorization. For example, you have the right to receive reimbursement for any PAD that is not authorized or is not consistent with this authorization. To obtain more information on recourse rights, you may contact your financial institution or visit [www.payments.ca](http://www.payments.ca).

A PAD may be disputed by any one of the undersigned under the following conditions: (i) if the PAD was not drawn in accordance with this authorization; or (ii) if this authorization was revoked. In order to be reimbursed, the undersigned acknowledge(s) that a declaration to the effect that either (i) or (ii) took place must be completed and presented to the branch of the financial institution holding the Account no later than 90 calendar days after the date on which the PAD in dispute was posted to the Account. You acknowledge that after this 90 day period, you will resolve any claim or dispute that you may have regarding a PAD solely with the Bank.

**You are required, upon request to furnish us with satisfactory confirmation of personal and/or banking details. The Bank may assign this PAD to another person or entity without notice to you, except as required under applicable law.**

Application Number 72646009



Royal Bank of Canada

Conditional Sales Contract - (For use in all provinces except Quebec)

| PRE-AUTHORIZED PAYMENT (PAD) |             |                           |
|------------------------------|-------------|---------------------------|
| Financial Institution        | Transit No. | Financial Institution No. |
| Branch Address               |             |                           |
| Name(s) on Account           |             | Account No.               |

**ADDITIONAL TERMS AND CONDITIONS**

- a) The Goods will be at your risk and you will not be relieved of your obligations under this Contract because of damage or loss to the Goods.
- b) All rights and remedies provided for in this Contract are cumulative and not alternative. Our waiver of any default by you shall not operate as a waiver with respect to any subsequent default.
- c) We have the right to apply any balance of any account you have with the Bank or any of its affiliates to satisfy any of your obligations under this Contract.
- d) The security interest in the Goods created by this Contract is intended to attach when this Contract is signed by the parties. By signing this Contract you grant to the Seller and its assignee a purchase money security interest in the Goods and any proceeds of the Goods, including proceeds arising from a policy of insurance.
- e) Where permitted by law, you waive your right to receive a copy of any financing statement or financing change statement registered or verification statement received in respect of such registration by us. You agree that a copy of this Contract will be admissible in any legal or other proceedings in the same manner as an original of this Contract, and you waive any right to object to the introduction of such copy in evidence.
- f) If you are a corporation, you waive the rights, benefits and protection given by section 49 of the Law of Property Act of Alberta and agree that The Limitation of Civil Rights Act of Saskatchewan will not apply to this Contract or to any agreement renewing or extending or collateral to this Contract.
- g) Where permitted, you agree to extend any limitation period applicable to this Contract to six (6) years or any longer period permitted by law.
- h) No modification, variation or amendment of any provision of this Contract shall be made except by a written agreement executed by the parties.
- i) You shall not assign your rights in this Contract. This Contract shall ensure to the benefit of and be binding upon the respective heirs, liquidators, administrators, successors and assigns of the parties.
- j) In the event any provision of this Contract, as amended from time to time, is prohibited by any law, or deemed invalid or void, in whole or in part, by any court, such provision, or part thereof, shall be ineffective to the extent of such prohibition or court order without invalidating the remaining terms and provisions of this Contract.
- k) You have the right to cancel any optional products or services of a continuing nature that you have agreed to obtain under this Contract, if any, by providing the service provider with 30 days prior written notice of your intent to cancel or such shorter period as provided in your contract for the optional products or services. If you choose to cancel any such optional products or services, you are entitled to a refund of any amount you have already paid for charges relating to any portion of this optional product or service that has not been provided.
- l) You will be charged a fee of **\$5.00** to receive a copy of any document and/or statement related to this Agreement.
- m) All dollar amounts referred to in this Contract are in lawful money of Canada.

Electronically issued / Délivré par voie électronique : 13-May-2025  
 Toronto Superior Court of Justice in Bankruptcy and Insolvency / Cour supérieure de justice en matière de faillite et d'insolvabilité

Court File No./N° du dossier du greffe : BK-25-00208782-OT31

Application Number 72646009




Royal Bank of Canada

Conditional Sales Contract - (For use in all provinces except Quebec)

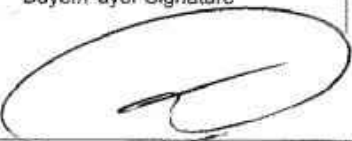
#### ELECTRONIC COMMUNICATION AND IMAGING

This Contract may be executed by way of electronic mail, portable document format (PDF), or by facsimile transmission, and in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. The Bank is further entitled to assume that any communication from the Buyer received by electronic mail or telecopier is a reliable communication from the Buyer. The parties hereto agree that, at any time, the Bank may convert paper records of this Contract 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 hereto 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 Paper Record.

By signing below, you acknowledge that you have read and agree to the terms of this Contract. You warrant and guarantee that all persons whose signatures are required to sign on the Account identified above have signed below and agree to the terms of the Authorization for Pre-Authorized Payment. You acknowledge that you have read and agree to the terms and conditions of this Contract.

X  01-26-2022  
 Buyer/Payor Signature Date  
 (MM/DD/YYYY)

X  01-26-2022  
 Seller's Authorizing Signing Officer Date  
 (MM/DD/YYYY)

X  01-26-2022  
 Co-Buyer/Payor Signature Date  
 (MM/DD/YYYY)

X 01-26-2022  
 Co-Buyer/Payor Signature Date  
 (MM/DD/YYYY)

X 01-26-2022  
 Other Payor(s) Signatory(ies) for  
 Pre-Authorized Payment (if applicable) Date  
 (MM/DD/YYYY)



Application Number **72646009**

Royal Bank of Canada


Conditional Sales Contract - (For use in all provinces except Quebec)

**ASSIGNMENT AGREEMENT****TO: ROYAL BANK OF CANADA ("the Bank")**

For value received, the Seller under the terms of the above Contract absolutely assigns and transfers to the Bank all right, title and interest of the Seller in and to the Contract and the Goods, including, without limitation, the right to collect all installments due or to become due hereunder and the benefit of insurance on the Goods. In consideration of this assignment, the Seller represents and warrants that: (1) the Goods are free from all liens and encumbrances except the rights of the Buyer under the Contract; (2) the cash payment specified in the Contract was received by the Seller and no part of the cash payment was loaned to the Buyer by the Seller; (3) the Contract arose from the bona fide sale of the Goods in the normal course of business, and the Goods have actually been delivered into the possession of and have been accepted by the Buyer; (4) all information contained in the Contract is accurate and complete; (5) the Seller promises not to accept collections or otherwise deal with the Goods, nor modify the terms and conditions of this Contract and undertakes to comply with its obligations under the Contract and all related law; (6) the Contract is valid and executory and the obligations of the Buyer as set out in the Contract are binding and will continue to be free from defence or set-off; (7) the Seller has complied with all provincial registration requirements in connection with the Contract and its assignment and has registered the Goods in the Buyer's name; and (8) the Seller's liability hereunder shall not be affected by any settlement, extension of payments, or any variation of terms of the Contract or a right of action against the Consumer.

The Seller agrees to indemnify the Bank for all loss, damages, or expenses resulting from any breach of the above representation, warranties, or promises regardless of any action or inaction by the Bank.

Executed this 01-26-2022 at THORNHILL ON  
Date City/Town Province  
(MMDDYYYY)

Name of Seller: ROY FOSS MOTORS LTD By X   
(Authorized Signing Officer)

**NOTE: OTHER THAN TO THE BANK, THE SELLER IS NOT PERMITTED TO SELL OR GRANT A SECURITY INTEREST IN THIS CONTRACT TO ANY PERSON. ACCORDINGLY, THE POSSESSION OF ANY ORIGINALS OF THIS CONTRACT BY ANY PERSON (OTHER THAN THE BANK, ITS ASSIGNS OR THEIR RESPECTIVE AGENTS) SHALL NOT BE EFFECTIVE TO SELL OR OTHERWISE TRANSFER OWNERSHIP OF, OR CREATE A SECURITY INTEREST IN, THIS CONTRACT UNDER THE APPLICABLE PERSONAL PROPERTY SECURITY ACT. THE BANK OR ITS AGENTS SHALL PERFECT THE BANK'S OWNERSHIP IN THIS CONTACT BY TAKING POSSESSION OF AN ORIGINAL OF THIS CONTRACT AND ONLY THAT ORIGINAL CONTRACT HELD BY THE BANK, ITS ASSIGNS OR THEIR RESPECTIVE AGENTS WILL BE EFFECTIVE TO PERFECT THE BANK'S OWNERSHIP INTEREST IN THIS CONTRACT OR ANY SECURITY INTEREST GRANTED IN THIS CONTRACT BY THE BANK TO ITS ASSIGNS.**



**Application Number 73559054**

**Royal Bank of Canada**  
**Conditional Sales Contract**  
(For use in all provinces except Quebec)



|                                     |                           |
|-------------------------------------|---------------------------|
| <b>Effective Date: (MM/DD/YYYY)</b> | <b>Place of Contract:</b> |
| 05/27/2023                          | NORTH YORK ON             |

## PARTIES

|   |  |               |             |
|---|--|---------------|-------------|
| Seller  |  |               |             |
| Legal Name And Trade Name                       |  |               |             |
| TESLA MOTORS CANADA ULC TESLA MOTORS YORKDALE   |  |               |             |
| Business/Mailing Address (Street Number & Name) |  |               |             |
| 320 3401 DUFFERIN STREET                        |  |               |             |
| City  |  | Province      | Postal Code |
| NORTH YORK                                      |  | ON            | M6A3A1      |
| Telephone Number                                |  | Email Address |             |
| (416) 787-8006                                  |  |               |             |

|  |               |                          |                       |
|--|---------------|--------------------------|-----------------------|
| <b>Buyer</b>   |               |                          |                       |
| First Name<br>Jinamart Inc                               |               |                          |                       |
| Full Middle Name   |               | Last Name (Surname)      |                       |
| Address Street Number & Name<br>1111 FLINT ROADunit 9-11 |               |                          | Apt. No.              |
| City<br>North York                                       |               | Province<br>ON           | Postal Code<br>M3J3C7 |
| Identification Type                                      |               | Identification No.       |                       |
| Place of Issue/Country of Issuance                       |               | Expiry Date (MM/DD/YYYY) |                       |
| Date of Birth (MM/DD/YYYY)                               | Email Address |                          |                       |

Electronically issued / Délivré par voie électronique : 13-May-2025

Toronto Superior Court of Justice in Bankruptcy and Insolvency / Cour supérieure de justice en matière de faillite et d'insolvabilité

**Court File No./N° du dossier du greffe : BK-25-00208782-OT31**

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**Application Number 73559054**

Royal Bank of Canada

**Conditional Sales Contract - (For use in all provinces except Quebec)**

## PARTIES (cont'd)

|  |   |                                |
|--|---|--------------------------------|
| <b>Co-Buyer</b>  |   |                                |
| First Name<br>Hamidreza  | Full Middle Name                        | Last Name (Surname)<br>Bagheri |
| Address Street Number & Name<br>1111 FLINT ROADUNIT 9          |   | Apt. No.                       |
| City<br>NORTH YORK   | Province<br>ON                          | Postal Code<br>M3J3C7          |
| Identification Type<br>Driver's License                        | Identification No.<br>B0141-31107-70309 |                                |
| Place of Issue/Country of Issuance<br>ON Canada                | Expiry Date (MM/DD/YYYY)<br>11/09/2023  |                                |
| Date of Birth (MM/DD/YYYY)<br><del>03/03/1977</del> 03/09/1977 | Email Address<br>rohambgh@gmail.com     |                                |

Type text here

|                                    |               |                          |                     |
|------------------------------------|---------------|--------------------------|---------------------|
| <b>Co-Buyer</b>                    |               |                          |                     |
| First Name                         |               | Full Middle Name         | Last Name (Surname) |
| Address Street Number & Name       |               |                          | Apt. No.            |
| City                               |               | Province                 | Postal Code         |
| Identification Type                |               | Identification No.       |                     |
| Place of Issue/Country of Issuance |               | Expiry Date (MM/DD/YYYY) |                     |
| Date of Birth (MM/DD/YYYY)         | Email Address |                          |                     |

This conditional sales contract (this "**Contract**") includes this conditional sales contract and all addenda and schedules (if any) made or attached to it at the time this conditional sales contract is executed, together with any bill of sale or other document between Seller and you that evidences the agreement by Seller and you to sell and purchase the goods described below, as each may be amended and supplemented from time to time in accordance with the terms of this Contract and each of which are incorporated into this Contract. You acknowledge executing any such bill of sale or other document and receiving a copy of it, and confirm that you have read it and agree to its terms.

In this Contract, please remember that the words **"you"** and **"your"** mean all persons signing this Contract as the Buyer and Co-Buyer, and the words **"we"**, **"us"** and **"our"** mean the Seller, and after the Seller assigns this Contract to the Royal Bank of Canada (the **"Bank"**), those words also mean the Bank and its successors or assigns.

## 1. TRANSACTION

We agree to sell and you jointly and severally agree to purchase from us and agree to pay for, under the terms and conditions set out below, the following property together with all attachments, accessories, repairs or replacement parts or other equipment placed on or added to the property (collectively called the "**Goods**"). Each Buyer, if more than one, is responsible both individually and on a joint and several basis for all the obligations of the Buyer pursuant to this Contract.



Electronically issued / Délivré par voie électronique : 13-May-2025

Electronically issued / Délivré par voie électronique : 13-May-2025  
Toronto Superior Court of Justice in Bankruptcy and Insolvency / Cour supérieure de justice en matière de faillite et d'insolvabilité

Toronto Superior Court of Justice in Bankruptcy and Insolvency / Cour supérieure de justice en matière de faillite et d'insolvabilité

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Application Number 73559054

**Royal Bank of Canada**

**Conditional Sales Contract - (For use in all provinces except Quebec)**

## 2. DESCRIPTION OF GOODS COVERED

|   |                               |  |   |
|---|-------------------------------|--|---|
| Automobile / Boat / Other               |                               |  |   |
| <input checked="" type="checkbox"/> New | <input type="checkbox"/> Used | <input checked="" type="checkbox"/> Automobile | <input type="checkbox"/> Boat <input type="checkbox"/> Other Property |
| Year                                    | 2023                          | Make   | Tesla   |
|   |                               | Model No.                                      | Model Y   |
| Body Type                               | Long Range AWD, crossover     |  |   |
| Licence No./Plate                       |                               | Vehicle/Hull Identification/Serial No.         | 7SAYGDEE0PF773270   |

|                              |  |                               |  |      |           |                           |           |  |  |  |
|------------------------------|--|-------------------------------|--|------|-----------|---------------------------|-----------|--|--|--|
| Recreational Vehicle         |  |                               |  |      |           |                           |           |  |  |  |
| <input type="checkbox"/> New |  | <input type="checkbox"/> Used |  | Make |           |                           | Model No. |  |  |  |
| Year                         |  |                               |  |      | Body Type |                           |           |  |  |  |
| Licence No./Plate            |  |                               |  |      |           | Identification/Serial No. |           |  |  |  |

|                              |                               |                           |           |  |
|------------------------------|-------------------------------|---------------------------|-----------|--|
| <b>Trailer</b>               |                               |                           |           |  |
| <input type="checkbox"/> New | <input type="checkbox"/> Used | Make                      | Model No. |  |
| Year                         |                               | Body Type                 |           |  |
| Licence No./Plate            |                               | Identification/Serial No. |           |  |

|                              |                               |                           |  |           |
|------------------------------|-------------------------------|---------------------------|--|-----------|
| <b>Motor 1</b>               |                               |                           |  |           |
| <input type="checkbox"/> New | <input type="checkbox"/> Used | Make                      |  | Model No. |
| Year                         |                               | Identification/Serial No. |  |           |

|                              |                               |      |  |           |
|------------------------------|-------------------------------|------|--|-----------|
| <b>Motor 2</b>               |                               |      |  |           |
| <input type="checkbox"/> New | <input type="checkbox"/> Used | Make |  | Model No. |
| Year                         | Identification/Serial No.     |      |  |           |

|   |
|---|
| Location of Goods                       |
| 1111 FLINT ROAD, North York, ON, M3J3C7 |



Electronically issued / Délivré par voie électronique : 13-May-2025  
Toronto Superior Court of Justice in Bankruptcy and Insolvency / C

**Court File No./N° du dossier du greffe : BK-25-00208782-OT31**

Toronto Superior Court of Justice in Bankruptcy and Insolvency / Cour supérieure de justice en matière de faillite et d'insolvabilité

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**Application Number 73559054**

**Royal Bank of Canada**

**Conditional Sales Contract -** (For use in all provinces except Quebec)

### 3. DISCLOSURE STATEMENT

#### A. COST OF FINANCING THE PURCHASE OF THE GOODS

|    |  |              |                |
|----|--|--------------|----------------|
| 1  | Price of Goods (including accessories, installation, delivery and other costs)   |              | \$ 66,789.00   |
| 2a | Replacement (GAP) warranty (including applicable taxes)  | +\$ 0.00     |                |
| 2b | Optional accident and health insurance (including applicable taxes)  | +\$ 0.00     |                |
| 2c | Optional extended warranty insurance premium (including applicable taxes)  | +\$ 0.00     |                |
| 2d | Optional life insurance (including applicable taxes)   | +\$ 0.00     |                |
| 2e | Personal Property Security Registration Fee (including applicable taxes)   | +\$ 116.88   |                |
| 2f | Other components (including applicable taxes) (if applicable) – Describe:  | +\$ 0.00     |                |
| 3a | GST/HST (calculated on total of (1 + 3c – 5) x tax rate)<br>In British Columbia: (calculated on total of (1 + 3c – 5 + 3b) x tax rate) (when applicable) | +\$ 9,324.90 |                |
| 3b | PST (calculated on total of (1 + 3c – 5) x tax rate)   | +\$ 0.00     |                |
| 3c | Select Luxury Goods Tax (calculated on 1 x tax rate) (if applicable)   | +\$ 0.00     |                |
| 4  | <b>Total cost of Goods</b>   |              | = \$ 76,230.78 |
| 5  | Trade-in allowance [Note for GST/HST registrant: Do not subtract trade-in if it was used in commercial activities.]                                      | \$ 0.00      |                |
| 6  | Less lien on trade-in  | – \$ 0.00    |                |
| 7  | Net trade-in allowance   | = \$ 0.00    |                |
| 8  | Cash down-payment  | +\$ 250.00   |                |
| 9  | Total down-payment (7 + 8)   |              | = \$ 250.00    |
| 10 | Administration fee   | +\$ 0.00     |                |
| 11 | <b>Total amount financed (4 + 10 – 9) ("Amount Financed")</b>  |              | = \$ 75,980.78 |

### B. INSTALLMENTS

|     |   |                     |
|-----|---|---------------------|
|     | Maturity Date: <u>05/26/2031</u> (MM/DD/YYYY) ("Maturity Date")   |                     |
|     | Payment frequency is as follows:  |                     |
|     | <input checked="" type="checkbox"/> Monthly, on the <u>26th</u> day of each month commencing <u>06/26/2023</u> (MM/DD/YYYY)     |                     |
|     | <input type="checkbox"/> Weekly, every week on every _____ commencing _____ (MM/DD/YYYY)  |                     |
|     | <input type="checkbox"/> Bi-weekly, every two weeks on every second _____ commencing _____ (MM/DD/YYYY)                         |                     |
|     | <input type="checkbox"/> Semi-monthly, twice a month on the _____ and the _____ day of each month commencing _____ (MM/DD/YYYY) |                     |
|     | The amount of each regular installment is \$: <b>1,012.92</b>   |                     |
| 12b | Total amount of all regular installments  | \$ <b>97,240.32</b> |

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Application Number 73559054

**Royal Bank of Canada**

### Conditional Sales Contract - (For use in all provinces except Quebec)

### 3. DISCLOSURE STATEMENT (cont'd)

### C. COST OF BORROWING

|   |  |              |
|---|--|--------------|
| Interest Rate per Annum (initial interest rate if it is a variable rate)                          |  | 6.39 %       |
| 13a   | <input checked="" type="checkbox"/> Fixed Rate:<br><u>6.39</u> % per annum, calculated in arrears at the same frequency as your payment, on amounts owing, except overdue interest, both before and after maturity, default and judgment.  |              |
|   | <input type="checkbox"/> Variable Rate:<br>The Prime Rate (as of the Effective Date _____ %) in effect from time to time, plus or minus _____ % per annum, calculated and compounded in arrears at the same frequency as your payment, on amounts owing, before and after maturity, default and judgment.<br><br>The Prime Rate is the annual rate of interest announced from time to time by the Bank as a reference rate for determining interest rates on Canadian dollar commercial loans in Canada. The Prime Rate is posted at all of the Bank's branches and on its website.<br><br>*Triggering Rate*: Estimated at _____ % per annum |              |
|   | 13b Rebate for Cash Customer Only (including applicable taxes)   | \$ 0.00      |
|   | 13c Total Value Given By You (payments) (5 + 8 + 12b + Balance at Maturity (if applicable))  | \$ 97,490.32 |
| 13d Total Value Received By You (advances) (4 + 6 - 13b)  | \$ 76,230.78   |              |
| 13e Total Cost of Borrowing (13c - 13d)   | \$ 21,259.54   |              |
| 13f Annual Percentage Rate (APR) (Total Cost of Borrowing expressed as an annual percentage rate) | 6.39 %   |              |
| 14 Total Balance (11 + 13e - 10 - 13b) ("Contract Amount")  | \$ 97,240.32   |              |

#### D. ADDITIONAL DISCLOSURES

|    |  |    |      |
|----|--|----|------|
| 15 | Balance of cash price – Nova Scotia/Yukon/Nunavut (4 - 9)  | \$ | 0.00 |
| 16 | Aggregate/Total Cost for the Term – Yukon/Nunavut (13e + 4)  | \$ | 0.00 |
| 17 | Sum of insurance charges and official fees (including applicable taxes) – Nova Scotia (2a + 2b + 2c + 2d + 2e) | \$ | 0.00 |
| 18 | Aggregate Cost – Nova Scotia (15 + 17)   | \$ | 0.00 |



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**Application Number 73559054**

**Royal Bank of Canada**

**Conditional Sales Contract - (For use in all provinces except Quebec)**

#### 4. TERMS OF PAYMENT

You must pay the Contract Amount to the Bank as follows:

- (a) The Contract Amount in equal Monthly payments which include principal and interest of \$ 1,012.92 commencing on the date shown in section 3 row 12a and continuing at the payment frequency shown in that row up to and including the Maturity Date and the outstanding balance, if any, is payable on the Maturity Date.

For payments due on the 29th, 30th or 31st of each month, the February payment will fall due on the last day of the month. For payments due on the 31st, the April, June, September or November payments will be due on the 30th of the month.

Interest will be calculated and charged from the Effective Date. The term of this Contract is 96 months, the amortization period is 96 months, and if all payments are made on their respective due dates, based on the annual percentage rate stated in section 3 row 13f of this Contract, you will owe \$ 0.00 ("Balance at Maturity") on the Maturity Date.

If there is a balance owing at Maturity, we may at our sole discretion, offer to renew your Loan for another term or extend your Loan.

The Bank will apply each payment in section 4 and any other payment that you may make from time to time under this Contract first to accumulated interest and then to reduce the balance of the principal.

- (b) **Additional Terms if this is a Variable Rate Contract:** The interest rate will, from time to time, vary automatically, each time there is a change in the Prime Rate. The interest rate will always be the Prime Rate plus or minus the number of percentage points per annum referred to in the Disclosure Statement above; however, if the interest rate includes a discount below the Prime Rate, your interest rate can never go below 0% per annum. For example, if the Prime Rate is 1.0% and your discount is 1.5%, the interest rate will be 0% until the point in time the Prime Rate is higher than 1.5%. If the Prime Rate is 2.5% and your discount is 1.5%, your interest rate will be 1.0% until the Prime Rate changes.

If the Prime Rate increases, a larger portion of your payment will be applied against accrued interest. This will delay the reduction of the amount you owe. If the Prime Rate declines, a larger portion of your payment will be applied against the principal amount you owe. This will accelerate the reduction of the amount you owe. Based on the Contract Amount, the annual interest rate above which your payment would not cover the interest due from one payment date to the next is the Triggering Rate shown in section 3 row 13a. Beyond this interest rate, the outstanding principal amount would begin to increase. This would extend the amortization period of this Contract.

Your regular payment is designed to cover interest and pay off some of the principal amount. Your interest rate is linked to our Prime Rate, which changes from time to time, so your interest rate may change. If your interest rate increases such that your payment is less than the amount of interest accrued during the payment

period, then your payment must increase to cover the interest. The Triggering Rate is the interest rate at which this will happen. As you pay down your principal, the Triggering Rate will increase, which makes it less likely that a payment increase will occur; if you are not in default under this Contract and a regular installment is not sufficient to pay all interest owing on the Contract Amount then outstanding, and provided we have not demanded payment of the outstanding balance, you agree that we may, without notice to you, increase your regular installment in increments of **\$2.00** until your regular installment is sufficient to pay all interest that has accrued from the last regular installment date up to and including the date of the next regular installment. This amount will become your new regular installment unless we agree to accept a different regular installment payment or the regular installment payment is again increased as described in this paragraph. The annual interest rate at which this will occur, calculated on the Amount Financed, is the Triggering Rate shown in section 3 row 13a above.

You agree that if it is necessary for the Bank to prove the Prime Rate in effect at any time, a written certificate from the Bank setting forth its Prime Rate at that time shall be conclusive evidence for that purpose.

- (c) **Pre-Payment:** In addition to the payments in this section 4, you may at any time pay the amount owing under this Contract in whole or in part without notice, penalty or bonus. Any partial payment shall not reduce the amount of the regular installment payment. If you prepay the full outstanding balance of the Contract Amount at any time, you will be entitled to any refund or credit from us on the Cost of Borrowing for this Contract as may be required by, and calculated in accordance with the following formula:

$$R = A \times ((n-m)/n)$$

where

R is the amount to be refunded or credited; A is the amount of the charges; n is the period between the imposition of the charge and the time when the services were, before the cancellation, scheduled to end; and m is the period between the imposition of the charge and the cancellation.

- (d) **Payment Default:** If you have a variable rate and you do not pay a regular installment on its due date or the entire unpaid amount of the Contract Amount is declared to be due and payable and is not paid when due, we will add the overdue interest to the outstanding balance and charge you interest on the combined amount until it is paid. This is called compound interest. We calculate compound interest at the then current variable interest rate calculated in accordance with section 3 row 13a of this Contract. You promise to pay compound interest at the same frequency as your regular installments, both before and after maturity, default and judgment, until the outstanding balance is paid in full. If, at the end of a payment period, you do not pay the compound interest calculated in the manner provided above in this section 4d in addition to your regular installment, we will add such unpaid compound interest to the outstanding balance and charge interest at the then current variable interest rate on such outstanding balance, as increased by the unpaid compound interest. Alternatively, we can demand

**Application Number 73559054**

**Royal Bank of Canada**

**Conditional Sales Contract -** (For use in all provinces except Quebec)

payment of, and you promise to pay, overdue interest and unpaid compound interest immediately when we ask you to pay it.

## SALES CONTRACT TERMS AND CONDITIONS

### Title To The Goods

The title to and ownership of the Goods will not pass to you on delivery. The title to and ownership of the Goods will remain with us until all amounts owing under this Contract or any related judgment has been paid in full, at which time it will pass to you. For greater certainty, the Goods are not available to any other creditor to satisfy a debt owed by you until the amounts owing under this Contract are paid in full and title to the Goods has passed to you.

### Buyer's Promises

So long as this Contract remains in effect, you promise and agree:

- a) to keep the Goods in good condition and repair and shall replace all worn, broken or defective parts and shall permit us or our representative to inspect the Goods at any reasonable time;
- b) to keep the Goods free of any security interest, mortgage, lien, charge or encumbrance in favour of a third party and to defend the Goods from all other parties claiming an interest in the Goods, and if any of the above mentioned rights is placed or acquired against the Goods, we may satisfy the same, at our option, and at your expense;
- c) to promptly pay all taxes, assessments, license fees and other charges levied or assessed against the Goods;
- d) to not relinquish or part with any registered or unregistered ownership, possession, interest or control of the Goods, rent, sell or otherwise dispose of any interest in the Goods or permanently remove or cause or permit the Goods to be removed from province or territory listed in your address or relocate the Goods out of Canada without our express written consent;
- e) ensure the Goods are at all times kept within Canada and its territorial waters;
- f) if the Goods are described as a boat in section 2 of this Contract, (i) this Contract shall constitute a bill of sale for the purpose of licensing the boat pursuant to the Canada Shipping Act; and (ii) you will not register the Goods under the Canada Shipping Act without our prior written consent;
- g) to promptly notify us by calling us at 1-800-769-2511 in advance of any changes in the information contained in this Contract, including if you change your address, and of any claim, litigation, loss or damage which relates to you or the Goods;
- h) to execute, acknowledge and deliver such financing statements, financing change statements and further documents as we may reasonably request with respect to the Goods in order to give effect to this Contract and to pay all costs for related searches and filings, including any fees of a service provider;
- i) to fully insure the Goods on an all risks basis, at your expense, for the full insurable value with an insurer of your choice that has been approved by us (acting reasonably) with the loss payable to us as the insured, and to deliver copies of all policies to us upon request and furthermore, in the event that the carrier of your insurance is a government or government agency, to ask and authorize them to pay us instead of you all monies which might be payable to you in respect of your insurance;
- j) not to use the Goods in violation of the provisions of this Contract or any policy insuring them;

- k) to at all times use and operate the Goods strictly in accordance with any applicable statutes, by-laws and regulations from time to time in force and maintain in good standing all licenses applicable to the Goods or their operation;
- l) not to commit any act of fraud, or engage in any criminal or illegal activity in relation to this Contract or the Goods, nor engage in any act or behaviour which would make it unlawful for us to continue to have this Contract with you; and
- m) to ensure the Goods will remain personal or moveable property and will not become part of any real or immovable property.

**Default**

You are in default of this Contract ("Default") if:

- a) you fail to pay when due any amounts payable under this Contract or to perform any obligation contained in this Contract or any other agreement between you and us; or
- b) you die or become insolvent or go or are put into bankruptcy or receivership, or if the Goods are substantially damaged, destroyed or seized under any legal process; or
- c) you breach any promise under this Contract, or any information provided in connection with this Contract proves to have been false; or
- d) we in good faith believe and have reasonable cause to believe that the prospect of payment is or is about to be impaired or that the Goods are or are about to be placed in jeopardy; or
- e) loss, theft, material damage, abandonment, distribution or sale to or of any of the Goods, or the making of any levy, seizure or attachment to the Goods occurs; or
- f) we reasonably believe that you have committed fraud, or criminal or illegal activity in relation to this Contract or your vehicle, or we determine it would be unlawful for us to continue to have this Contract with you.

Upon Default we can require you to pay at once the Contract Amount due and anything else payable under this Contract, without notice demand or, alternatively, with such notice as required by applicable law. If you commit an act of bankruptcy or if bankruptcy, receivership or insolvency proceedings are commenced against you and we allow you to keep the Goods and continue to make payments, upon the making of any such one payment, you reaffirm your obligation to repay the entire amount owing under this Contract.

Furthermore, upon Default we may take possession of or otherwise enforce our rights against the Goods, and we may sell, lease, or otherwise dispose of the Goods in such manner and for such consideration as we feel is reasonable and in accordance with applicable law. You agree to pay any amounts still owing under this Contract after the sale or other disposition of the Goods.

You agree to pay all amounts charged to you pursuant to this Contract and all costs, charges and expenses we reasonably incur and any legal fees on a solicitor and client basis and court costs when enforcing this Contract and our rights against the Goods which will be a first charge on the proceeds of realization of the Goods and shall be secured by this Contract. All money collected or received by us in exercise of any right we possess with respect to the Goods shall be applied against the Contract Amount in such a



Application Number 73559054

**Royal Bank of Canada**

**Conditional Sales Contract -** (For use in all provinces except Quebec)

manner as we deem best and in accordance with applicable law. Furthermore, you agree that if any cheque or pre-authorized payment is not processed or is returned unpaid for any reason on the date the related payment was due, you will pay the Bank the NSF Fee of **\$45.00** representing a standard charge fee for each such occurrence. The total amount of the NSF Fees, if any, will be due and payable on the Maturity Date.

### BUYER'S ACKNOWLEDGEMENT

**Acknowledgement.** You accept and acknowledge delivery of the Goods in good condition. You acknowledge that the Goods comply with the written description of them given in this Contract and that no representation, collateral agreement, condition, warranty, or guarantee expressed or implied, by statute or otherwise, has been made by us. You further acknowledge that this Contract is being assigned, and waive any defence to payment or right of set-off as against the Bank.

## TRANSACTION DOCUMENTS

This Contract is signed as part of your transaction to purchase the Goods. You may also have signed another agreement detailing further terms and conditions relating to the purchase of the Goods. If you have signed another document, it is attached to this Contract as a schedule and forms an integral part of this Contract. You agree that this Contract and any related agreement will constitute the entire agreement relating to the sale of the Goods. If there is a conflict between the terms of this Contract and any other agreement relating to the sale of the Goods, the terms of this Contract will prevail.

**AUTHORIZATION FOR PRE-AUTHORIZED PAYMENT (PAD)**

**This PAD and this conditional sale is for personal ☐ or business ☒ (please select one) purposes.** You, the Buyer and/or Payor(s) hereby authorize the Bank to debit from the account indicated below (the **"Account"**) that you have with the Bank or another financial institution (i) the amount of each payment on or shortly after its payment due date (a **"Scheduled Debit Date"**) as set out in this Contract and (ii) any other amount that may become due under this Contract, on the next Scheduled Debit Date. You acknowledge that we may seek to contact you to obtain a separate authorization for any withdrawal on a date that is not a Scheduled Debit Date. In the event that there are insufficient funds in the Account, the Bank may represent for payment within 30 days. This authorization is provided for the benefit of the Bank and is provided in consideration of the Bank's agreement to process the PAD against the Account in accordance with the rules of Payments Canada.

You agree that any PAD drawn in accordance with this authorization will be binding on you. You agree that delivery of this authorization to the Bank constitutes delivery by you to the Bank and to the financial institution where the Account is held. You agree that the financial institution holding the Account is not required to verify that any PAD has been drawn in accordance with this authorization, including the amount, frequency and fulfillment of any purpose of any PAD.

These instructions are effective until written notice to the contrary is given by you to the Bank. You agree that from time to time you may authorize the Bank to deduct such PAD from another account which may be held at the same or another financial institution upon your

written or oral instructions. Upon designating such other account, the terms of this authorization and the authority provided to the Bank and to any other financial institution shall apply to that account and all debits made pursuant to this authorization.

This authorization may be cancelled or revoked at any time upon notice being provided by any one of the undersigned, in writing, to the **Royal Bank of Canada, 10 York Mills Road, Toronto, Ontario M2P 2E5**, with proper authorization to verify the identity of the person, within 30 days before the next PAD is to be issued. For more information on this PAD, call 1-800-769-2511. To obtain a sample cancellation form, or for more information on the right to cancel a PAD agreement, you may contact your financial institution or visit [www.payments.ca](http://www.payments.ca).

The Bank may cancel your right to pay by PAD (i) immediately without notice, if any PAD is not honoured by the financial institution where the Account is held because there are insufficient funds in the Account; or for any other reasons whatsoever which prevent the transfer of funds; or (ii) on 30 days written notice to you at the address shown in the Bank's records. You acknowledge that revocation or cancellation of this authorization applies only to the method of payment and does not terminate or otherwise have any bearing on this Contract or the amount owing under this Contract.

We may change the amount or frequency of your pre-authorized debits from your Account upon your written or verbal instruction requesting the change. You waive your right to receive pre-notification/confirmation under Sections 15 and 16 of Canadian Payments Association (CPA) Rule H1, and you agree no advance notice will be provided to you in the event of a change in the amount or timing of a pre-authorized debit. If applicable, you agree to reduce the confirmation period to three (3) Calendar Days.

You have certain recourse rights if any debit does not comply with this authorization. For example, you have the right to receive reimbursement for any PAD that is not authorized or is not consistent with this authorization. To obtain more information on recourse rights, you may contact your financial institution or visit [www.payments.ca](http://www.payments.ca).

A PAD may be disputed by any one of the undersigned under the following conditions: (i) if the PAD was not drawn in accordance with this authorization; or (ii) if this authorization was revoked. In order to be reimbursed, the undersigned acknowledge(s) that a declaration to the effect that either (i) or (ii) took place must be completed and presented to the branch of the financial institution holding the Account no later than 90 calendar days after the date on which the PAD in dispute was posted to the Account. You acknowledge that after this 90 day period, you will resolve any claim or dispute that you may have regarding a PAD solely with the Bank.

You are required, upon request to furnish us with satisfactory confirmation of personal and/or banking details. The Bank may assign this PAD to another person or entity without notice to you, except as required under applicable law.

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**Application Number 73559054**

**Royal Bank of Canada**

**Conditional Sales Contract - (For use in all provinces except Quebec)**

|                                     |             |                           |
|-------------------------------------|-------------|---------------------------|
| <b>PRE-AUTHORIZED PAYMENT (PAD)</b> |             |                           |
| Financial Institution               | Transit No. | Financial Institution No. |
| Branch Address                      |             |                           |
| Name(s) on Account                  |             | Account No.               |

## ADDITIONAL TERMS AND CONDITIONS

- a) The Goods will be at your risk and you will not be relieved of your obligations under this Contract because of damage or loss to the Goods.
- b) All rights and remedies provided for in this Contract are cumulative and not alternative. Our waiver of any default by you shall not operate as a waiver with respect to any subsequent default.
- c) We have the right to apply any balance of any account you have with the Bank or any of its affiliates to satisfy any of your obligations under this Contract.
- d) The security interest in the Goods created by this Contract is intended to attach when this Contract is signed by the parties. By signing this Contract you grant to the Seller and its assignee a purchase money security interest in the Goods and any proceeds of the Goods, including proceeds arising from a policy of insurance.
- e) Where permitted by law, you waive your right to receive a copy of any financing statement or financing change statement registered or verification statement received in respect of such registration by us. You agree that a copy of this Contract will be admissible in any legal or other proceedings in the same manner as an original of this Contract, and you waive any right to object to the introduction of such copy in evidence.
- f) If you are a corporation, you waive the rights, benefits and protection given by section 49 of the Law of Property Act of Alberta and agree that The Limitation of Civil Rights Act of Saskatchewan will not apply to this Contract or to any agreement renewing or extending or collateral to this Contract.
- g) Where permitted, you agree to extend any limitation period applicable to this Contract to six (6) years or any longer period permitted by law.
- h) No modification, variation or amendment of any provision of this Contract shall be made except by a written agreement executed by the parties.
- i) You shall not assign your rights in this Contract. This Contract shall ensure to the benefit of and be binding upon the respective heirs, liquidators, administrators, successors and assigns of the parties.
- j) In the event any provision of this Contract, as amended from time to time, is prohibited by any law, or deemed invalid or void, in whole or in part, by any court, such provision, or part thereof, shall be ineffective to the extent of such prohibition or court order without invalidating the remaining terms and provisions of this Contract.
- k) You have the right to cancel any optional products or services of a continuing nature that you have agreed to obtain under this Contract, if any, by providing the service provider with 30 days prior written notice of your intent to cancel or such shorter period as provided in your contract for the optional products or services. If you choose to cancel any such optional products or services, you are entitled to a refund of any amount you have already paid for charges relating to any portion of this optional product or service that has not been provided.
- l) You will be charged a fee of **\$5.00** to receive a copy of any document and/or statement related to this Agreement.
- m) All dollar amounts referred to in this Contract are in lawful money of Canada.

**Application Number 73559054**


Royal Bank of Canada

**Conditional Sales Contract - (For use in all provinces except Quebec)**

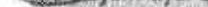
## ELECTRONIC TRANSACTION, COMMUNICATION AND IMAGING

This Contract may be executed by way of wet signature or electronic signature. A wet signature means any signature affixed to a hard copy with a pen or other writing device. An electronic signature means any electronic information unique to you, which you create or adopt to show your acceptance to an Agreement. This Contract may be transmitted by way of digital transmission or by facsimile transmission, and in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. The Bank is further entitled to assume that any communication from the Buyer received by electronic mail, digital medium or telecopier is a reliable communication from the Buyer. The parties hereto agree that, at any time, the Bank may convert paper records of this Contract 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 hereto 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 Paper Record.

By signing below, you acknowledge that you have read and agree to the terms of this Contract. If signing this agreement electronically, you agree that you adopt the electronic signature as your signature for the purposes of executing this Contract. You warrant and guarantee that all persons whose signatures are required to sign on the Account identified above have signed below and agree to the terms of the Authorization for Pre-Authorized Payment. You acknowledge that you have read and agree to the terms and conditions of this Contract.

|  |                                    |
|--|------------------------------------|
|  | 05/27/2023<br>Date<br>(MM/DD/YYYY) |
| Buyer/Payor Signature  |                                    |

|   |                                 |
|---|---------------------------------|
| X <i>[Signature]</i><br>Sales & Authorizing Signing Officer | 05/27/2023<br>Date (MM/DD/YYYY) |
|---|---------------------------------|

|   |                                    |
|---|------------------------------------|
| X <br>Co-Buyer/Payor Signature | 05/27/2023<br>Date<br>(MM/DD/YYYY) |
|---|------------------------------------|

|  |                      |
|--|----------------------|
| <div style="display: flex; justify-content: space-between;"> <span>X</span> <span>05/27/2023</span> </div> |                      |
| Co-Buyer/Payor Signature   | Date<br>(MM/DD/YYYY) |

|   |                      |
|---|----------------------|
| <b>X</b>  | <b>05/27/2023</b>    |
| Other Payor(s) Signatory(ies) for<br>Pre-Authorized Payment (if applicable) | Date<br>(MM/DD/YYYY) |



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Application Number 73559054

**Royal Bank of Canada**

### Conditional Sales Contract - (For use in all provinces except Quebec)

## ASSIGNMENT AGREEMENT

TO: ROYAL BANK OF CANADA ("the Bank")

For value received, the Seller under the terms of the above Contract absolutely assigns and transfers to the Bank all right, title and interest of the Seller in and to the Contract and the Goods, including, without limitation, the right to collect all installments due or to become due hereunder and the benefit of insurance on the Goods. In consideration of this assignment, the Seller represents and warrants that: (1) the Goods are free from all liens and encumbrances except the rights of the Buyer under the Contract; (2) the cash payment specified in the Contract was received by the Seller and no part of the cash payment was loaned to the Buyer by the Seller; (3) the Contract arose from the bona fide sale of the Goods in the normal course of business, and the Goods have actually been delivered into the possession of and have been accepted by the Buyer; (4) all information contained in the Contract is accurate and complete; (5) the Seller promises not to accept collections or otherwise deal with the Goods, nor modify the terms and conditions of this Contract and undertakes to comply with its obligations under the Contract and all related law; (6) the Contract is valid and executory and the obligations of the Buyer as set out in the Contract are binding and will continue to be free from defence or set-off; (7) the Seller has complied with all provincial registration requirements in connection with the Contract and its assignment and has registered the Goods in the Buyer's name; (8) the Seller's liability hereunder shall not be affected by any settlement, extension of payments, or any variation of terms of the Contract or a right of action against the Consumer; and (9) the signing of this Contract occurred on or before the Effective Date.

The Seller agrees to indemnify the Bank for all loss, damages, or expenses resulting from any breach of the above representation, warranties, or promises regardless of any action or inaction by the Bank.

Executed this 05/27/2023 at NORTH YORK ON                       
Date City/Town Province  
(MM/DD/YYYY)

Name of Seller: **TESLA MOTORS CANADA ULC**

By X [Signature]  
(Authorized Signing Officer)

NOTE: OTHER THAN TO THE BANK, THE SELLER IS NOT PERMITTED TO SELL OR GRANT A SECURITY INTEREST IN THIS CONTRACT TO ANY PERSON. ACCORDINGLY, THE POSSESSION OF ANY ORIGINALS OF THIS CONTRACT BY ANY PERSON (OTHER THAN THE BANK, ITS ASSIGNS OR THEIR RESPECTIVE AGENTS) SHALL NOT BE EFFECTIVE TO SELL OR OTHERWISE TRANSFER OWNERSHIP OF, OR CREATE A SECURITY INTEREST IN, THIS CONTRACT UNDER THE APPLICABLE PERSONAL PROPERTY SECURITY ACT. THE BANK OR ITS AGENTS SHALL PERFECT THE BANK'S OWNERSHIP IN THIS CONTRACT BY TAKING POSSESSION OF AN ORIGINAL OF THIS CONTRACT AND ONLY THAT ORIGINAL CONTRACT HELD BY THE BANK, ITS ASSIGNS OR THEIR RESPECTIVE AGENTS WILL BE EFFECTIVE TO PERFECT THE BANK'S OWNERSHIP INTEREST IN THIS CONTRACT OR ANY SECURITY INTEREST GRANTED IN THIS CONTRACT BY THE BANK TO ITS ASSIGNS.





This is **Exhibit “C”** referred to

in the Affidavit of Lee-Ann Walduck

Sworn this 17<sup>th</sup>

day of April, 2025.

A handwritten signature in blue ink, appearing to read "Carol Liu", is written over a dotted line.

.....  
A Commissioner for Taking Affidavits



**Fogler, Rubinoff LLP**

Lawyers

77 King Street West  
Suite 3000, PO Box 95  
TD Centre North Tower  
Toronto, ON M5K 1G8

t: 416.864.9700 | f: 416.941.8852  
foglers.com

Lawyer: Carol Liu  
Direct Dial: 416.849.4150  
E-mail: [cliu@foglers.com](mailto:cliu@foglers.com)

Our File No. 240289

February 8, 2024

**VIA REGULAR, REGISTERED MAIL AND EMAIL ([ROHAMBGH@GMAIL.COM](mailto:ROHAMBGH@GMAIL.COM),  
[CEO@JINAMART.COM](mailto:CEO@JINAMART.COM) )**

**PERSONAL AND CONFIDENTIAL**

**Jinamart Inc.**

1111 Flint Road

Unit 9 - 11

Toronto, ON M3J 3C7

**Attention: Hamidreza Bagheri**

Dear Sirs:

**Re: Royal Bank of Canada (the "Bank") and Jinamart Inc. (the "Company")**

---

We have been retained by the Bank in respect of the indebtedness owing to it by the Company.

We refer you to a credit agreement dated July 19, 2022 and accepted by the Company on July 28, 2022, including the Royal Bank of Canada Credit Agreement – Standard Terms (collectively the "**Credit Agreement**"). Under the Reporting Requirements section of the Credit Agreement, the Company covenanted to provide the following to the Bank for its fiscal year ended December 31, 2022:

- a) annual aged list of accounts receivable, aged list of accounts payable and listing of inventory for the Borrower, within 120 days of each fiscal year end;
- b) annual review engagement financial statements for the Borrower, within 120 days of each fiscal year end;
- c) such other financial and operating statements and reports as and when the Bank may reasonably require (i.e., evidence of priority payables being current).

The Company has been and continues to be in breach of the Credit Agreement by failing to provide the above-noted items when due (the "**Reporting Default**"). As a result, the Bank issued a non-tolerance letter to the Company on November 10, 2023, requiring the Company to remedy the Reporting Default by November 16, 2023. Following the

issuance of the non-tolerance letter, the Bank continued to communicate with the Company requiring the Company to remedy of the Reporting Default and received no meaningful response from the Company. To date, the Company remains in breach of the Credit Agreement due to the Reporting Default.

In accordance with the terms and provisions of the Credit Agreement, the Reporting Default entitles the Bank to demand immediate payment of the amounts advanced to it by the Company, together with interest thereon.

We also refer you to i) a conditional sales contract on the Bank's form 300312 dated May 27, 2023 and ii) a conditional sales contract on the Bank's form 3000312 dated January 26, 2022 (collectively, the "**Auto Loan Agreements**"). The Bank advanced to the Company two auto finance term loans pursuant to the terms of the Auto Loan Agreements.

In accordance with the terms and provisions of the Auto Loan Agreements, when the Company fails to perform any obligation contained in any of its agreements with the Bank, the Company is in default of Auto Loan Agreements, which default entitles the Bank to demand immediate payment of the amounts due and anything else payable under the Auto Loan Agreements.

We have been advised by the Bank that as at February 7, 2024, the Company is indebted to it in the following amounts:

1. In respect of a revolving demand facility, in the amount of \$763,216.48 comprising principal in the amount of \$760,482.91 and accrued interest to and including February 7, 2024 the amount of \$2,733.57. Interest continues to accrue on the aforesaid principal amount at the Bank's prime rate plus 1.00 % per annum. The per diem amount on the aforesaid principal amount, given the Bank's current prime rate, is \$170.85;
2. in respect of Visa account number ending in 8281, in the amount of \$218,683.81. Interest continues to accrue on the aforesaid amount at the rate in effect from time to time in accordance with your Visa arrangements with the Bank.
3. in respect of an auto finance term loan, in the amount of \$73,212.53 comprising principal in the amount of \$72,301.18 and accrued interest to and including February 7, 2024 in the amount of \$911.35. Interest continues to accrue on the aforesaid principal amount at the rate of 6.39% per annum. The per diem amount on the aforesaid principal amount is \$12.66.
4. in respect of an auto finance term loan, in the amount of \$47,143.89 at the rate of 0.00% per annum.

On behalf of the Bank, we hereby advise you that the right of the Company to make any further borrowings under its agreement(s) with the Bank, and the obligation of the Bank to provide such borrowings, is hereby terminated and the indebtedness owing to the Bank by the Company expressed above is hereby declared to be immediately due and payable. Accordingly, on behalf of the Bank, we hereby formally make demand upon the Company for the payment by no later than February 19, 2024 of the amounts expressed above and all interest accruing thereon up until the date of payment in full and for all other amounts which the Company is liable for to the Bank in accordance with the security delivered by the Company to the Bank, including, without limitation, legal fees on a full indemnity basis.

In the event payment is not made as requested, we must advise you that the Bank reserves its rights to take such further steps as are necessary to recover the indebtedness and liabilities owing by the Company to the Bank, including, without limitation, the appointment of a receiver and manager of the property, assets and undertaking of the Company.

We further advise the Company that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to February 19, 2024 without further notice to you if the Bank becomes aware of any matter which may impair its security. In addition, the Bank expressly reserves its rights not to make further advances to you or to honour any cheques drawn on the accounts maintained by you with the Bank. However, in the event the Bank, in its discretion, makes such advances or honours such cheques, such conduct shall not extend the time to make payment as set out herein or impose any obligation on the Bank to make further advances or honour further cheques and any additional indebtedness arising therefrom shall be immediately repayable to the Bank.

In addition, we refer you to an RBC Royal Bank Visa Card Agreement dated February 4, 2022 between the Bank and the Company ("**Visa Agreement**"). In accordance with section 34 of the Visa Agreement, you are hereby notified that the Visa Agreement will be terminated as of February 19, 2024 and as provided for in section 34(c) of the Visa Agreement, all amounts owing thereunder are due and payable on February 19, 2024.

We further advise you that your Visa card privileges in respect of account number ending in "8281" will be cancelled effective February 19, 2024. You will not be entitled thereafter to charge this card with any debt or obligation. Please cut all cards relating to this account in half and return them to us immediately.

We enclose a Notice of Intention to Enforce Security pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act* (Canada).

If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitors.

Yours truly,

**FOGLER, RUBINOFF LLP**



Carol Liu

CL/hm

Encl.

cc: Royal Bank of Canada

Attn: Sharon D'Costa, Senior Manager, Special Loans & Advisory Services

**NOTICE OF INTENTION TO ENFORCE SECURITY  
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)  
SECTION 244**

**PERSONAL & CONFIDENTIAL**  
**REGISTERED MAIL AND ORDINARY MAIL AND EMAIL**  
**([ROHAMBGH@GMAIL.COM](mailto:ROHAMBGH@GMAIL.COM), [CEO@JINAMART.COM](mailto:CEO@JINAMART.COM))**

**TO: JINAMART INC.**, an insolvent person

**TAKE NOTICE THAT:**

Royal Bank of Canada, a secured creditor, intends to enforce its security on the insolvent person's property described below:

all personal property of the insolvent person, including, without limitation, all inventory, equipment, machinery, fixtures, book debts, contractual rights, monies, chattel paper, intellectual property and goodwill of the insolvent person, together with all proceeds, additions, accretions and substitutions therefor.

The security that is to be enforced is in the form of:

- a General Security Agreement dated February 4, 2022 executed by Jinamart Inc.;
- a General Security Agreement dated April 26, 2019 executed by Roham 2020 Inc. (the former corporate name of Jinamart Inc.)

The total amount of indebtedness secured by the security as at February 7, 2024 is \$1,102,256.71 plus all legal and other expenses incurred by the secured creditor, which expenses are secured by the above-noted security.

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.

**DATED** at Toronto, Ontario this 8<sup>th</sup> day of February, 2024.

**ROYAL BANK OF CANADA**

by its solicitors, FOGLER, RUBINOFF LLP

Per:



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**Carol Liu**

E-FORM 924 (10/2017)

## GENERAL SECURITY AGREEMENT

### 1. SECURITY INTEREST

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

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

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

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

### 2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, howsoever 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 that 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;



E-FORM 924 (10/2017)

(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, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

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

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

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

(i) to deliver to RBC from time to time promptly upon request:

- (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
- (iv) all policies and certificates of insurance relating to Collateral, and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

**5. USE AND VERIFICATION OF COLLATERAL**

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

**6. SECURITIES, INVESTMENT PROPERTY**

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

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

**7. COLLECTION OF DEBTS**

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

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

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

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

(a) Whether or not default has occurred, Debtor authorizes RBC:

- (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
- (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

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

**10. DISPOSITION OF MONEY**

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

**11. EVENTS OF DEFAULT**

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

- (a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;
- (b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;
- (c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;
- (d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;
- (e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;
- (f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;
- (g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;

FORM 924 (10/2017)

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

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

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

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

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

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

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

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

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

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

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

(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and

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

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

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

#### 15. COPY OF AGREEMENT

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

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

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

|  |            |
|--|------------|
| <b>INDIVIDUAL DEBTOR</b>                               |            |
| SURNAME (LAST NAME)                                    | FIRST NAME |
| SECOND NAME  |            |
| BIRTH DATE<br>YEAR MONTH DAY                           |            |
| POSTAL CODE  |            |
| ADDRESS OF INDIVIDUAL DEBTOR                           |            |
| CITY   | PROVINCE   |
| BIRTH DATE<br>YEAR MONTH DAY                           |            |
| POSTAL CODE  |            |
| ADDRESS OF INDIVIDUAL DEBTOR (IF DIFFERENT FROM ABOVE) |            |
| CITY   | PROVINCE   |
| BIRTH DATE<br>YEAR MONTH DAY                           |            |
| POSTAL CODE  |            |

|                              |          |
|------------------------------|----------|
| <b>BUSINESS DEBTOR</b>       |          |
| NAME OF BUSINESS DEBTOR      |          |
| ROHAM 2020 INC.              |          |
| ADDRESS OF BUSINESS DEBTOR   |          |
| CITY                         | PROVINCE |
| TORONTO                      | ON       |
| BIRTH DATE<br>YEAR MONTH DAY |          |
| POSTAL CODE                  |          |
| 12 DOUGLAS AVE               |          |
| M5M 1G5                      |          |

|   |          |
|---|----------|
| <b>TRADE NAME (IF APPLICABLE)</b>           |          |
| TRADE NAME OF DEBTOR                        |          |
| PRINCIPAL ADDRESS (IF DIFFERENT FROM ABOVE) |          |
| CITY  | PROVINCE |
|   |          |
| BIRTH DATE<br>YEAR MONTH DAY                |          |
| POSTAL CODE                                 |          |

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 26 day of April 2019  
ROHAM 2020 INC.

WITNESS \_\_\_\_\_ Seal

WITNESS \_\_\_\_\_ Seal

|                                 |  |
|---------------------------------|--|
| <b>BRANCH ADDRESS</b>           |  |
| AVENUE ROAD & CRANBROOKE BRANCH |  |
| 1635 AVENUE RD                  |  |
| TORONTO ON                      |  |
| M5M 3X8                         |  |

**SCHEDULE "A"**

(ENCUMBRANCES AFFECTING COLLATERAL)

**SCHEDULE "B"**

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

12 DOUGLAS AVE  
TORONTO, ONTARIO  
M5M1G5

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

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



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

## GENERAL SECURITY AGREEMENT

For value received, the undersigned (the "Debtor") hereby grants to Royal Bank of Canada (the "Bank") a security interest in the Collateral, as security for the payment and performance of the Indebtedness. The terms "Collateral" and "Indebtedness" each have the meanings ascribed thereto in the Bank's Standard General Security Agreement Terms having the same revision date and this agreement and include, without limitation, in the case of the term "Collateral", the undertaking of the Debtor and all of the Debtor's present and after acquired personal property, and in the case of the term "Indebtedness", all present and future obligations, indebtedness and liability of the Debtor to the Bank. The provisions of the Standard General Security Agreement Terms are incorporated in this agreement (the "General Security Agreement") by reference and form an integral part hereof. The Debtor confirms receipt of a copy of this General Security Agreement, including the Standard General Security Agreement Terms identified hereinabove.

Executed and delivered this 2022-02-04 day of \_\_\_\_\_, \_\_\_\_\_.

**JINAMART INC.**

(if a Corporation or Partnership, insert name above)

e-Signed by: HAMIDREZA BAGHERI  
on 2022-02-04 17:14:14 GMT

\_\_\_\_\_  
Witness Name (not required for corporations or partnerships)

Debtor (or Authorized Officer or Partner)  
Name: **HAMIDREZA BAGHERI**

\_\_\_\_\_  
Witness Name (not required for corporations or partnerships)

\_\_\_\_\_  
Debtor (or Authorized Officer or Partner)  
Name:

This is **Exhibit “D”** referred to

in the Affidavit of Lee-Ann Walduck

Sworn this 17<sup>th</sup>

day of April, 2025.



.....  
A Commissioner for Taking Affidavits



Court File No. CV-24-00721285-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE  
JUSTICE W.D. BLACK

)  
)  
)

MONDAY, THE 10<sup>TH</sup> DAY  
OF JUNE, 2024

**ROYAL BANK OF CANADA**

Applicant

- and -

**JINAMART INC.**

Respondent

**ORDER  
(Appointing Receiver)**

**THIS APPLICATION** made by the Applicant, Royal Bank of Canada, 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 and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of Jinamart Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Application of the Applicant, the Affidavit of Sharon D'Costa sworn May 31, 2024 and the Exhibits thereto, and on hearing the submissions of counsel for the Applicant, no one else appearing although duly served as appears from the affidavit of service of Hayley Morgan sworn May 31, 2024 and the affidavit of

service of Saad Ahmad sworn June 3, 2024, 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 Motion and the Motion is hereby abridged and validated so that this motion 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 Debtor acquired for, or used in relation to a business carried on by the Debtor, including 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, 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;
- (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 or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (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, 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, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or



applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$200,000.00; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* shall not be required.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, 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, (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, 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 OR THE PROPERTY**

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor 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 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, 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 to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor 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, without written consent of the Receiver or leave of this Court.

### **CONTINUATION OF SERVICES**

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor 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 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 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 shall remain the employees of the Debtor 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, 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 \$100,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the

Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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 "A" 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 Debtor 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.

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 shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's 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.



## SCHEDULE "A"

### RECEIVER CERTIFICATE

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

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

1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "**Receiver**") of the assets, undertakings and properties Jinamart Inc. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the \_\_\_\_ day of \_\_\_\_\_, 2024 (the "**Order**") made in an action having Court file number CV-24-00721285-00CL 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 \_\_\_\_\_, 2024.

**MSI SPERGEL INC., solely in its capacity  
as Receiver of the Property, and not in  
its personal capacity**

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



**ROYAL BANK OF CANADA**  
Applicant

-and- **JINAMART INC.**  
Respondent

Court File No. CV-24-00721285-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT  
TORONTO**

**ORDER  
(Appointing Receiver)**

**FOGLER, RUBINOFF LLP**  
Lawyers  
77 King Street West  
Suite 3000, P.O. Box 95  
TD Centre North Tower  
Toronto, ON M5K 1G8

**Rachel Moses** (LSO# 42081V)  
[rmoses@foglers.com](mailto:rmoses@foglers.com)  
Tel: 416.864.7627

**Carol Liu** (LSO# 84938G)  
[cliu@foglers.com](mailto:cliu@foglers.com)  
Tel: 416.849.4150

Lawyers for the Applicant, Royal Bank of Canada



SUPERIOR COURT OF JUSTICE

**COUNSEL SLIP/ ENDORSEMENT FORM**

COURT FILE NO.: CV-24-00721285-00CL DATE: June 10, 2024

NO. ON LIST: 4

TITLE OF PROCEEDING: **ROYAL BANK OF CANADA v. JINAMART INC.**

BEFORE JUSTICE: **JUSTICE W.D. Black**

**PARTICIPANT INFORMATION**

**For Plaintiff, Applicant, Moving Party, Crown:**

| Name of Person Appearing | Name of Party                                   | Contact Info       |
|--------------------------|---|--------------------|
| Rachel Moses             | Lawyers for the Applicant, Royal Bank of Canada | rmoses@foglers.com |
|                          |   |                    |

**For Defendant, Respondent, Responding Party, Defence:**

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|---------------|--------------|
|                          |               |              |
|                          |               |              |

**For Other, Self-Represented:**

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|---------------|--------------|
|                          |               |              |
|                          |               |              |
|                          |               |              |

**ENDORSEMENT OF JUSTICE W.D. BLACK:**

- [1] This was an application by the Royal Bank of Canada ("RBC") to appoint msi Spergel Inc. (the "Receiver") as receiver, without security, over the assets, undertakings and properties of the respondent Jinamart Inc. (the "Debtor"), pursuant to s. 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c.B-3 ("BIA") as amended, and s.101 of the *Courts of Justice Act*, RSO 1990, c. C43 ("CJA") as amended.
- [2] The Debtor is an online retailer of home and car accessories, and other consumer goods.
- [3] The Debtor is indebted to RBC under a credit facilities letter agreement dated July 19, 2022, and two conditional sales contracts dated May 27, 2023, and January 26, 2022. The total indebtedness currently just exceeds \$1,000,000.00.
- [4] In support of the credit facilities, the Debtor provided a General Security Agreement ("GSA") to RBC, which entitles RBC to appoint a receiver upon default.
- [5] The Debtor defaulted in various obligations under the credit facilities, and on February 8, 2024, RBC issued a payment demand to the Debtor and a Notice of Intention to Enforce Security pursuant to s. 244 of the BIA.
- [6] The payment demand and the s. 244 notice have expired, the Debtor remains in default and the indebtedness remains outstanding. Counsel for RBC advised me today that the Debtor's business premises appear to have been abandoned, and are "for lease".
- [7] In the circumstances, I find that it is just and convenient to appoint the Receiver. In addition to the high-level summary set out above, I have reviewed the affidavit material filed by RBC and noted the consent of the Receiver to act in that capacity.
- [8] I am accordingly granting the order sought by RBC, in the form uploaded to Caselines in the material for this case.

  
\_\_\_\_\_  
W.D. BLACK J.

**DATE: JUNE 10, 2024**

This is **Exhibit “E”** referred to

in the Affidavit of Lee-Ann Walduck

Sworn this 17<sup>th</sup>

day of April, 2025.



.....  
A Commissioner for Taking Affidavits

## Morgan, Hayley

---

**From:** Melinda Vine <mvine@harrisonpensa.com>  
**Sent:** January 7, 2025 12:26 PM  
**To:** Moses, Rachel; Mukul Manchanda (mmanchanda@spergel.ca)  
**Cc:** Sharon D'Costa (sharon.dcosta@rbc.com); Liu, Carol  
**Subject:** RE: RBC v. Jinamart Inc-336286604 -12 months statements -Receivership with Jinamart- followup on Recovery [IMAN-HPMAIN.FID871143]

We will consent Rachel.  
Melinda

Melinda Vine B.A., LL.B., LL.M. | Harrison Pensa LLP | [130 Dufferin Avenue, Suite 1101, London, ON N6A 5R2](#)  
| tel 519-661-6705 | fax 519-667-3362 | [mvine@harrisonpensa.com](mailto:mvine@harrisonpensa.com)  
Assistant Isabelle Stacey tel 519-850-6792 | [istacey@harrisonpensa.com](mailto:istacey@harrisonpensa.com)

This e-mail may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments and notify us immediately.

---

**From:** Moses, Rachel <rmoses@foglers.com>  
**Sent:** Tuesday, January 7, 2025 11:21 AM  
**To:** Melinda Vine <mvine@harrisonpensa.com>; Mukul Manchanda (mmanchanda@spergel.ca) <mmanchanda@spergel.ca>  
**Cc:** Sharon D'Costa (sharon.dcosta@rbc.com) <sharon.dcosta@rbc.com>; Liu, Carol <cliu@foglers.com>  
**Subject:** RE: RBC v. Jinamart Inc-336286604 -12 months statements -Receivership with Jinamart- followup on Recovery

[EXTERNAL EMAIL]

Hi Melinda and Mukul,

The Bank has instructed us to bring a bankruptcy application against the debtor. I assume you will consent to act and that RBC has the receiver's consent to prosecute the bankruptcy application and the stay is lifted.



**Rachel Moses**  
Partner  
Fogler, Rubinoff LLP  
Lawyers  
Scotia Plaza  
40 King Street West, Suite 2400  
P.O. Box #215  
Toronto, ON M5H 3Y2  
Direct: 416.864.7627  
Main: 416.864.9700  
Fax: 416.941.8852  
Email: [rmoses@foglers.com](mailto:rmoses@foglers.com)  
[foglers.com](http://foglers.com)

**MOVE ALERT:** Effective December 2, 2024, our office has moved to:

**Scotia Plaza**  
**40 King Street West, Suite 2400**  
**P.O. Box #215**  
**Toronto, ON M5H 3Y2**

**IN THE MATTER OF THE BANKRUPTCY OF JINAMART INC.,  
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

PROCEEDING COMMENCED AT  
TORONTO

**AFFIDAVIT OF VERIFICATION**

**GOWLING WLG (CANADA) LLP**

1 First Canadian Place  
100 King Street West, Suite 1600  
Toronto, ON M5X 1G5

**Rachel Moses** (LSO# 42081V)

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Tel: 416-862-3630

**Carol Liu** (LSO# 84938G)

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Tel: 416-862-4300

Lawyers for the Applicant, Royal Bank of Canada

**IN THE MATTER OF THE BANKRUPTCY OF JINAMART INC.  
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

Court File No. BK-25-00208782-OT31

**TO: JINAMART INC.**

**TAKE NOTICE** that an application for a Bankruptcy Order will be made in respect of your property and will be heard before a Judge of the Ontario Superior Court of Justice (or if unopposed before the Registrar in Bankruptcy), in the City of Toronto, Ontario, on the 15<sup>th</sup> day of July, 2025 at the hour of 10:00 a.m. or so soon as thereafter as the application can be heard.

**AND FURTHER TAKE NOTICE** that if notice of cause against the application is not filed in Court and a copy thereof served on the solicitor for the applying Creditor at least two days before the hearing, and if you do not appear at the hearing, the Court may make a bankruptcy order on such proof of the statements in the application as the Court shall think sufficient.

**DATED AT** Toronto, this 13 day of MAY, 2025.

Lawyers for the Bankruptcy Applicant are:

**GOWLING WLG (CANADA) LLP**  
1 First Canadian Place  
100 King Street West, Suite 1600  
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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

PROCEEDING COMMENCED AT  
TORONTO

**APPLICATION FOR BANKRUPTCY ORDER**

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