

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

BETWEEN

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

-AND-

NEW TECUMSETH LAND CORPORATION

Respondent

APPLICATION UNDER Subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended, Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and Rule 14.05(3)(g) and (h) of the *Rules of Civil Procedure*

APPLICATION RECORD
(Returnable April 23, 2020)

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Lawyers for the Applicant

TO: Service List attached

Service List

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<p>P.D.R. Investments Ltd. Attention: Eleanora Schmied, President 3895 Lloydtown-Aurora Road King, Ontario L7B 0E7</p> <p>E-mail: eschmied@rogers.com</p>	<p>msi Spergel Inc. Attention: Trevor Pringle 21 King Street West Suite 1602 Hamilton, ON L8P 4W7</p> <p>Tel: (905)527-2227 Fax: (905) 527-6670 E-mail: tpringle@spergel.ca</p> <p>Proposed Receiver</p>

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Barristers and Solicitors
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Matthew Sokolsky**
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*Lawyers for certain persons with an interest
in the respondent*

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M

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N

TAB 1

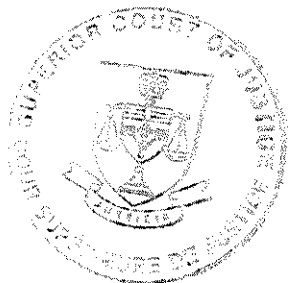
Court File No. CV-20-639679-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

BETWEEN

FIRSTONTARIO CREDIT UNION LIMITED

Applicant



-AND-

NEW TECUMSETH LAND CORPORATION

Respondent

APPLICATION UNDER Subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended, Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and Rule 14.05(3)(g) and (h) of the *Rules of Civil Procedure*

NOTICE OF APPLICATION

TO THE RESPONDENT

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

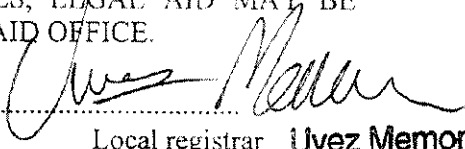
THIS APPLICATION will come on for a hearing on Thursday, the 23rd day of April, 2020, at 10:30 a.m. at 330 University Avenue, Toronto.

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

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

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

Date: **APR 17 2020**

Issued by: 

Local registrar **Uvez Memon**

Address of court office: **Registrar, Superior Court of Ju**
330 University Avenue,
9th Floor
Toronto ON M5G 1R7

TO: SEE SERVICE LIST

Service List

<p>New Tecumseth Land Corporation 151 Spinnaker Way, Unit 5 Concord, ON L4K 4C3 Email: ggoyo@villarboit.ca</p>	<p>Guery Goyo 9255 Jane Street, Apt. 1411 Vaughan, ON L6A 0K1 Email: ggoyo@villarboit.ca</p>
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<p>P.D.R. Investments Ltd. 3895 Lloydtown-Aurora Road King, Ontario L7B 0E7</p>	<p>msi Spergel Inc. Attention: Trevor Pringle 21 King Street West Suite 1602 Hamilton, ON L8P 4W7</p> <p>Tel: (905)527-2227 Fax: (905) 527-6670 E-mail: tpringle@spergel.ca</p> <p>Proposed Receiver</p>

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<p>CANADA REVENUE AGENCY c/o DEPARTMENT OF JUSTICE The Exchange Tower 130 King Street West, Suite 3400 Toronto, ON M5X 1K6</p> <p>Attention: Diane Winters & Peter Zevenhuizen</p> <p>Tel: 416-973-3172 Fax: 416-973-0810 Email: Diane.Winters@justice.gc.ca and Peter.Zevenhuizen@justice.gc.ca</p> <p><i>Lawyers for Canada Revenue Agency</i></p>	<p>MINISTRY OF FINANCE 33 King Street West, 6th Floor Oshawa, ON L1H 1A1</p> <p>Attention: Kevin J. O'Hara</p> <p>Tel: 905-433-6934 Fax: 905-436-4510 Email: Kevin.Ohara@ontario.ca</p> <p><i>Lawyers for Her Majesty the Queen in the Right of the Province of Ontario</i></p>
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APPLICATION

- 1. The applicant, FirstOntario Credit Union Limited ("FirstOntario") makes application for:
 - a) An order, if necessary, abridging the time for service and filing of this Notice of Application and the Application Record herein and validating service and directing any further service of this Notice of Application and Application Record be dispensed with such that this Application is properly returnable;
 - b) An order substantially in the form of the draft order attached hereto as Schedule "A" appointing msi Spergel Inc. ("Spergel"), a licensed insolvency trustee, as receiver ("Receiver"), without security, of all of the assets, undertakings and properties of the respondent, New Tecumseth Development Corporation (the "Debtor"), including, without limitation, the real property municipally known as 6485 14th Line, Alliston, Ontario (the "Real Property") and more particularly described as:

Firstly:

PIN	58145-0050 LT
DESCRIPTION	PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH

Secondly:

PIN	58145-0517 LT
DESCRIPTION	PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH

- c) Costs of this application on a full indemnity basis; and,
- d) Such further and other relief as this Honourable Court should deem just.

2. The grounds for the application are:

THE PARTIES

- a) FirstOntario is a credit union incorporated pursuant to the laws of Ontario with a commercial branch located at 4021 Upper Middle Road, Burlington, Ontario L7R 3X5.
- b) The Debtor is a corporation incorporated pursuant to the laws of Ontario with its registered head office located at 151 Spinnaker Way, Unit 5, Concord, Ontario. The sole shareholder of the Debtor is Villarboit Development Corporation, in trust and the directors of the Debtor are Guery Goyo and Mary Goyo. The only officers of the Debtor are Guery Goyo (President) and Mary Goyo (Secretary-Treasurer and Vice-President).

- c) The Debtor has been operating as a joint venture land development corporation with respect to the Real Property, and there are 34 co-tenants involved in the joint venture.

LOAN FACILITIES

- d) The Debtor is currently indebted to FirstOntario with respect to a loan facility in the principal amount of \$6,000,000.00 (the "Mortgage Loan"), originally made pursuant to a commitment letter dated September 15, 2015, and subsequently renewed and extended via agreements dated March 8, 2016, April 29, 2016, July 13, 2018, and October 5, 2018. (collectively the "Loan Agreement").
- e) The Mortgage Loan was for the purpose of refinancing an existing loan against the Real Property.
- f) The Mortgage Loan required monthly instalment payments of interest only.

SECURITY

- g) As security for its obligations to FirstOntario, including, without limitation, its obligations with respect to the Mortgage Loan, the Debtor provided first in priority security in favour of FirstOntario (collectively, the "Security") including a charge/mortgage from the Debtor registered against the Real Property (the "FirstOntario Mortgage"); an assignment of rents – general from the Debtor registered against the Real Property; and a business loan general security agreement from the Debtor.
- h) The obligations of the Debtor to FirstOntario, including with respect to the Mortgage Loan are guaranteed by Guery Goyo, the President of the Debtor.

DESCRIPTION OF THE REAL PROPERTY AND THE BUSINESS OF THE DEBTOR

- i) The Debtor is a single-purpose land development company which owns the Real Property, and as previously noted there is a joint venture underlying the proposed development. The Real Property is vacant industrial land comprised of 99.44 acres gross, and 74.07 acres for development.

EVENTS OF DEFAULT, ATTEMPTS TO SELL, AND FORBEARANCE

- j) The Debtor is in breach of the terms of the Loan Agreement, having failed to pay interest when due, and having failed to repay the outstanding principal upon the expiry of the term of the loan and FirstOntario is entitled to enforce its security.
- k) On or about November 3, 2017, the Debtor accepted a conditional offer from 2187933 Ontario Inc. In Trust ("218") to purchase the Real Property. That agreement has been amended and extended several times, most recently to various dates in March, 2020.
- l) As a result of the Debtor's agreement to sell the Real Property, FirstOntario entered into various forbearance agreements with the Debtor and the Guarantor, in addition to the extensions of the Mortgage Loan previously mentioned. On April 3, 2020, FirstOntario delivered a notice of default under the most recent forbearance agreement, as well as a notice pursuant to s. 244(1) of the *Bankruptcy and Insolvency Act*. The defaults were not cured, and on April 7, 2020, FirstOntario declared the forbearance agreement to be terminated.

m) On April 1, 2020, the Mortgage Loan was outstanding as follows:

Principal Balance	\$6,000,000.00
Interest Accrued	\$40,870.55
Past Due Interest	\$441,111.56
Collection Fees	<u>\$60,406.98</u>
Total	\$6,542,389.09

Interest continues to accrue from April 1, 2020 on the aforesaid principal amount and legal enforcement expenses at FirstOntario's prime rate plus 4.00% per annum (presently 7.95% per annum, calculated monthly), to the date of payment.

OTHER REGISTERED SECURED CREDITORS

- n) FirstOntario is the only secured creditor registered under the *Personal Property Security Act*.
- o) FirstOntario as first mortgagee, and P.D.R. Investments Ltd. as second mortgagee, hold the only registered mortgages with respect to the Real Property.

APPOINTMENT OF A RECEIVER

- p) FirstOntario has been extremely accommodating to the Debtor, which for more than two years has been unable to close its sale of the Real Property to 218. FirstOntario is not prepared to delay further and is not prepared to renew or extend further forbearance terms now that the most recent forbearance agreement has been terminated.
- q) Pursuant to the terms of the Security, FirstOntario is entitled to be fully indemnified by the Debtor with respect to all legal expenses incurred in relation to the enforcement of the Mortgage Loan and Security.

- r) Further pursuant to the terms of the Security, FirstOntario is entitled to appoint a receiver if there have been breaches of the Mortgage Loan and Security. FirstOntario considers it reasonable and prudent to enforce its security in order to recover the Mortgage Loan and it is within FirstOntario's rights under the Security to do so.
- s) A receiver is necessary for the protection of the Debtor's estate, FirstOntario's interest, the interest of P.D.R., and potentially other stakeholders. FirstOntario believes the appointment of a receiver would enhance the recovery by FirstOntario and the protection of all stakeholders.
- t) Particularly in the current economic climate due to the COVID-19 pandemic, there is a great deal of uncertainty about real estate markets generally, and a court-appointed receiver would be best placed to evaluate the property and make recommendations for the benefit of all stakeholders as to how the Real Property should be marketed and sold.
- u) It is both just and convenient that a receiver be appointed.
- v) FirstOntario proposes that msi Spergel Inc. ("Spergel") be appointed as receiver of the assets, undertaking and properties of the Debtor, including the Real Property. Spergel is an experienced licensed insolvency trustee and has consented to act as receiver, without security, of the assets, undertaking and properties of the Debtor, including the Real Property, and all proceeds thereof.
- w) Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.
- x) Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended.

- y) Rules 1.04, 2.03, 3.02(1), 14.05(3)(g) and (h), 16.04(1) and 38 of the *Rules of Civil Procedure*.
- z) Such further and other grounds as counsel may advise and as this Honourable Court may allow.

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

- a) The Affidavit of Virginia Selemidis affirmed April 16, 2020, and the exhibits thereto, filed; and
- b) Such further evidence as counsel may advise and as this Honourable Court may permit.

DATE OF ISSUE: April 17, 2020

J. ROSS MACFARLANE

LSO No. 36417N

Flett Beccario

Barristers & Solicitors

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Lawyers for the Applicant

FIRSTONTARIO CREDIT UNION LIMITED

v.

NEW TECUMSETH LAND CORPORATION

Applicant

Respondent

Court File No.:

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at **TORONTO**

ORDER

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J. ROSS MACFARLANE
Lawyers for the Applicant

LSO: 36417N

JRM/cb

SCHEDULE "A"

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE) WEEKDAY, THE #
JUSTICE)
) DAY OF MONTH, 20YR

BETWEEN

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Applicant

-AND-

NEW TECUMSETH LAND CORPORATION

Respondent

APPLICATION UNDER Subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended, Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and Rule 14.05(3)(g) and (h) of the *Rules of Civil Procedure*

- 2 -

ORDER
(appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing msi Spergel Inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of New Tecumseth Land Corporation (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including, without limitation, the real property municipally known as 6485 14th Line, Alliston, Ontario (the "Real Property") and more particularly described as:

Firstly:

PIN	58145-0050 LT
DESCRIPTION	PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH

Secondly:

PIN	58145-0517 LT
DESCRIPTION	PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH

was heard this day via videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Virginia Selemidis affirmed April 16, 2020 and the Exhibits thereto and on hearing the submissions of counsel for [NAMES], no one appearing for [NAME] although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of msi Spergel Inc. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, msi Spergel Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "Property"), including but not limited to the Real Property.

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, 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 \$10,000.00, provided that the aggregate consideration for all such transactions does not exceed \$25,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;
- and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the 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 \$200,000.00 (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/newtecumsethlandcorporation>'.

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 Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis

to be paid by the Receiver from the 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 New Tecumseth Land Coprporation 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 _____, 20__ (the "Order") made in an application having Court file number ___-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

msi Spergel Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

FIRSTONTARIO CREDIT UNION LIMITED

v.

NEW TECUMSETH LAND CORPORATION

Applicant

Respondent

Court File No.:

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at **TORONTO**

ORDER

FLETT BECCARIO
Barristers & Solicitors
190 Division Street
P.O. Box 340
Welland, ON L3B 5P9

Tel: (905) 732-4481
Fax: (905) 732-2020
Email: jrmacfar@flettbeccario.com

J. ROSS MACFARLANE
Lawyers for the Applicant

LSO: 36417N

JRM/cb



FIRSTONTARIO CREDIT UNION LIMITED

v.

NEW TECUMSETH LAND CORPORATION

Applicant

Respondent

CV-20-639679-0002

Court File No.:

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at TORONTO

NOTICE OF APPLICATION

FLETT BECCARIO

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190 Division Street
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Tel: (905) 732-4481
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J. ROSS MACFARLANE
Lawyers for the Applicant

LSO: 36417N

JRM/eb

TAB 2

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

BETWEEN

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

-AND-

NEW TECUMSETH LAND CORPORATION

Respondent

APPLICATION UNDER Subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended, Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and Rule 14.05(3)(g) and (h) of the *Rules of Civil Procedure*

AFFIDAVIT OF VIRGINIA SELEMIDIS

I, **VIRGINIA SELEMIDIS**, of the City of Burlington, in the Province of Ontario, SOLEMNLY
AFFIRM:

1. I am a Senior Portfolio Manager, Commercial Services, for the applicant, FirstOntario Credit Union Limited (“FirstOntario”).
2. FirstOntario is a secured creditor of the respondent, New Tecumseth Land Corporation (the “Debtor”) and I am responsible for managing FirstOntario’s recovery initiatives relating to the Debtor. As such, I have personal knowledge of the matters to which I depose. Where

this affidavit is based upon information I have received from others. I have stated the source of that information and, I verily believe that information to be true.

PURPOSE OF THE APPLICATION

3. This affidavit is made in support of an application by FirstOntario for an order, among other things, appointing msi Spergel Inc. ("Spergel"), a licensed insolvency trustee, as receiver ("Receiver"), without security, of all of the assets, undertakings and properties of the Debtor, including, without limitation, the real property municipally known as 6485 14th Line, Alliston, Ontario (the "Real Property") and more particularly described as:

Firstly:

PIN	58145-0050 LT
DESCRIPTION	PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH

Secondly:

PIN	58145-0517 LT
DESCRIPTION	PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH

THE PARTIES

4. FirstOntario is a credit union incorporated pursuant to the laws of Ontario with a commercial branch located at 4021 Upper Middle Road, Burlington, Ontario L7R 3X5.
5. The Debtor is a corporation incorporated pursuant to the laws of Ontario with its registered head office located at 151 Spinnaker Way, Unit 5, Concord, Ontario. The sole shareholder

of the Debtor is Villarboit Development Corporation, in trust and the directors of the Debtor are Guery Goyo and Mary Goyo. The only officers of the Debtor are Guery Goyo (President) and Mary Goyo (Secretary-Treasurer and Vice-President). Attached and marked collectively as **Exhibit "A"** are copies of the Certificate and Articles of Incorporation for the Debtor and a Certificate of Corporate Authority and Non-Restriction dated April 29, 2016.

6. I am advised by my review of the financial statements for the Debtor for the year ended July 31, 2018 (which are the most recent statements available to me) that it has been operating as a joint venture land development corporation with respect to the Real Property, and that there are 34 co-tenants involved in the joint venture. Attached and marked as **Exhibit "B"** is a copy of the list of co-tenants as at July 31, 2018, showing their percentage equity interests, but with the dollar amounts of their equity redacted.

LOAN FACILITIES

7. The Debtor is currently indebted to FirstOntario with respect to a loan facility in the principal amount of \$6,000,000.00 (the "Mortgage Loan"), originally made pursuant to a commitment letter dated September 15, 2015, and subsequently renewed and extended via agreements dated March 8, 2016, April 29, 2016, July 13, 2018, and October 5, 2018. (collectively the "Loan Agreement"). The Mortgage Loan term expired on March 31, 2019. Attached hereto and marked as **Exhibit "C"** is a copy of the Loan Agreement.
8. The Mortgage Loan was for the purpose of refinancing an existing loan against the Real Property.

9. The Mortgage Loan required monthly instalment payments of interest only.

SECURITY

10. As security for its obligations to FirstOntario, including, without limitation, its obligations with respect to the Mortgage Loan, the Debtor provided security in favour of FirstOntario (collectively, the "Security") including:
 - (a) A charge/mortgage from the Debtor registered against the Real Property on May 5, 2016 as instrument number SC1301746 (the "FirstOntario Mortgage"). Attached and marked collectively as **Exhibit "D"** are copies of the charge/mortgage registered as instrument number SC1301746, Standard Charge Terms no. 200027, and the Debtor's Acknowledgment and Acceptance of Standard Charge Terms dated April 29, 2016.
 - (b) An assignment of rents – general from the Debtor registered against the Real Property on May 5, 2016 as Instrument No. SC1301755, a copy of which is attached and marked as **Exhibit "E"**.
 - (c) A business loan general security agreement dated April 29, 2016 from the Debtor, a copy of which is attached as **Exhibit "F"**.
11. The obligations of the Debtor to FirstOntario, including with respect to the Mortgage Loan are guaranteed by Guery Goyo, the President of the Debtor (the "Guarantor").

DESCRIPTION OF THE REAL PROPERTY AND THE BUSINESS OF THE DEBTOR

12. The Debtor is a single-purpose land development company which owns the Real Property, and as previously noted there is a joint venture underlying the proposed development. The Real Property is vacant industrial land comprised of 99.44 acres gross, and 74.07 acres for development.

EVENTS OF DEFAULT, ATTEMPTS TO SELL, AND FORBEARANCE

13. The Debtor is in breach of the terms of the Loan Agreement, having failed to pay interest when due, and having failed to repay the outstanding principal upon the expiry of the term of the loan and FirstOntario is entitled to enforce its security.

14. On or about November 3, 2017, the Debtor accepted a conditional offer from 2187933 Ontario Inc. In Trust ("218") to purchase the Real Property. To the best of my knowledge and belief, and based upon information received from the Debtor and Don Parente, one of the Debtor's lawyers, that agreement has been amended and extended several times, most recently to various dates in March, 2020. Attached and marked collectively as **Exhibit "G"** is a copy of an email from Mr. Parente to FirstOntario's counsel dated February 28, 2020, without attachments. Mr. Parente advised in the e-mail that the attachments represented the agreement of purchase and sale, that the closing was then currently scheduled for March 16, 2020, and that he had not forwarded "...all the email correspondence that is pertaining to the extensions." I have not included the documents comprising the agreement of

purchase and sale because they may contain sensitive commercial information that should not be disclosed in the context of a proposed receivership.

15. As a result of the Debtor’s agreement to sell the Real Property, FirstOntario entered into various forbearance agreements with the Debtor and the Guarantor, in addition to the extensions of the Mortgage Loan previously mentioned. Attached and marked collectively as **Exhibit “H”** are copies of the agreements dated May 11, 2018 and March 12, 2020. On April 3, 2020, FirstOntario delivered a notice of default under the most recent forbearance agreement, as well as a notice pursuant to s. 244(1) of the *Bankruptcy and Insolvency Act*. The defaults were not cured, and on April 7, 2020, FirstOntario declared the forbearance agreement to be terminated. Attached and marked collectively as **Exhibit “I”** are copies of the letters from FirstOntario’s counsel dated April 3 and 7, 2020, enclosures, and the registered mail receipt with respect to the s. 244(1) notice.

16. In between the forbearance periods, FirstOntario had also commenced mortgage enforcement proceedings against the Debtor and the Guarantor. Attached and marked collectively as **Exhibit “J”** are copies of the statement of claim and statement of defence filed in Simcoe court file number CV19-88.

17. On April 1, 2020, the Mortgage Loan was outstanding as follows:

Principal Balance	\$6,000,000.00
Interest Accrued	\$40,870.55
Past Due Interest	\$441,111.56
Collection Fees	\$60,406.98
Total	\$6,542,389.09

Interest continues to accrue from April 1, 2020 on the aforesaid principal amount and legal enforcement expenses at FirstOntario's prime rate plus 4.00% per annum (presently 7.95% per annum, calculated monthly), to the date of payment.

OTHER REGISTERED SECURED CREDITORS

18. A copy of the *Personal Property Security Act* search results for the Debtor dated March 31, 2020 is attached as **Exhibit "K"**. The search result shows the only registrations against the Debtor are in favour of FirstOntario.

19. Copies of the Parcel Registries with respect to the Real Property are attached collectively as **Exhibit "L"**. The Parcel Registries reflect that only FirstOntario on the one hand and P.D.R. Investments Ltd. ("P.D.R.") hold registered mortgages with respect to the Real Property. P.D.R. is one of the co-tenants in the joint venture for the development of the Real Property.

20. The P.D.R. mortgage registered as Instrument Number SC1187270 on January 13, 2015 (the "P.D.R. Mortgage") was postponed to the FirstOntario Mortgage by a postponement registered on May 5, 2016 as Instrument Number SC1301765 (the "Postponement"). Copies of the P.D.R. Mortgage and the Postponement are collectively attached and marked as **Exhibit "M"**.

APPOINTMENT OF A RECEIVER

21. FirstOntario has been extremely accommodating to the Debtor, which for more than two years has been unable to close its sale of the Real Property to 218. FirstOntario is not prepared to delay further and is not prepared to renew or extend further forbearance terms now that the most recent forbearance agreement has been terminated.
22. Pursuant to the terms of the Security, FirstOntario is entitled to be fully indemnified by the Debtor with respect to all legal expenses incurred in relation to the enforcement of the Mortgage Loan and Security.
23. Further pursuant to the terms of the Security, FirstOntario is entitled to appoint a receiver if there have been breaches of the Mortgage Loan and Security. FirstOntario considers it reasonable and prudent to enforce its security in order to recover the Mortgage Loan and it is within FirstOntario's rights under the Security to do so.
24. A receiver is necessary for the protection of the Debtor's estate, FirstOntario's interest, the interest of P.D.R., and potentially other stakeholders. FirstOntario believes the appointment of a receiver would enhance the recovery by FirstOntario and the protection of all stakeholders.
25. Particularly in the current economic climate due to the COVID-19 pandemic, there is a great deal of uncertainty about real estate markets generally, and a court-appointed receiver would be best placed to evaluate the property and make recommendations for the benefit of all stakeholders as to how the Real Property should be marketed and sold.

26. In all of the circumstances, I believe that it is both just and convenient that a receiver be appointed.

27. FirstOntario proposes that msi Spergel Inc. ("Spergel") be appointed as receiver of the assets, undertaking and properties of the Debtor, including the Real Property.

28. Spergel is an experienced licensed insolvency trustee and has consented to act as receiver, without security, of the assets, undertaking and properties of the Debtor, including the Real Property, and all proceeds thereof. Attached and marked as Exhibit "N" is a copy of the consent of Spergel.

29. I make this affidavit in support of FirstOntario's motion to appoint a receiver in respect of the Debtor, and for no other or improper purpose.

AFFIRMED before me by video conference)
from the City of Burlington, in the Regional)
Municipality of Halton, to the City of)
Welland, in the Regional Municipality of)
Niagara, on the 16 day of April, 2020)



VIRGINIA SELEMIDIS



Commissioner for Taking Affidavits

John Ross Macfarlane
Barrister & Solicitor

These are Exhibits "A" to "N" referred to
In the Affidavit of VIRGINA SELEMIDIS
Affirmed Before me by Video Conference from the City of Burlington,
in the Regional Municipality of Halton, to the City of Welland,
in the Regional Municipality of Niagara,

In the Province of Ontario

This 16th day of April, 2020

A handwritten signature in black ink, consisting of a large, sweeping loop followed by a horizontal line extending to the right.

A Commissioner, etc.

TAB A

CERTIFICATE OF CORPORATE AUTHORITY AND NON-RESTRICTION

TO: FIRSTONTARIO CREDIT LIMITED
 4021 Upper Middle Road
 Burlington, Ontario L7M 0Y9

AND TO: SCARFONE HAWKINS LLP
 Barristers and Solicitors
 1 James Street South, P.O. Box 926, Depot 1
 Hamilton, Ontario L8N 3P9

AND TO: LAWRENCE, LAWRENCE, STEVENSON LLP
 43 Queen Street West
 Brampton, Ontario L6Y 1L9

The undersigned, the President of NEW TECUMSETH LAND CORPORATION (the "**Company**"), HEREBY CERTIFIES ON BEHALF OF THE COMPANY, AND NOT IN HIS PERSONAL CAPACITY, AS FOLLOWS:

1. The Company is incorporated under and duly existing under the laws of Ontario by Certificate and Articles of Incorporation dated August 11, 2006. The charter documents of the Company have not been further amended, are in full force and effect and no proceedings or actions, have been taken or are pending and no resolutions have been passed to amend, surrender or cancel them or that could result in the Company ceasing to exist. The Company has not failed to take any steps which may constitute grounds for the cancellation of its charter. A true and complete copy of the Articles of Incorporation of the Company and any amendments thereto is attached hereto as Schedule "A".

2. There are no provisions in the Bylaws or any Resolutions of the Company which restrict, limit or regulate in any way the powers of the Company to:
 - a. Borrow monies upon the credit of the Company;
 - b. Issue, re-issue, sell or pledge an obligation of the Company;
 - c. Give a Guarantee on behalf of the Company to secure performance of an obligation of any person; and
 - d. Create security interests by way of debenture, mortgage, hypothecation, pledge or otherwise covering all or any of the property and assets of the Company, present and future, as security for all or any monies borrowed by the Company to FirstOntario Credit Union Limited or any other liability of the Company to FirstOntario Credit Union Limited.

3. The Company does not carry on business under any trade or business name, and does not own any property or carry on any business in any jurisdiction other than the Province of Ontario. The Company has full capacity and power to own its properties, to carry on its business as the same is presently conducted and to enter into the agreements hereinafter mentioned to which it is a party.

4. The Company is not a party to any unanimous shareholders agreement (as that term is defined in the Business Corporations Act), and there are no provisions in the by-laws of the Company which in any way limit or affect the ability of the directors of the Company to borrow money or give security therefore.
5. To the best of my knowledge and belief, save as detailed on Schedule "B" attached, after due inquiry, the Company is not presently a party to any litigation before any court, administrative board or other tribunal which, if decided against it, would adversely affect its business or financial status, and I know of no facts which might give rise to such litigation.
6. To the best of my knowledge and belief, after due inquiry, the Company is not a party to or bound by any contract or agreement which will materially adversely affect its business, properties, operations or financial condition.
7. The following are the officers of the Company:

Guery Goyo	-	President
Mary Goyo	-	Secretary-Treasurer
Mary Goyo	-	Vice-President.
8. The following are the Directors of the Company:

Guery Goyo
Mary Goyo.
9. The following is the Shareholder of the Company:

Villarboit Development Corporation, in trust.
10. All documents to be executed and delivered by the Company shall be executed and delivered by the President.
11. The minute books and corporate records of the Company, which are in the possession of our solicitors, Lawrence, Lawrence, Stevenson LLP, contain a complete register of the shareholders of the Company, all by-laws of the Company and the minutes or copies thereof of all proceedings of the shareholders and directors (or any committee thereof) of the Company to the date hereof, and there are no other shareholders, by-laws, meetings, resolutions or proceedings of the shareholders or of the board of directors (or any committee thereof) of the Company to the date hereof except those that are reflected in such register, minute books and corporate records. Such register, minute books and corporate records are true, correct and complete in all material respects.

The foregoing is certified by the President of the Company this 29 day of Aug, 2016.



Guery Goyo, President

For Ministry Use Only
A l'usage du Ministère



Ministry of
Consumer and
Ontario Business Services
CERTIFICATE
This is to certify that these articles
are effective on

Ministère des Services
aux consommateurs
et aux entreprises
CERTIFICAT
Ceci certifie que les présents statuts
ontrent en vigueur le

Ontario Corporation Number
Numéro de la société en Ontario

1707295

AUGUST 11 AOUT, 2005

[Signature]

Director / Directeur
Business Corporations Act / Loi sur les sociétés par actions

Form 1
Business
Corporations
Act

Formula 1
Loi sur les
sociétés par
actions

**ARTICLES OF INCORPORATION
STATUTS CONSTITUTIFS**

1. The name of the corporation is: (Set out in BLOCK CAPITAL LETTERS)
Dénomination sociale de la société: (Écrire en LETTRES MAJUSCULES SEULEMENT)

N	E	W	T	E	C	U	M	S	E	T	H	L	A	N	D	.	C	O	R	P	O	R	A	T	I	O	N

2. The address of the registered office is:
Adresse du siège social:

151 Spinnaker Way, Unit 5

(Street & Number or R.R. Number & if Mail-Office Building give Room No.)
(Rue et numéro ou numéro de la R.R. et, s'il s'agit d'un édifice à bureaux, numéro du bureau)

Concord,

ONTARIO L4K4C3

(Name of Municipality or Post Office)
(Nom de la municipalité ou du bureau de poste)

(Postal Code)
(Code postal)

3. Number (or minimum and maximum number) of directors is/are:
Nombre (ou nombres minimal et maximal) d'administrateurs:

minimum/minimal
one (1)

maximum/maximal
five (5)

4. The first director(s) is/are:
Premier(s) administrateur(s):

First name, middle names and surname
Prénom, autres Prénoms et nom de famille

Address for service, giving Street & No. or R.R. No.,
Municipality, Province, Country and Postal Code
Domicile élu, y compris la rue et le numéro, le numéro de la
R.R. ou le nom de la municipalité, la province, le pays et le
code postal

Resident Canadian?
Yes or No
Résident canadien?
Oui/Non

Guery Goyo

70 Kokanee Court
Maple, Ontario, L6A 2V8

Yes

5. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise
Limites, s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la société.

None

6. The classes and any maximum number of shares that the corporation is authorized to issue:
Catégories et nombre maximal, s'il y a lieu, d'actions que la société est autorisée à émettre :

An unlimited number of common shares

- 7 Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:
Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions qui peut être émise en série :

None

8 The issue, transfer or ownership of shares is/la not restricted and the restrictions (if any) are as follows:
L'émission, le transfert ou la propriété d'actions est/n'est pas restreint. Les restrictions, s'il y a lieu, sont les suivantes

No shares shall be transferred without the express consent of a majority of the directors to be signified only by a resolution passed by the board of directors.

9. Other provisions if any:
Autres dispositions, s'il y a lieu :

1. Meetings of the board of directors and the shareholders may be held at any place within Canada.
2. The number of shareholders of the corporation, exclusive of persons who are in the employ of the corporation, is limited to fifty (50), two or more persons who are the joint registered owners of one or more shares being counted as one shareholder.
3. Any invitation to the public to subscribe for any shares or securities of the corporation is prohibited.

Noms et adresses des fondateurs :

First name, middle names and surname or corporate name
*Prénom, autres prénoms et nom de famille ou
dénomination sociale*


Full address for service or address of registered office or
of principal place of business giving street & No. or R.R.
No., municipality and postal code
*Domicile élu au complet, adresse du siège social ou
adresse de l'établissement principal, y compris la rue et le
numéro ou le numéro de la R.R., le nom de la
municipalité et le code postal*

Guery Goyo

70 Kokanee Court
Maple, Ontario, L6A 2V8

These articles are signed in duplicate.
Les présents statuts sont signés en double exemplaire.

Signatures of Incorporator(s) /
Signatures des fondateurs


GUERY GOYO

SCHEDULE "B"

1. New Tecumseth Land Corporation, among others, is a defendant in a claim brought by Centreside Contracting Ltd. and others (the "**Claimants**") claiming, among other things, that the Claimants have an interest in the Property as investors and beneficial owners.
2. Vector Financial Services Limited, the first mortgagee of the Property at present, is in the process of exercising its powers of selling the Property pursuant to its mortgage of the Property.

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TAB B

**NEW TECUMSETH LAND CORPORATION -
NEW TECUMSETH GROUP JOINT VENTURE**

Statement of Co-tenants' Equity

(Unaudited - prepared by management)

For the year ending July 31, 2018

Co-tenants	Equity	Equity	Contributions during the year	Net income	2018
	Interest % 2018	Beginning of year		(loss) for the year	Equity End of year
1282291 Ontario Limited	2.30%	\$	-	-	\$
P.D.R Investments Ltd	10.48%		-	-	
Fairgreen Ventures Inc.	1.53%		-	-	
1167948 Ontario Inc.	0.77%		-	-	
Paul and Mary Leva	1.53%		-	-	
Johnwood Investments Inc.	1.75%		-	-	
Ferro DeBiasio	1.61%		-	-	
S.C.R.A.P.S Investments Ltd.	1.61%		-	-	
594633 Ontario Ltd	2.30%		-	-	
Athabasca Holdings Inc.	2.30%		-	-	
Frank Giambagno, In Trust	10.48%		-	-	
Tanview Investments Limited	4.19%		-	-	
Lino Di Iorio, In Trust	3.07%		-	-	
Louise Di Iorio	1.53%		-	-	
Michael Di Iorio	0.77%		-	-	
Michael and David Di Iorio	1.53%		-	-	
Philip Stefaniak	1.53%		-	-	
Michael and Heather Mayhew	1.53%		-	-	
Luvax Holdings Inc.	1.53%		-	-	
Castelago Holdings Inc.	1.53%		-	-	
Ottimo Foods Inc., In Trust	3.07%		-	-	
Villarboit Investments Limited	3.14%		-	-	
Antonini Family Holdings Inc.	3.84%		-	-	
Spano Family Holdings Inc.	4.60%		-	-	
Centreside Contracting Ltd.	4.60%		-	-	
Salisi Investments Ltd.	1.53%		-	-	
2115307 Ontario Limited	2.91%		-	-	
A. Vankralingen & R. Borland	4.19%		-	-	
859055 Ontario Limited	2.09%		-	-	
Winstone Investments Inc.	1.94%		-	-	
Frank Marchetti in Trust	4.19%		-	-	
R & FS Holdings Inc.	3.84%		-	-	
Philip Lanni	1.53%		-	-	
Italmal Investments Inc.	4.60%		-	-	
	<u>100.00%</u>	<u>\$</u>	<u>-</u>	<u>-</u>	<u>\$</u>

TAB C

FirstOntario

B U S I N E S S

Sept 15, 2015

Mr. Guery Goyo
 Villarboit Developments
 151 Spinnaker Way, Unit 5
 Toronto, ON
 L4K 4C3

Dear Sir:

RE: Financing for commercial and industrial lands located at and around 6485 14th Line, New Tecumseth (the "PROPERTY")

FirstOntario Credit Union Limited (the "Lender") is pleased to provide the Borrower described below with the following outline of the terms and conditions under which we will provide the financing described herein ("Financing Offer").

1. **LOAN DETAILS**

Facility #1

- A. **Borrower:** New Tecumseth Land Corporation
- B. **Guarantor(s):**
 Guarantee and Postponement of Claim in the amount of \$6,000,000 to be signed by Guery Goyo
- C. **Credit Facility:**
 The Lender agrees to provide and the Borrower agrees to borrow the following credit facility ("Credit Facility").
- | | |
|-----------------|-------------------------------------|
| Commercial Loan | \$6,000,000 (not to exceed 50% LTV) |
|-----------------|-------------------------------------|
- D. **Purpose:**
 Payout current financing, provide working capital to the project and support interest reserve.

Any other use of the funds will require the approval of the Lender prior to disbursement. The Borrower represents and warrants that no portion of the Credit Facility will be used for the supply of any services or for any erection, installation, addition, removal, construction, renovation, alteration, or repair to any Property or to any building, structure or works thereon, NOT APPROVED BY THE LENDER. In the event that a claim for lien is subsequently made under the *Construction Lien Act* and not vacated within 30 days, the Lender may, in addition to any other remedy available to it and in its unfettered discretion, accelerate the maturity date of the Credit Facility upon ten day's notice to the Borrower.

Third Party Determination: Will this account be used on behalf of a third party? No

A. Draw Down:

Upon completion of the Security Documentation required pursuant to Section 2 herein and compliance with the conditions precedent to funds providing for in Section 3 and special conditions provide for in Section 5 herein.

B. REPAYMENT:

- a. Payments: Monthly payments of interest
- b. Interest Rate: MLR + 3.15% (MLR is currently 3.85%, **total rate is currently 7.00%**)
- c. Term: 2 Years
- d. Amortization: n/a
- e. Repayment: On the sale of any portion of the land held as security, proceeds less reasonable closing costs will be applied to any outstanding balance on the credit facility.

C. Assignment and Participation:

The Lender may, from time to time, assign or syndicate its interests in the Credit Facility in whole or in part to others. The Borrower shall co-operate with any syndication but shall not be liable for any costs incurred with respect thereto, except reasonable legal fees incurred prior to the initial advance hereunder.

D. Costs and Expenses:

All costs and expenses in connection with the matters contemplated by this Financing Offer are to be paid by the Borrower, whether or not funds are advanced, the Security Documents are completed or the Financing Offer is cancelled.

E. Fees: The Borrower shall pay the following fees to the Lender:

- i) Processing fee of \$10,000 shall be payable upon acceptance of the Discussion Paper. The Lender will proceed on a best-efforts-basis and in the event the Lender provides a Commitment Letter materially in accordance with the terms and conditions outlined herein, and should the Borrowers fail to accept the Commitment Letter, the processing fee is non-refundable;
- ii) Commitment fee of \$50,000 due and payable upon acceptance of the Commitment Letter by the Borrower. For clarification purposes, the total commitment and processing fee as outlined below is \$60,000;
- iii) The processing fee will cover the cost of 3rd party reports to be completed during the Lender's due diligence period.
- iv) Annual Review Fee - \$500
- v) Late reporting fee of \$250.00 per month for each month the required reporting is not provided, subject to escalation should a material breach (as determined by the Lender, in its sole discretion) occur;
- vi) \$250 discharge fee for each discharge provided

In addition to the aforementioned, the Borrower agrees to pay all costs, fees and expenses in connection with the transaction contemplated by this Financing Offer, including without limitation:

- a. Engineering, environmental assessment, appraisal, credit information, inspection, architectural project monitoring, cost consultancy, survey and any and all other professional and advisory costs as may be reasonably required by the Lender; and
- b. Registration, recording and filing fees, taxes, legal fees and the like with regard to all documents required by the Lender's solicitors to be registered, recorded or filed.

Such fees and costs may, at the option of the Lender, be deducted from any advance of the Credit Facility.

2. SECURITY

The present and future indebtedness and liability of the Borrower to the Lender shall be secured by the following security (the "Security Documents"), evidenced by documents in form satisfactory to the Lender and its legal counsel and registered or recorded as required by the Lender, to be provided prior to any advances or avail being made under the Credit Facility:

- A. A mortgage which is to be a first ranking collateral mortgage and charge on the Property securing an amount no less than \$6,000,000.
- B. General Security Agreement registered against the Borrower.
- C. Assignment of Rents and Leases over the subject property.
- D. Guarantee and Postponement of Claim in the amount of \$6,000,000 to be signed by Mr. Guery Goyo.
- E. Postponement and Subordination of all shareholder's and non-arm's length creditor's, to include a postponement of the right to receive any payments of both principal and interest under the said loans, except as otherwise contemplated within the Financing Offer.
- F. An interest reserve account is to be set up with the Lender with an initial balance of \$420,000 (12 months interest). These funds will directed from the loan proceeds upon closing and bear interest.
- G. Assignment of all insurance policies with respect to the Property and the Borrower's rights therein and all proceeds and benefits therefrom in favour of the Lender.
- H. Fixed rate business loan agreement to be accepted by the Borrower.
- I. Any other documentation necessary in the opinion of the Lender and its legal counsel to complete this transaction.

3. CONDITIONS PRECEDENT TO FUNDING

Those customarily found in the Lender's Security Documents and any additional conditions appropriate in the context of the proposed transaction and in any event, to include without limitation, the following:

- A. Compliance with and/or fulfillment of all terms and conditions contained in the commitment letter.
- B. Satisfactory review of AACI Appraisal report detailing the current value of the Property.
- C. Satisfactory review of accountant reviewed financial statements for the last three (3) fiscal years of operations for Villarboit Developments and Villarboit Holdings. (Held)
- D. Satisfactory review of a detailed personal net worth statement for the Guarantors together with evidence of holdings and valuations. (Held)
- E. Satisfactory review of completed environmental reports. (Held)
- F. Confirmation of resolution to judgement listed on Equifax report re: Stucco Co.
- G. Satisfactory confirmation of ownership of shares of the Borrower.
- H. Each Guarantor who is not a shareholder of the Borrower will be required to obtain and provide to the Lender a Certificate of Independent Legal Advice.
- I. Satisfactory opinion from the solicitor for the Lender indicating, among other things, the validity, enforceability and priority of all Security and the state of title of the Property.
- J. All taxes, assessments, duties, utility charges and other levies and charges affecting the Property, other than amounts which are not yet due and payable, shall have been paid prior to each advance of the Credit Facility, failing which, they shall be paid from the proceeds of any advance.
- K. At the Lender's option, the Borrower shall be required to provide title insurance to the Lender. The costs of the title insurance shall be at the borrower's expense.
- L. The Borrower acknowledges and agrees that the Lender, in their sole discretion may engage in the services of a professional insurance consultant to review the Borrowers' insurance policy to determine adequate insurance coverage is in place. The cost of such review shall be borne by the Borrower and will be paid prior to closing. The Borrower shall maintain appropriate insurance coverage as recommended by Lender's insurance consultant.

4. GENERAL CONDITIONS/COVENANTS

Until all debts and liabilities due and owing under the Credit Facility have been discharged in full and the commitment to provide the Credit Facility has been withdrawn by the Lender, the following terms and conditions, will apply in respect of the Credit Facility:

- A. The Lender shall be entitled to obtain sub searches, tax certificates, and sheriff's certificates as to executions on record in respect of the Borrower and conduct PPSA searches, as applicable, at the discretion of the Lender, with all costs to be borne by the Borrower;
- B. The Borrower covenants to perform and observe all terms, conditions, representations and covenants contained in any of the agreements referred to in the commitment letter, if issued, as such agreements may be amended from time to time;
- C. The Borrower will ensure that all of the remittances required to be made by the Borrower to the Federal, Provincial and Municipal Governments have been made, will be kept up to date and there are no outstanding arrears. Without limiting the foregoing, all employee source deductions (including Income Taxes, Employment Insurance and Canada Pension Plan), sales taxes (both Provincial and Federal), corporate income taxes, payroll taxes and Workmen's Compensation dues will be paid and kept up to date;
- D. Title to the Real Property shall remain satisfactory to the Lender and its solicitors. All zoning by-laws and restrictive covenants must be complied with;
- E. Any easement that would restrict use of the property must have prior approval of the Lender and its solicitors. Such approval not to be unreasonably withheld;
- F. The sale or transfer of the Property or any assets relating thereto or any material change in ownership of the Borrower or LP, not approved by the Lender, shall at the Lender's option be an event of default and will cause all monies owing to the Lenders, to become due and payable at the Lender's option;
- G. The Borrower and Corporate Guarantors are to provide the Lender with account prepared financial statements within 120 days of the fiscal year end date;
- H. The Borrower acknowledges that dividends and bonuses will only be paid and capital withdrawals from the corporation will only be made from cash flow after satisfaction of all terms, conditions and covenants contained herein;
- I. The Lender shall be provided with receipted tax bills within 90 days of the calendar year-end as evidence of payment of property taxes. In the event receipts are not provided, the Lender will be entitled to obtain a Tax Certificate at the Borrower's expense;
- J. No vendor-take-back mortgages or any subsequent encumbrances or charges are permitted without the Lenders prior written consent; *Save and except the existing 2nd mortgage already registered against the property*

AK

- K. The Borrower shall maintain its membership with the FirstOntario Credit Union in good standing while any portion of the Credit Facilities remains outstanding or committed. The Borrower also agrees that the FirstOntario Credit Union will provide the Borrower with all daily business banking for ongoing risk management purposes and all transactions associated with the development will be conducted through this account;

5. SPECIAL CONDITIONS/COVENANTS

- A. The obligation of the Lender to make advances or availment under the Credit Facility is subject to the prior condition that the Credit Facility is fully syndicated and the Lender and other syndicate partners complete a Loan Participation and Servicing Agreement between themselves in a form and substance acceptable to the Lender.
- B. The occurrence of an event of default under the Borrower's and/or Guarantor(s)' credit facilities with any lender (as that term is defined in such lender's loan documentation) constitutes a concurrent default under such credit facility.
- C. The Guarantor(s) hereby undertake(s) to inject funds into the operations of the Borrower as required to ensure sufficient funds are available to meet all of the Borrower's obligations to the Lender, including without limitation, the monthly payment obligations and the Debt Service Coverage requirement as provided for in Section 4. General Conditions herein.

6. PERMITTED ENCUMBRANCES

The title to the Property shall be subject only to:

- a. Property taxes not yet due and payable, utility easements and other similar rights which, in the Lender's opinion, will not, in the aggregate materially and adversely impair the marketability of the Property or the use of the Property for the purpose for which it is held and minor irregularities and defects in title approved by the Lender; and
- b. First mortgage in favour of XX. The Lender shall be provided with a mortgage statement from the first mortgagee setting out the balance owing and confirmation that the first mortgage is in good standing.
(the "Permitted Encumbrances").

7. TERMINATION

In the event the Borrower is in default for any reason whatsoever under the terms of this Financing Offer or it does not fulfill the conditions for disbursement of the Credit Facility in accordance with the terms and conditions contained herein or in any other agreement or document relating to this Financing Offer, no later than five (5) business days prior to the advance of the funds under the Credit Facility, or if any information or document supplied by the Borrower is found to be incomplete or inaccurate in a material respect or if for any reason the Borrower does not accept all or a part of the proceeds of the Credit Facility when the Lender makes the same available, the parties to this Financing Offer hereby acknowledge that the Lender shall be entitled, at its discretion, to cancel its obligations under this Financing Offer and retain the Commitment Fee as liquidated damages and in such event, this Financing Offer shall thereafter, subject as hereinafter provided, be null and of no further effect, without any further recourse by either party against the other. In addition, notwithstanding the forfeiture of the Commitment Fee, the Borrower and Guarantors (if any) shall remain liable and be required to pay and reimburse the Lender all fees, costs and expenses as set out herein and incurred by

the Lender whether or not the Credit Facility is proceeded with. The aforesaid covenants and agreements with respect to the Commitment Fee and the Borrower's and Guarantors' (if any) obligation to pay and reimburse the above mentioned amounts are enforceable by the Lender notwithstanding the termination of this Financing Offer, each of such covenants and agreements having an independent existence from this Financing Offer.

8. NO MERGER

It is understood and agreed that the execution and delivery of the Security Documents shall in no way merge or extinguish this Financing Offer or the terms or conditions hereof which shall continue in full force and effect while any or all of the Security Documents remain outstanding. In the event of any inconsistency or conflict between any provision or provisions of this Financing Offer and the provision or provisions of the Security Documents or any other documentation, such provision or provisions of the Financing Offer shall prevail. A provision or provisions contained in the Security Documents which is not contained in the Financing Offer shall not be considered to be inconsistent or in conflict with the Financing Offer.

In the event of the Borrower failing to pay any amount when due or being in breach of any covenant, condition or term of the Financing Offer or the Security, or if any representation made by the Borrower or its/their agents, or any information provided by it/them is found to be untrue or incorrect, or if any Event of Default as defined in the Security occurs, or if in the sole opinion of the Lender, a material adverse change occurs relating to the Borrower, the Guarantor, the Property, or the risk associated with the Credit Facility, the Borrower shall, at the option of the Lender, be in default of its obligations to the Lender and the Lender may cease or delay further funding or may exercise any and/or all remedies available to it at law or in equity. Further, the Lender may, at its option, on notice to the Borrower, declare the principal and interest on the Loan and any other amount due under the Financing Offer forthwith due and payable, whereupon the same shall be and become immediately due and payable in full. The waiver by the Lender of any breach or default by the Borrower of any provisions contained herein shall not be construed as a waiver of any other or subsequent breach or default by the Borrower. In addition, any failure by the Lender to exercise any rights or remedies hereunder or under the Security shall not constitute a waiver thereof.

This Financing Offer shall be governed by and construed under the laws of the Province of Ontario.

9. CREDIT REPORTING AND PERSONAL INFORMATION

If a corporation, the Borrower(s) and/or Guarantor(s) hereby consent to the Lender obtaining from any credit reporting agency or from any person such information as the Lender may require at any time, and consents to the disclosure at any time of any information concerning the undersigned to any credit grantor with whom the undersigned has financial relations or to any direct reporting agency.

If an individual, the Borrower(s) and/or Guarantor(s) hereby.

- A. Authorize and consent to the disclosure of any Personal Information (as defined herein) to the Lender by any holder of such information requested to provide it to the Lender for the purposes of the Lender's possible or actual provision of credit to Borrower(s) and/or Guarantor(s);

- B. Consent to the collection, use and disclosure of Personal Information by the Lender for the purpose of credit risk assessment and management, included by not limited to: credit scoring, portfolio analysis, reporting fraud prevention and claim recovery; the provision of credit to the Borrower; the management of the Lender's on-going relationship with the borrower(s); and to comply with any legal and regulatory requirements;
- C. Acknowledge that the Lender may disclose information about the undersigned, regardless of when or how the information was collected, to related companies, its service providers; its agents, contractors, lawyers and external advisors; payment system operators; credit reporting agencies; rating agencies; other financial institutions and credit providers; government and other regulatory bodies; and any individuals or organizations that (i) the Borrower(s) and/or Guarantor(s) provide as references, (ii) who act on behalf of the Borrowers(s) and/or Guarantor(s), or (iii) who have been engaged to provide services to the Borrower(s) and/or Guarantor(s).
- D. All Personal Information disclosed to the Lender has been done in accordance with all applicable laws pertaining to the Personal Information in question, and specifically, where applicable, consent by the individual(s) whose Personal Information is provided has been obtained for the collection, use and disclosure by the Lender for purposes associated with the possible or actual provision of credit to the Borrower(s) and/or Guarantor(s).

"Personal Information" is any information that relates to an individual or allows an individual to be identified but does not include information about an individual that has been aggregated with other information and from which the individual cannot be identified.

10. COUNTERPARTS

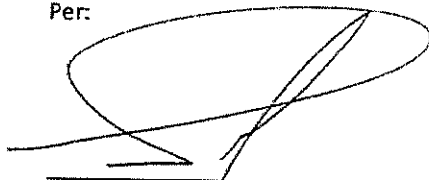
This Financing Offer may be executed in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

This letter is delivered to you with the understanding that neither it nor its substance shall be disclosed except to members of the Board of Directors, Advisors, Employees, Counsel and Accountants of the Borrower who are involved in consideration of this matter or as may be completed to be disclosed in a judicial or administrative proceeding or as otherwise required by law.

Yours very truly

FIRSTONTARIO CREDIT UNION LIMITED

Per:

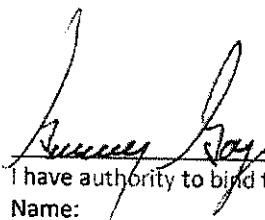


 Steve Foxall
 Manager, Commercial Services

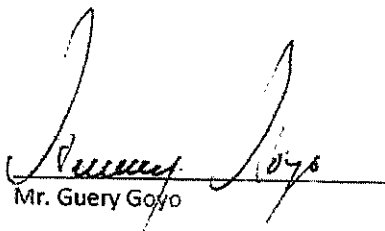
If the terms and conditions of this Finance Offer are acceptable, please indicate by signing below and returning this letter by Sept 21, 2015 following which date this Finance Offer will be considered null and void.

Accepted on the terms and conditions herein provided this 17 day of September

Borrower: New Tecumseth Land Corporation


I have authority to bind the Corporation
Name:

Guarantors:


Mr. Guery Goyo

FirstOntario

B U S I N E S S

March 8, 2016

Mr. Guery Goyo
 Villarbolt Developments
 151 Spinnaker Way, Unit 5
 Toronto, ON
 L4K 4C3

Dear Sir:

RE: Financing for commercial and industrial lands located at and around 6485 14th Line, New Tecumseth, ON (the "PROPERTY")

FirstOntario Credit Union Limited (the "Lender") is pleased to provide the Borrower described below with the following outline of the terms and conditions under which we will provide the financing described herein ("Financing Offer").

1. LOAN DETAILS

Facility #1

- A. Borrower: New Tecumseth Land Corporation
- B. Guarantor(s): Guarantee and Postponement of Claim in the amount of \$6,000,000 to be signed by Guery Goyo.
- C. Credit Facility:
 The Lender agrees to provide and the Borrower agrees to borrow the following credit facility ("Credit Facility").
- | | |
|-------------------------------|-------------|
| 1) Fixed Rate Commercial Loan | \$6,000,000 |
|-------------------------------|-------------|
- D. Purpose:
 To payout existing financing, provide working capital to the project and support an interest reserve.

Any other use of the funds will require the approval of the Lender prior to disbursement. The Borrower represents and warrants that no portion of the Credit Facility will be used for the supply of any services or for any erection, installation, addition, removal, construction, renovation, alteration, or repair to any Property or to any building, structure or works thereon, NOT APPROVED BY THE LENDER.

In the event that a claim for lien is subsequently made under the *Construction Lien Act* and not vacated within 30 days, the Lender may, in addition to any other remedy available to it and in its unfettered discretion, accelerate the maturity date of the Credit Facility upon ten day's notice to the Borrower.

Third Party Determination: Will this account be used on behalf of a third party? No

The Empire Times Building
 41 King William Street, Suite 401, Hamilton, ON L8R 1A2 | t 905-574-3060 | f 905-574-3930

FirstOntario.com

Page | 1

E. Draw Down:

Upon completion of the Security Documentation required pursuant to Section 2 herein and compliance with the conditions precedent to funds providing for in Section 3 and special conditions provide for in Section 5 herein.

F. REPAYMENT:

- a. Payments: Monthly payments of interest
- b. Interest Rate: 7.00%
- c. Term: 2 Years
- d. Repayment: On the sale of any portion of the land held as security, proceeds less reasonable closing costs are to be applied to any outstanding balance on the credit facility.

G. Assignment and Participation:

The Lender may, from time to time, assign or syndicate its interests in the Credit Facility in whole or in part to others. The Borrower shall co-operate with any syndication but shall not be liable for any costs incurred with respect thereto, except reasonable legal fees incurred prior to the initial advance hereunder.

H. Costs and Expenses:

All costs and expenses in connection with the matters contemplated by this Financing Offer are to be paid by the Borrower, whether or not funds are advanced, the Security Documents are completed or the Financing Offer is cancelled.

I. Fees: The Borrower shall pay the following fees to the Lender:

- i) Processing fee of \$10,000 has been collected, the Lender will proceed on a best-efforts basis and in the event the Lender provides a Commitment Letter materially in accordance with the terms and conditions outlined herein, and should the Borrower fail to accept the Commitment Letter, the processing fee is non-refundable
- ii) Commitment fee of \$50,000 due and payable upon acceptance of the Commitment Letter by the Borrower. For clarification purposes, the total commitment and processing fee as outlined above is \$60,000.
- iii) Annual Review Fee - \$500
- iv) \$250 discharge fee for each discharge provided
- v) Late reporting fee of \$250 per month for each month the required reporting is not provided, subject to escalation should a material breach (as determined by the Lender, in its sole discretion) occur.

In addition to the aforementioned, the Borrower agrees to pay all costs, fees and expenses in connection with the transaction contemplated by this Financing Offer, including without limitation:

- a. Engineering, environmental assessment, appraisal, credit information, inspection, architectural project monitoring, cost consultancy, survey and any and all other professional and advisory costs as may be reasonably required by the Lender; and

- b. Registration, recording and filing fees, taxes, legal fees and the like with regard to all documents required by the Lender's solicitors to be registered, recorded or filed.

Such fees and costs may, at the option of the Lender, be deducted from any advance of the Credit Facility.

2. SECURITY

The present and future indebtedness and liability of the Borrower to the Lender shall be secured by the following security (the "Security Documents"), evidenced by documents in form satisfactory to the Lender and its legal counsel and registered or recorded as required by the Lender, to be provided prior to any advances or avail being made under the Credit Facility:

- A. A mortgage which is to be a first ranking collateral mortgage and charge on the Property securing an amount no less than \$6,000,000.
- B. First ranking General Security Agreement registered against the Borrower.
- C. Fixed rate business loan agreement.
- D. Assignment of Rents and Leases over the subject property.
- E. Guarantee and Postponement of Claim in the amount of \$6,000,000 to be signed by Guery Goyo.
- F. Postponement and Subordination of all shareholder's and non-arm's length creditor's, to include a postponement of the right to receive any payments of both principal and interest under the said loans, except as otherwise contemplated within the Financing Offer.
- G. An interest reserve account is to be set up with the Lender with an initial balance of \$420,000 (12 months interest). These funds will be directed from the loan proceeds upon closing and bear interest.
- H. Assignment of all insurance policies with respect to the Property and the Borrower's rights therein and all proceeds and benefits therefrom in favour of the Lender.
- I. Any other documentation necessary in the opinion of the Lender and its legal counsel to complete this transaction.

3. CONDITIONS PRECEDENT TO FUNDING

Those customarily found in the Lender's Security Documents and any additional conditions appropriate in the context of the proposed transaction and in any event, to include without limitation, the following:

- A. Compliance with and/or fulfillment of all terms and conditions contained in the commitment letter.
- B. Satisfactory review of AACI Appraisal report detailing the current value of the Property. (Held)

- C. Satisfactory review of a detailed personal net worth statement for the Guarantors together with evidence of holdings and valuations. (Held)
- D. The solicitor for the investors claiming against the Borrower, VDC, the Guarantor and Mary Goyo (the "Claiming Investors"), shall confirm in writing for the benefit of the Lender and its solicitor that for so long as any indebtedness and liability of the Borrower to the Lender remains outstanding, the investors: (a) will not obtain or attempt to obtain a Certificate of Pending Litigation with respect to the Property; or (b) take any other steps which would or could detrimentally impact the Lender's ability to enforce or otherwise deal with its Charge/Mortgage of the Property, or any other security being delivered pursuant to the Financing Offer, including the Postponement of Shareholder's Loans being provided by each of the Claiming Investors, subject only to the Lender's enforcement obligations at law. Such confirmation must also be signed by each of the Claiming Investors in order to confirm their agreement. This confirmation may be executed in any number of counterparts, and/or by facsimile or e-mail transmission of Adobe Acrobat files, each of which shall constitute an original and all of which, taken together, shall constitute one and the same instrument.
- E. Satisfactory review of environmental reports.(Held)
- F. Satisfactory confirmation of ownership of shares of the Borrower.
- G. Satisfactory opinion from the solicitor for the Lender indicating, among other things, the validity, enforceability and priority of all Security and the state of title of the Property.
- H. All taxes, assessments, duties, utility charges and other levies and charges affecting the Property, other than amounts which are not yet due and payable, shall have been paid prior to each advance of the Credit Facility, failing which, they shall be paid from the proceeds of any advance.
- I. Lender shall have obtained, at the Borrower's expense, a title insurance policy from FCT Insurance Company Ltd. and with such endorsements and exclusions, as approved or required by the Lender.
- J. At the Lender's option, the Borrower shall be required to provide title insurance to the Lender. The costs of the title insurance shall be at the borrower's expense.
- K. The Borrower acknowledges and agrees that the Lender, in their sole discretion may engage in the services of a professional insurance consultant to review the Borrowers' insurance policy to determine adequate insurance coverage is in place. The cost of such review shall be borne by the Borrower and will be paid prior to closing. The Borrower shall maintain appropriate insurance coverage as recommended by Lender's insurance consultant.

4. GENERAL CONDITIONS/COVENANTS

Until all debts and liabilities due and owing under the Credit Facility have been discharged in full and the commitment to provide the Credit Facility has been withdrawn by the Lender, the following terms and conditions, will apply in respect of the Credit Facility:

- A. The Lender shall be entitled to obtain sub searches, tax certificates, and sheriff's certificates as to executions on record in respect of the Borrower and conduct PPSA searches, as applicable, at the discretion of the Lender, with all costs to be borne by the Borrower;
- B. The Borrower covenants to perform and observe all terms, conditions, representations and covenants contained in any of the agreements referred to in the commitment letter, if issued, as such agreements may be amended from time to time;
- C. The Borrower will ensure that all of the remittances required to be made by the Borrower to the Federal, Provincial and Municipal Governments have been made, will be kept up to date and there are no outstanding arrears. Without limiting the foregoing, all employee source deductions (including Income Taxes, Employment Insurance and Canada Pension Plan), sales taxes (both Provincial and Federal), corporate income taxes, payroll taxes and Workmen's Compensation dues will be paid and kept up to date;
- D. Title to the Real Property shall remain satisfactory to the Lender and its solicitors. All zoning by-laws and restrictive covenants must be complied with;
- E. Any easement that would restrict use of the property must have prior approval of the Lender and its solicitors. Such approval not to be unreasonably withheld;
- F. The sale or transfer of the Property or any assets relating thereto or any material change in ownership of the Borrower or LP, not approved by the Lender, shall at the Lender's option be an event of default and will cause all monies owing to the Lenders, to become due and payable at the Lender's option;
- G. The Borrower and any Corporate Guarantors are to provide the Lender with account prepared financial statements within 120 days of the fiscal year end date;
- H. The Borrower acknowledges that dividends and bonuses will only be paid and capital withdrawals from the corporation will only be made from cash flow after satisfaction of all terms, conditions and covenants contained herein;
- I. The Lender shall be provided with receipted tax bills within 90 days of the calendar year-end as evidence of payment of property taxes. In the event receipts are not provided, the Lender will be entitled to obtain a Tax Certificate at the Borrower's expense;
- J. No further vendor-take-back mortgages, subsequent encumbrances or charges are permitted without the Lenders prior written consent;
- K. The Borrower shall maintain its membership with the FirstOntario Credit Union in good standing while any portion of the Credit Facilities remains outstanding or committed. The Borrower also agrees that the FirstOntario Credit Union will provide the Borrower with all daily business banking for ongoing risk management purposes and all transactions associated with the development will be conducted through this account;

5. **SPECIAL CONDITIONS/COVENANTS**

- A. The obligation of the Lender to make advances or avilment under the Credit Facility is subject to the prior condition that the Credit Facility is fully syndicated and the Lender and other syndicate partners complete a Loan Participation and Servicing Agreement between themselves in a form and substance acceptable to the Lender.
- B. The occurrence of an event of default under the Borrower's and/or Guarantor(s)' credit facilities with any lender (as that term is defined in such lender's loan documentation) constitutes a concurrent default under such credit facility.
- C. The Guarantor(s) hereby undertake(s) to inject funds into the operations of the Borrower as required to ensure sufficient funds are available to meet all of the Borrower's obligations to the Lender, including without limitation, the monthly payment obligations and the Debt Service Coverage requirement as provided for in Section 4. General Conditions herein.

6. **PERMITTED ENCUMBRANCES**

The title to the Property shall be subject only to:

- a. Property taxes not yet due and payable, utility easements and other similar rights which, in the Lender's opinion, will not, in the aggregate materially and adversely impair the marketability of the Property or the use of the Property for the purpose for which it is held and minor irregularities and defects in title approved by the Lender; and
- b. First mortgage in favour of XX. The Lender shall be provided with a mortgage statement from the first mortgagee setting out the balance owing and confirmation that the first mortgage is in good standing.
(the "Permitted Encumbrances").

7. **TERMINATION**

In the event the Borrower is in default for any reason whatsoever under the terms of this Financing Offer or it does not fulfill the conditions for disbursement of the Credit Facility in accordance with the terms and conditions contained herein or in any other agreement or document relating to this Financing Offer, no later than five (5) business days prior to the advance of the funds under the Credit Facility, or if any information or document supplied by the Borrower is found to be incomplete or inaccurate in a material respect or if for any reason the Borrower does not accept all or a part of the proceeds of the Credit Facility when the Lender makes the same available, the parties to this Financing Offer hereby acknowledge that the Lender shall be entitled, at its discretion, to cancel its obligations under this Financing Offer and retain the Commitment Fee as liquidated damages and in such event, this Financing Offer shall thereafter, subject as hereinafter provided, be null and of no further effect, without any further recourse by either party against the other. In addition, notwithstanding the forfeiture of the Commitment Fee, the Borrower and Guarantors (if any) shall remain liable and be required to pay and reimburse the Lender all fees, costs and expenses as set out herein and incurred by the Lender whether or not the Credit Facility is proceeded with. The aforesaid covenants and agreements with respect to the Commitment Fee and the Borrower's and Guarantors' (if any) obligation to pay and reimburse the above mentioned amounts are enforceable by the Lender notwithstanding the

termination of this Financing Offer, each of such covenants and agreements having an independent existence from this Financing Offer.

8. NO MERGER

It is understood and agreed that the execution and delivery of the Security Documents shall in no way merge or extinguish this Financing Offer or the terms or conditions hereof which shall continue in full force and effect while any or all of the Security Documents remain outstanding. In the event of any inconsistency or conflict between any provision or provisions of this Financing Offer and the provision or provisions of the Security Documents or any other documentation, such provision or provisions of the Financing Offer shall prevail. A provision or provisions contained in the Security Documents which is not contained in the Financing Offer shall not be considered to be inconsistent or in conflict with the Financing Offer.

In the event of the Borrower failing to pay any amount when due or being in breach of any covenant, condition or term of the Financing Offer or the Security, or if any representation made by the Borrower or its/their agents, or any information provided by it/them is found to be untrue or incorrect, or if any Event of Default as defined in the Security occurs, or if in the sole opinion of the Lender, a material adverse change occurs relating to the Borrower, the Guarantor, the Property, or the risk associated with the Credit Facility, the Borrower shall, at the option of the Lender, be in default of its obligations to the Lender and the Lender may cease or delay further funding or may exercise any and/or all remedies available to it at law or in equity. Further, the Lender may, at its option, on notice to the Borrower, declare the principal and interest on the Loan and any other amount due under the Financing Offer forthwith due and payable, whereupon the same shall be and become immediately due and payable in full. The waiver by the Lender of any breach or default by the Borrower of any provisions contained herein shall not be construed as a waiver of any other or subsequent breach or default by the Borrower. In addition, any failure by the Lender to exercise any rights or remedies hereunder or under the Security shall not constitute a waiver thereof.

This Financing Offer shall be governed by and construed under the laws of the Province of Ontario.

9. CREDIT REPORTING AND PERSONAL INFORMATION

If a corporation, the Borrower(s) and/or Guarantor(s) hereby consent to the Lender obtaining from any credit reporting agency or from any person such information as the Lender may require at any time, and consents to the disclosure at any time of any information concerning the undersigned to any credit grantor with whom the undersigned has financial relations or to any direct reporting agency.

If an individual, the Borrower(s) and/or Guarantor(s) hereby.

- A. Authorize and consent to the disclosure of any Personal Information (as defined herein) to the Lender by any holder of such information requested to provide it to the Lender for the purposes of the Lender's possible or actual provision of credit to Borrower(s) and/or Guarantor(s);
- B. Consent to the collection, use and disclosure of Personal Information by the Lender for the purpose of credit risk assessment and management, included by not limited to: credit scoring, portfolio analysis, reporting fraud prevention and claim recovery; the provision of credit to the Borrower; the management of the Lender's on-going relationship with the borrower(s); and to comply with any legal and regulatory requirements;

- C. Acknowledge that the Lender may disclose information about the undersigned, regardless of when or how the information was collected, to related companies, its service providers; its agents, contractors, lawyers and external advisors; payment system operators; credit reporting agencies; rating agencies; other financial institutions and credit providers; government and other regulatory bodies; and any individuals or organizations that (i) the Borrower(s) and/or Guarantor(s) provide as references, (ii) who act on behalf of the Borrowers(s) and/or Guarantor(s), or (iii) who have been engaged to provide services to the Borrower(s) and/or Guarantor(s).
- D. All Personal Information disclosed to the Lender has been done in accordance with all applicable laws pertaining to the Personal Information in question, and specifically, where applicable, consent by the individual(s) whose Personal Information is provided has been obtained for the collection, use and disclosure by the Lender for purposes associated with the possible or actual provision of credit to the Borrower(s) and/or Guarantor(s).

"Personal Information" is any information that relates to an individual or allows an individual to be identified but does not include information about an individual that has been aggregated with other information and from which the individual cannot be identified.

10. COUNTERPARTS

This Financing Offer may be executed in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

This letter is delivered to you with the understanding that neither it nor its substance shall be disclosed except to members of the Board of Directors, Advisors, Employees, Counsel and Accountants of the Borrower who are involved in consideration of this matter or as may be completed to be disclosed in a judicial or administrative proceeding or as otherwise required by law.

Yours very truly

FIRST ONTARIO CREDIT UNION LIMITED

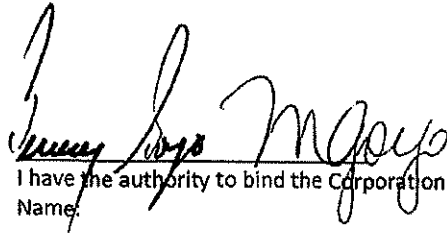
Per:


 Steve Foxall
 Manager, Commercial Services

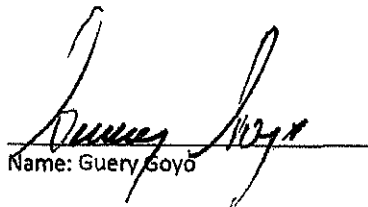
If the terms and conditions of this Financing Offer are acceptable, please indicate by signing below and returning this letter by March 18, 2016 following which date this Financing Offer will be considered null and void.

Accepted on the terms and conditions herein provided this 3 day of March 2016

Borrower: New Tecumseth Land Corporation.


I have the authority to bind the Corporation
Name:

Guarantor:


Name: Guery Goyó

FirstOntario
CREDIT UNION

FIXED RATE BUSINESS LOAN AGREEMENT

Account Number.....

AGREEMENT made as of the 29 day of July, 2016

BETWEEN NEW TECUMSETH LAND CORPORATION
Hereinafter called the Borrower

and FIRSTONTARIO CREDIT UNION LIMITED
Hereinafter called the Credit Union

and QUERY GOYO
Hereinafter called The Guarantors

1. Contemporaneously with the signing of this Agreement, the Credit Union loans to the Borrower and the Borrower acknowledges receipt from the Credit Union of a loan of Six Million Dollars (\$6,000,000.00). The Borrower, and each of them jointly and severally if more than one, covenants and agrees to repay the loan ON DEMAND together with interest both after as well as before default. Interest on the principal sum outstanding is charged at seven per cent (7.0%) per annum.

2. The loan referred to in paragraph 1 is repayable on demand, but until such demand is made the Borrower agrees to make payment according to the terms set out below. The Credit Union may, from time to time, vary the repayment terms hereunder to reflect any variation in the rate of interest made in accordance with paragraph 1 of this Agreement, reserving at all times the Credit Union's right to demand repayment of the loan at any time. The repayment made hereunder shall be applied firstly on account of interest at the rate determined in accordance with paragraph 1 of this Agreement, and secondly in reduction of the principal sum. This loan is fully open and may be repaid by the Borrower at any time without notice or bonus

REPAYMENT TERMS

A) Blended Payments-

~~Until demand the loan principal, together with accrued and unpaid interest thereon, shall be repaid by instalments comprising principal and interest as follows: Dollars (\$.....) on the day of 20..... and thereafter Dollars (\$.....) on the day of each month until the day of 20..... on which date the balance of the principal outstanding and all unpaid interest shall become due and payable.~~

B) Principal Payments Plus Interest-

~~Until demand the principal is to be paid in instalments as follows: Dollars (\$.....) on the day of 20..... together with accrued interest on the unpaid principal and thereafter, together with accrued interest on the unpaid principal Dollars (\$.....) on the day of each and every period until the day of 20..... on which date the balance of the principal and all unpaid interest will become due and payable.~~

3. In consideration of the Credit Union making the loan referred to in paragraph 1, the Guarantor (and each of them jointly and severally, if more than one Guarantor) does hereby guarantee to the Credit Union payment of the said loan and interest at the rate or varied rates as provided in paragraph 1, as and when demanded by the Credit Union. In default of payment by the Borrower the Guarantor agrees that the balance then due shall be recoverable against the Guarantor. This guarantee shall be binding notwithstanding any extension of time for repayment or variation in the terms of payment which may be agreed upon between the Borrower and the Credit Union, and it shall not be necessary for the Credit Union to exhaust its recourse against the Borrower before being entitled to payment from the Guarantor.

4. The Borrower and Guarantor hereby pledge all share and payments on account of shares and all deposits which they or any of them have or hereafter may have in the Credit Union as security for the payment of the above loan and interest, and the Credit Union is authorized to apply any shares or payments on account of shares and any deposits in repayment of the loan and interest.

5. The Borrower hereby acknowledges receipt of a copy of the within agreement.

SIGNED, SEALED AND DELIVERED at Vaughan, ONTARIO on the date first above written.

NEW TECUMSETH LAND CORPORATION

Title President Per Query Goyo
Query Goyo, Authorized Signing Officer of Borrower
(I have the authority to bind the corporation)

Title Per
Authorized Signing Officer of Borrower
(I have the authority to bind the corporation)

Witness Guarantor's Signature Query Goyo

Witness Guarantor's Signature

July 13, 2018

LONG FORM RENEWAL AGREEMENT

PRIVATE AND CONFIDENTIAL

Mr. Guery Goyo
151 Spinnaker Way, Unit 5
Toronto, ON
L4K 4C3

New Tecumseth Land Corporation
151 Spinnaker Way, Unit 5
Toronto, ON
L4K 4C3

Dear Mr. Goyo:

RE: Financing to New Tecumseth Land Corporation (the "Borrower") – Secured by, *inter alia*, a Mortgage (the "Mortgage") registered as Instrument Number SC1301746 over the Property municipally known as 6485 14th Line, New Tecumseth, ON (the "Property") pursuant to a Commitment Letter dated March 8, 2016 (the "Existing Commitment Letter")

Mortgage Account No.	802582
Original Maturity Date Of Mortgage:	May 11, 2018
Maturity Date of Forbearance Period, as Extended:	July 11, 2018
Principal Balance to Maturity Date: <i>(Assuming all intervening payments are made in full when due)</i>	\$ 6,000,000.00

FirstOntario Credit Union Limited (the "Lender") will be pleased to grant an extension of the Mortgage and other Credit Facilities (if applicable), subject to the renewal conditions set out below in this document, and on the renewal terms in the below table which are selected by you.

The terms of this Long Form Renewal Agreement supersede and replace the terms of the Existing Commitment Letter with respect to all credit facilities provided by the Lender to the Borrower. However, all Security and other Financing Documents in place shall remain unchanged and in full force and effect, except as expressly amended by the terms of this Long Form Renewal Agreement.

BORROWER TO SELECT MORTGAGE RENEWAL TERMS IN TABLE 1:

TABLE 1						
Term (months)	Interest Rate (per annum)	Payment Type	Monthly Payments	New Maturity Date	Renewal Fee	Borrower to Initial Selection
July 11, 2018 to September	Prime + 3.00%	Interest Only, Calculated Monthly	Interest Only, Calculated Monthly	September 30, 2018	\$15,000.00	—

- Interest will be calculated monthly, and will accrue daily on the outstanding principal on the basis of the actual number of days elapsed and a year of 365 days.

F. Repayment:

Facility #1 – Monthly Interest Only

The Borrower will provide the Lender with an Interest Reserve in the amount of \$89,210.96, equal to interest over the renewal term of the loan. Monthly interest payments will be made from the interest reserve. Furthermore, the Borrower agrees to increase the amount of the Interest Reserve as a result of increases in the credit facility interest rate. The revised amount of the Interest Reserve is to be determined by the Lender, in its sole discretion.

Time and Place of Payment – Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day. Interest and fees payable under this agreement are payable both before and after any or all of default, maturity date, demand and judgment.

Order of Repayment – At the Lender’s Discretion, each payment under the Credit Facilities shall be applied first in satisfaction of any outstanding costs, expenses and fees payable to the Lender in accordance with the Long Form Renewal Agreement; then interest accrued, then reduction of outstanding principal.

G. Prepayment:

Facility #1

Open: Provided not in default, open for repayment in full or in part at any time without notice or bonus.

H. Fees:

The Borrower shall pay the following fees to the Lender in connection with the Facilities provided:

1. **Renewal Fee:** See: A Renewal Fee of \$15,000.00 shall be payable upon acceptance of this Long Form Renewal Agreement.
2. **Discharge Fee:** Discharge Fee of \$500.00 for each document registered to discharge, partially discharge, or postpone security, or any consent required to be signed or registered in relation to the Security, plus all related legal fees incurred by the Lender.
3. **Amendment Fee:** A lump sum Amendment Fee shall be payable for amendments to the Long Form Renewal Agreement or Security requested by the Borrower. The amount of such fee is to be determined in the sole discretion of the Lender, depending on the nature and complexity of each request, and is to be in addition to any professional fees or disbursements incurred to complete such amendment.

4. **Late Payment Fee:** A Late Payment Fee of \$250.00 per occurrence to be charged at the sole discretion of the Lender.
5. **Fee for Breach of Terms:** In addition to all other fees contemplated herein, in the event that the Borrower is in breach of any covenant, condition or term of the Long Form Renewal Agreement or other Financing Documents, or if any representation made by a Financing Party, or any information provided by it/them is found to be untrue or incorrect, each such occurrence may be subject to a fee, to be determined by the Lender in its sole discretion, without prejudice or waiver of the Lender's other rights or remedies.

I. Costs and Expenses:

The Borrower shall pay all professional fees and other expenses incurred in connection with the matters contemplated by the Long Form Renewal Agreement and all other Financing Documents, including but not limited to the following:

- (a) legal fees and disbursements in connection with preparation, execution, delivery, registration, amendment and enforcement of the Security and all documents required by the Lender's solicitor, and all legal fees and disbursements incurred in relation to amendments to the terms of the Financing Documents, or legal advice obtained by the Lender, acting reasonably, with regard to the breach or enforcement of the Financing Documents;
- (b) engineering, environmental assessment, appraisal, credit information, inspection, architectural project monitoring, cost consultancy, survey, insurance consulting, 3rd party reports, and any and all other professional and advisory costs as may be reasonably required by the Lender; and
- (c) the Lender's cost of obtaining title insurance for all new Security relating to real property, including construction and subsequent advances endorsements as necessary.

The Financing Parties agree to jointly and severally indemnify the Lender for all fees, costs and expenses incurred by the Lender in relation to this Long Form Renewal Agreement, before and after default, and notwithstanding full or partial repayment of the Credit Facilities or discharge of any part or all of the Security.

J. Overdue Payments

Any amount that is not paid when due hereunder unless interest for such amount is otherwise set out herein, shall, at the sole and absolute discretion of the Lender, bear interest until paid at the rate of Prime plus [6] % per annum, computed daily and compounded monthly (the "Overdue Rate"), which shall accrue and be payable both before and after default, maturity, demand and judgment.

FirstOntario

B U S I N E S S

K. Third Party Determination:

Will this account be used on behalf of a third party? No

L. Real Property:

All Security to be registered against real property shall be registered in the priority as set out below, and all other prior encumbrances (except for the Permitted Encumbrances as hereinafter defined) shall be discharged unless otherwise provided for herein.

See Schedule A for further terms in relation to the registration of collateral mortgages, including the interest rate to be included on such registrations.

2. SECURITY

The present and future indebtedness and liability of the Borrower to the Lender is and shall be secured by the following security (the "Security"), evidenced by documents that have been provided to the Lender and its legal counsel and registered or recorded as required by the Lender (being "Financing Documents", which term is further defined in Schedule "A"):

- A. A mortgage which is to be a first ranking collateral mortgage and charge on the Property securing an amount no less than \$6,000,000.
- B. First ranking General Security Agreement registered against the Borrower.
- C. Fixed rate business loan agreement.
- D. Assignment of Rents and Leases over the subject property.
- E. Guarantee and Postponement of Claim in the amount of \$6,000,000 to be signed by Guery Goyo.
- F. Postponement and Subordination of all shareholder's and non-arm's length creditor's, to include a postponement of the right to receive any payments of both principal and interest under the said loans, except as otherwise contemplated within the Financing Offer.
- G. Assignment of all insurance policies with respect to the Property and the Borrower's rights therein and all proceeds and benefits therefrom in favour of the Lender.
- H. Any other documentation necessary in the opinion of the Lender and its legal counsel to complete this transaction.

3. General Conditions and Covenants

- A. **Property Insurance:** In addition to all insurance policies required herein, the Borrower shall maintain adequate insurance on all of its assets, undertakings, and business risks sufficient to substantially replace all of its assets in the event of a loss.

- B. Insufficient Insurance:** If the Borrower fails to take out and keep in force such minimum insurance as is required hereunder, then the Lender may, but is not be obliged to, take out and keep in force such insurance at the immediate sole cost and expense of the Borrower plus costs incurred, or use other means at its disposal under the terms of the Financing Documents.
- C. Syndication/Participation:** The obligation of the Lender to make advances or allow drawdowns or withdrawals under the Credit Facilities is subject to the prior condition that the Credit Facilities are fully syndicated and the Lender and other syndicate partners complete a Loan Participation and Servicing Agreement between themselves in a form and substance acceptable to the Lender.
- D. Other Requests of the Lender:** During the period of financing, the Borrower agrees to make best efforts to satisfy any reasonable request of the Lender pertaining to the Borrower's compliance with the terms and conditions of the Financing Documents.
- E. Property Taxes:** Property taxes on the property shall be paid and/or collected as follows:
- (a) **Proof of Payment:** Within 30 days of the execution of this Long Form Renewal Agreement, the Borrower shall provide proof of payment of, all taxes, assessments, duties, utility charges and other levies and charges affecting the Property.
 - (b) **Payment when Due:** The Borrower shall make payment of all property taxes owing, at all times on or before the applicable due date.
 - (c) **Property Tax Reserve:** If the Borrower defaults in paying any property tax installment when due, or is in default under any of the terms or conditions of the Financing Documents, or at any time at the Lender's option, the Lender may, at its sole option, establish a property tax reserve on the following terms:
 - (i) the Borrower shall begin to deposit with the Lender, on the date of each interest payment monthly, 1/12 of the annual property taxes for the Property, as estimated by Lender, plus a 5% administrative fee for the collection and payment of property taxes;
 - (ii) the Borrower shall authorize the Lender to make payment to the relevant tax authorities;
 - (iii) the Borrower shall provide the Lender with all property tax bills immediately upon receipt;
 - (iv) if at any time the deposits are not sufficient to pay property taxes when due, the Borrower shall pay the deficiency to the Lender within 10 days of written demand thereof;
 - (v) if the Borrower fails to pay any deficiency of property taxes to the Lender as required, the Lender will not have any ongoing responsibility to pay the taxing authorities and any funds in the reserve account may be applied towards any amounts owing to the Lender; and
 - (vi) if the Borrower fails to pay any deficiency of property taxes to the Lender as required the Lender may, but is not obligated to, continue to make payment of property taxes to the taxing authorities by deducting such amounts (plus the a [5%] administrative fee) from any advance to the Borrower under the Credit Facilities, by automatically debiting the amount from any account of the Financing Parties with the Lender, by adding the amount of any such payment to the balance outstanding on the Credit Facilities (including additions to the balance beyond any maximum amount), or by collecting such amount with interest accrued as the Overdue Rate.

4. REPORTING

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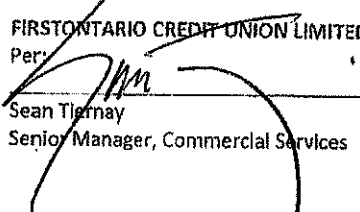
- A. Deliveries: The Borrower shall provide the Lender with each of the following, on the terms and within the time periods set out below:
- (i) Renewal of Insurance – Confirmation of renewal of all insurance policies required pursuant to the Security, by delivery of an insurance certificate confirming such renewal no later than 15 days prior to the expiry of any such policy.
 - (ii) Interim Statements – The Lender reserves the right to request monthly interim, internally prepared operating statements, income statements, and balance sheets, to be delivered by the Borrower within 15 days of the end of any month in which it receives such request from the Lender.
 - (iii) Property Taxes – Annual confirmation that property taxes have been fully paid, by providing a copy of an interim billing statement or paid tax receipt within 90 days of each calendar year end. If satisfactory confirmation of the payment of property taxes is not received, then the Lender will be entitled to obtain a Tax Certificate at the Borrower's expense.
 - (iv) Such other financial and operating statements and reports as and when the Lender may reasonably require.
- B. Notice of Breach: The Borrower shall immediately report to the Lender, in writing, notice of any event which constitutes, or which, with notice, lapse of time, or both, would constitute an Event of Default or a breach of any covenant, condition or term of the Commitment Letter or other Financing Documents.

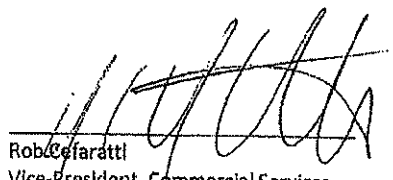
5. ADDITIONAL TERMS

COUNTERPARTS – This Commitment Letter may be executed in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

CONFIDENTIALITY – This letter is delivered to you with the understanding that neither it nor its substance shall be disclosed except to members of the Board of Directors, advisors, employees, counsel and accountants of the Financing Parties who are involved in consideration of this matter or as may be required to be disclosed in a judicial or administrative proceeding or as otherwise required by law.

This Renewal Agreement is offered by FirstOntario Credit Union Limited on the terms and conditions herein provided on the date first mentioned above.

FIRSTONTARIO CREDIT UNION LIMITED
Per: 
Sean Tierney
Senior Manager, Commercial Services


Rob Cefaratti
Vice-President, Commercial Services

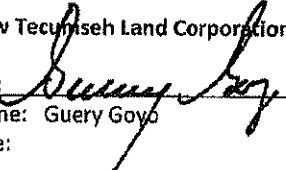
This Renewal Agreement is accepted by the undersigned on the terms and conditions herein provided this 13th day of July, 2018.

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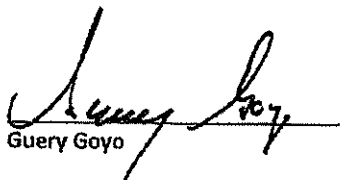
BORROWER

New Tecumseh Land Corporation

Per: 
Name: Guery Goyo
Title:

I/We have authority to bind the Corporation

GUARANTOR:


Guery Goyo

SCHEDULE A
STANDARD TERMS AND CONDITIONS

1. **Definitions** – In addition to those terms defined within the Commitment Letter, the following definitions apply to the Commitment Letter and to this Schedule A:

- (a) **"Available Funds"** – means, with respect to the Borrower for any period of 12 months (or end of fiscal year), the sum of net income:
- Plus amortization;
 - Plus interest on long term debt;
 - Plus interest on capital leases;
 - Plus loss on disposal of assets;
 - Plus loss on debt write-offs/write-downs;
 - Plus repairs & maintenance expense that could be categorized as capital expenses (i.e. Non-recurring, renovations, etc.) †;
 - Plus any other expense, outside of the normal course of business †;
 - Less dividends †;
 - Less gain on sale of assets;
 - Less gain on debt write-offs/write-downs;
 - Less any return on preferred shares;
 - Less any other income, outside of the normal course of business;
 - Less non-financed capital expenditures †

(† At the discretion of the Lender)

- (b) **"Change of Control"** – means the effective sale or transfer of, or change in effective voting or other control of, any Person, or any written or verbal agreement pursuant to which the control of a Person is transferred from one Person to another, or the engagement to do any of the above.
- (c) **"Commitment Letter"** means the agreement between the Lender and the Financing Parties to which this Schedule A is attached, including if such document is a Long Form Renewal Agreement, and includes all schedules and amendments thereto.
- (d) **"Financing Documents"** – means, collectively, the application for financing, the Commitment Letter, Security documents and all other documents, instruments and agreements delivered in connection with the foregoing.
- (e) **"Insurance Consultant"** – means the professional insurance consulting company or agency retained by the Lender to provide recommendations for insurance requirements in relation to the Credit Facilities, and to review insurance policies provided by the Financing Parties.
- (f) **"Interest Act"** – means the *Interest Act*, R.S.C., 1985, c. I-15, as it may be amended or replaced from time to time, and any reference to any section of the *Interest Act* shall be a reference to such section as it has been amended or replaced from time to time.
- (g) **"Material Adverse Change"** – means (i) a material adverse change in, or a material adverse effect upon, the financial condition, operations, assets, business, properties or prospects of any Financing Party, (ii) a material impairment of the ability of any Financing Party to perform any of its obligations under any Financing Document, or (iii) a material adverse effect upon any substantial portion of the assets subject to Security in favour of the Lender or upon the legality, validity, binding effect, rank or enforceability of any Financing Document.
- (h) **"Permitted Encumbrances"** – means standard municipal development agreements, municipal or utility easements, and other similar rights which, in the Lender's opinion, will not, in the aggregate, materially and adversely impair the marketability of the Property or the use of the Property for the purpose for which it is held, and minor irregularities and defects in title approved by the Lender. For greater certainty, any easement that would restrict use of the property must have prior approval of the Lender and its solicitors; such approval not to be unreasonably withheld.
- (i) **"Person"** – includes any individual, natural person, sole proprietorship, partnership, limited partnership, unincorporated association, syndicate or organization, any trust, body corporate, government agency, and a natural person in his or her capacity as trustee, executor, administrator, or other legal representative and any other form of organization or entity whatsoever.
- (j) **"Personal Information"** – is any information that relates to an individual or allows an individual to be identified but does not include information about an individual that has been aggregated with other information and from which the individual cannot be identified.
- (k) **"Property"** – in addition to any "Property" specifically identified in the Commitment Letter, includes any real property, or portion thereof, mortgaged or encumbered by the Security.

2. **Joint and Several Liability** – Where the Commitment Letter is signed by more than one party Borrower or Guarantor, their liability for all fees and obligations under the Commitment Letter and Financing Documents shall be joint and several. Periodic statements or other notices may be sent to any one Borrower on behalf of all. Any reference in the Commitment Letter to "Borrower" or "Guarantor" shall be construed as if to read "Borrower or any one of them" and "Guarantor or any one of them", respectively.
3. **Deductions from Advances and Accounts** – The Financing Parties acknowledge that the Lender has at all times a lien against the accounts of the Lender owned by the Financing Parties, and against monies on deposit by the Financing Parties with the Lender. All amounts payable by the Borrower to the Lender, or collectable from the Guarantor by the Lender, pursuant to this Commitment Letter, including all costs, expenses and fees, may, at the option of the Lender:
 - (a) be deducted from any advance to the Borrower under any Credit Facilities; or
 - (b) be automatically debited, by mechanical, electronic or manual means, from any account of the Financing Parties with the Lender, and the Financing Parties hereby authorize and direct the Lender in this regard.
4. **Advances at the Option of the Lender** – Notwithstanding anything to the contrary contained in the Commitment Letter, the Lender may, in its discretion, make an advance under the Credit Facilities to pay to the Lender any unpaid interest, fees, costs or expenses which have become due under the terms of the Commitment Letter, including advances that result in the Borrower exceeding credit limit of any Credit Facilities.
5. **Increased Costs** – The Borrower shall reimburse the Lender for any additional cost or deduction in income arising as a result of (i) the imposition of, or increase in, taxes on payments due to the Lender hereunder (other than taxes on the overall net income of the Lender), (ii) the imposition of, or increase in, any reserve or other similar requirement, or (iii) the imposition of, or change in, any other condition affecting the Credit Facilities imposed by any applicable law or the interpretation thereof.
6. **Searches by Lender** – The Lender shall be entitled to obtain sub searches, tax certificates, and sheriff's certificates as to executions on record in respect of the Borrower and conduct Personal Property Security Act searches, as applicable, at the sole discretion of the Lender, with all costs to be borne by the Borrower.
7. **Reliance on Deliveries** – The Lender shall be entitled to rely on any report or certificate provided to the Lender by the Borrower by way of email or fax transmission as though it were an originally signed document. The Lender is further entitled to assume that any communication from the Borrower received by email or fax transmission is a reliable communication from the Borrower.
8. **Inspection and Information** – The Borrower shall permit the Lender or its representatives, from time to time, to (i) visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, (ii) collect information from any entity regarding any potential prior-ranking claims against the Borrower, and (iii) 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 Lender or its representatives all such information, records or documentation requested by the Lender.
9. **No Merger** – It is understood and agreed that the execution and delivery of the Financing Documents shall in no way merge or extinguish the Commitment Letter or the terms or conditions hereof, which shall continue in full force and effect while any or all of the financing to the Borrower remains outstanding. In the event of any inconsistency or conflict between any provision or provisions of this Commitment Letter and the provisions of the Financing Documents or any other documentation, such provision or provisions of the Commitment Letter shall prevail. A provision contained in the Financing Documents which is not contained in the Commitment Letter shall not be considered to be inconsistent or in conflict with the Commitment Letter.
10. **Credit Reporting** – If any Financing Party is a corporation, it hereby consents to the Lender obtaining from any credit reporting agency or from any person such information as the Lender may require at any time, and consents to the disclosure at any time of any information concerning such Financing Party to any credit grantor with whom the Financing Party has financial relations or to any direct reporting agency.
11. **Collection/Disclosure of Personal Information** – If any Financing Party is an individual, they each hereby,
 - (a) Authorize and consent to the disclosure of any Personal Information (as defined herein) to the Lender by any holder of such Information requested to provide it to the Lender for the purposes of the Lender's possible or actual provision of credit to Financing Parties;
 - (b) Consent to the collection, use and disclosure of Personal Information by the Lender for the purpose of credit risk assessment and management, including but not limited to, credit scoring, portfolio analysis, reporting fraud prevention and claim recovery; the provision of credit to the Borrower; the management of the Lender's on-going relationship with the Borrower(s); and to comply with any legal and regulatory requirements;
 - (c) Acknowledge that the Lender may disclose information about the undersigned, regardless of when or how the information was collected, to related companies, its service providers; its agents, contractors, lawyers and external advisors; payment system operators; credit reporting agencies; rating agencies; other financial institutions and credit providers; government and other regulatory bodies; and any individuals or organizations that (i) the Borrower and/or Guarantor provide as references, (ii) who act on behalf of the Borrower and/or Guarantor provide as references (iii) who act on behalf of the Borrower and/or Guarantor, or (iv) who have been engaged to provide services to the Borrower and/or Guarantor; and

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- (d) Agree that all Personal Information disclosed to the Lender has been received by the Lender in accordance with all applicable laws pertaining to the Personal Information in question, and specifically, where applicable, consent by the individual(s) whose Personal Information is provided has been obtained for the collection, use and disclosure by the Lender for purposes associated with the possible or actual provision of credit to the Borrower and/or Guarantor.
- 12. **Anti-Money Laundering Disclosure** – The Financing Parties acknowledge that the Lender may be required to obtain, verify, or maintain information regarding the Financing Parties, their directors, officers, shareholders or other persons who exercise control over the Financing Parties. Each Financing Party agrees to provide without delay all information, including supporting documents and other evidence that the Lender, acting reasonably, could require to comply with government legislation or the Lender’s internal policies implemented to protect against the laundering of proceeds of crime or financing of terrorist activities that apply to them.
- 13. **Evidence of Indebtedness** – The Lender shall maintain on the books of its unit of account, accounts and records evidencing the outstanding principal amount of all Credit Facilities of the Borrower together with any interest in respect thereof. The Lender shall maintain a record of the amount of the balance, each advance, and each payment of principal and interest on the account of the Credit Facilities. The Lender’s accounts and records constitute, in the absence of manifest error, conclusive evidence of the Indebtedness of the Borrower to the Lender.
- 14. **Assignment and Participation** – The Lender may, from time to time, assign or syndicate its interests in any Credit Facilities in whole or in part to others. The Borrower shall co-operate with any syndication but shall not be liable for any costs incurred with respect thereto, except reasonable legal fees incurred prior to the initial advance hereunder. The Borrower shall not assign, transfer or otherwise dispose of its rights or obligations under the Financing Documents except with the prior consent of the Lender, which may be arbitrarily withheld.
- 15. **Representations and Warranties** – Each of the Financing Parties hereby represents and warrants to the Lender, on an ongoing basis, the following:
 - (a) If not an individual, it is a partnership, trust or corporation, as the case may be, duly constituted, validly existing and duly registered or qualified to carry on business in each jurisdiction where it is required by applicable laws to be so registered or qualified.
 - (b) The Financing Party has the full power and authority to borrow in the manner and the terms set out in the Commitment Letter, and the execution, delivery of the Commitment Letter and other Financing Documents have been duly authorized and constitute legal, valid and binding obligations enforceable in accordance with their respective terms.
 - (c) No event has occurred which constitutes, or which, with notice, lapse of time, or both, would constitute, a breach of any covenant or other term or condition of the Commitment Letter, other Financing Documents or Security given in connection therewith.
 - (d) The Financing Party is not in violation of any applicable law, which violation could lead to a Material Adverse Change.
 - (e) The Financing Party is in compliance with all terms and conditions of all insurance policies issued as required by the Commitment Letter.
 - (f) No Material Adverse Change exists and there are no circumstances or events that constitute or would constitute, with the lapse of time, the giving of notice or otherwise, a Material Adverse Change.
 - (g) All information provided by the Financing Party to the Lender (including all schedules, certificates, financial statements, reports, and notices) is complete and accurate and does not omit any material fact and, without limiting the generality of the foregoing, all financial statements delivered by the Financing Party to the Lender fairly present its financial condition as of the date of such financial statements and the results of its operations for the period covered by such financial statements, all in accordance with GAAP.
 - (h) There is no pending or threatened claim, action, prosecution or proceeding of any kind, including but not limited to non-compliance with environmental law or arising from the presence or release of any contaminant, against the Financing Party or its/his/her assets before any court or administrative agency which, if adversely determined, could lead to a Material Adverse Change.
 - (i) All of the remittances required to be made to the federal government and all provincial and municipal governments have been made, are currently up to date and there are no outstanding arrears. Without limiting the foregoing, all employee source deductions (including income taxes, Employment Insurance and Canada Pension Plan), sales taxes (both provincial and federal), corporate income taxes, corporate capital taxes, payroll taxes and Workers’ Compensation dues are currently paid and up to date.
 - (j) In respect of properties and assets charged pursuant to the Financing Documents, the Financing Parties, or one or more of them, are the legal and beneficial owners, with good and marketable title in fee simple, free from all encumbrances save and except those approved by the Lender.
 - (k) The Financing Party is the rightful owner of all of its intellectual property with all right, title and interest in and to all of its intellectual property.
 - (l) No portion of the Credit Facilities will be used for the supply of any services or for any erection, installation, addition, removal, construction, renovation, alteration, or repair to any property or to any building, structure or works thereon, which has not been approved by the Lender.
- 16. **Covenants** – So long as any amounts remain outstanding and unpaid under this Commitment Letter, or so long as any Credit Facilities under this Commitment Letter remain in open, the Borrower will:

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- (a) pay all sums of money when due by it under this the Commitment Letter and the other Financing Documents;
 - (b) maintain its account and membership with the Lender in good standing while any portion of the Credit Facilities remains outstanding or committed;
 - (c) cure all defects in the preparation, execution and delivery of the Commitment Letter or Financing Documents, as necessary, including defects discovered after their initial execution and delivery;
 - (d) execute and deliver such further documents or deliveries as may be required by the Lender, including additional or amended documents required after loan/advances have been made;
 - (e) perform and observe all terms, conditions, representations and covenants contained the Commitment Letter and Financing Documents;
 - (f) maintain in full force the Security contemplated by the Commitment Letter and Financing Documents;
 - (g) maintain in full force all policies of insurance required by the Commitment Letter and Financing Documents;
 - (h) not engage in any of the following actions/changes, unless with the express written consent of the Lender:
 - (i) a Change of Control, amalgamation, change of financial year end or jurisdiction, or amendment of organization documents;
 - (ii) disposition of property outside of the normal course of business;
 - (iii) altering or allowing changes to the title of any Property secured by the Security;
 - (iv) relocation of assets; or
 - (v) change or termination of material contacts.
 - (i) ensure that all of the remittances required to be made by the Borrower to the federal, provincial and municipal governments have been made, will be kept up to date and there are no outstanding arrears. Without limiting the foregoing, all employee source deductions (including Income Taxes, Employment Insurance and Canada Pension Plan), sales taxes (both Provincial and Federal), corporate income taxes, payroll taxes and worker's compensation dues will be paid and kept up to date;
 - (j) comply with all zoning, by-laws, restrictive covenants, and registered agreements affecting any Property secured by the Security;
 - (k) immediately advise the Lender of any claim for lien against the Property pursuant to the *Construction Lien Act* (Ontario) or *Construction Act* (Ontario);
 - (l) advise the Lender of any change in the amount or the terms of any credit arrangement made with other lenders or any action taken by another lender to recover amounts outstanding with such other lender; and
 - (m) immediately advise the Lender of any default by the Borrower(s) and/or Guarantor(s) with regard to credit facilities with any other lender.
17. **Events of Default** – Without limiting any other rights of the Lender under this Commitment Letter, and without prejudice to the Lender's right to make demand for repayment on any demand Credit Facility at any time, if any one or more "Event of Default" (as listed below) has occurred and is continuing, then, in such event, the ability of the Borrower to make further borrowings under any Credit Facility shall, at the Lender's option, immediately terminate and the Lender may, by written notice to the Borrower, declare the amounts outstanding under any such Credit Facility to be immediately due and payable. Upon receipt of such written notice, the Borrower shall immediately pay to the Lender all amounts outstanding under any Credit Facility and all other obligations of the Borrower to the Lender in connection with any such Credit Facility under this Commitment Letter. The following shall each constitute an "Event of Default":
- (a) Any Financing Party fails to pay, when due, any amount owing under or pursuant to the Commitment Letter;
 - (b) Any Financing Party fails to comply with or to perform its obligations under any provision of the Commitment Letter or any of the other Financing Documents;
 - (c) Any Financing Party is in default under any other agreement with the Lender or any third party for the granting of a loan or other financial assistance and such default remains unremedied after any cure period provided in such other agreement;
 - (d) Any representation or warranty made by any Financing Party herein or in any Financing Document is breached, false or misleading in any material respect, or becomes at any time false;
 - (e) Any schedule, certificate, financial statement, report, notice or other writing furnished by any Financing Party to the Lender in connection with the Credit Facilities is false or misleading in any material respect on the date as of which the facts therein set forth are stated or certified;
 - (f) Any Financing Party becomes insolvent or generally fails to pay, or admits in writing its inability or refusal to pay its debts as they become due; or any Financing Party applies for, consents to, or acquiesces in the appointment of a trustee, receiver or other custodian for such Financing Party or any property thereof, or makes a general assignment for the benefit of creditors; or, in the absence of such application, consent or acquiescence, a trustee, receiver or other custodian is appointed for any Financing Party or for a substantial part of the property of such Financing Party; or any bankruptcy, reorganization, debt arrangement, or other case or proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding, is commenced in respect of any Financing Party; or any Financing Party takes any action to authorize, or in furtherance of, any of the foregoing;

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- (g) Any use of Credit Facility proceeds for any purpose other than specifically identified in the Commitment Letter;
- (h) Any Financing Party ceases or threatens to cease to carry on all or a substantial part of its business;
- (i) The occurrence of a Change of Control of any Financing Party from the date of the application of financing, without the written consent of the Lender;
- (j) Any provision of this Commitment Letter or any other Financing Document given in connection therewith becomes invalid or unenforceable for any reason whatsoever;
- (k) Any governmental or regulatory approvals or licenses which are material to the business of the Borrower are revoked or suspended for any reason whatsoever; and
- (l) The occurrence, in the opinion of the Lender, of a Material Adverse Change.

Nothing contained in the foregoing Events of Default section shall limit any right of the Lender under this Commitment Letter to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility made available under this Commitment Letter.

18. **Interest Rate** – Each of the Financing Parties acknowledges and agrees as follows: (i) that they understand the applicable rate of interest for each of the Facilities provided for in this Commitment Letter and are able to calculate each such rate of interest on a per annum basis using the rates or formulas provided for in this Commitment Letter, (ii) that the formula for each rate of interest provided in this Commitment Letter complies with and satisfies the disclosure obligations provided in section 4 of the *Interest Act*, and (iii) that they will not to assert, by way of defence or otherwise, that any fee or rate of interest under this Commitment Letter has not been adequately disclosed by the Lender, or that that any fee or rate of interest under this Commitment Letter does not comply with the *Interest Act*, and that the Lender is entitled to raise this provision as a complete bar to such defence. On written request of a Financing Party, the Lender will promptly calculate and deliver to such Financing Party the current rate of interest on any amount that remains outstanding and unpaid under this Commitment Letter. The Financing Party agrees that any error in the calculation of the rate of interest will not relieve any Financing Party of their obligations hereunder.
19. **Registration of Collateral Mortgages** – All collateral mortgages to be registered on title to real property will be registered with the interest rate included as 24% per annum. This rate of 24% per annum is merely a ceiling that will allow FirstOntario Credit Union Limited to accommodate the Borrower through periods of fluctuating interest rates. Notwithstanding the interest rate set out in any registered collateral mortgage, the interest rate(s) applicable to the Credit Facilities as set out in the Commitment Letter shall govern.
20. **Title Insurance** – The Lender shall obtain title insurance for all Security registered against real property, to be obtained at the expense of the Borrower, with endorsements for subsequent advances, variable interest rates, and construction as necessary and applicable.
21. **Variation** – No amendment to the Commitment Letter or any other Financing Document shall be effective unless in writing and signed by a duly authorized officer of the Lender. No term or condition of the Commitment Letter or any other Financing Document may be waived or varied orally or by way of the conduct of the parties.
22. **Time of the Essence** – Time shall be of the essence in this Commitment Letter and all Financing Documents.
23. **Entire Agreement** – This Credit Agreement, the Financing Documents and any other written agreement delivered pursuant to or referred to in this agreement constitute the whole and entire agreement between the parties in respect of the Credit Facilities. There are no verbal agreements, undertakings or representations in connection with the Financing Document or the Credit Facilities.
24. **Survival** – All terms, representations, warranties and covenants of the Commitment Letter shall survive the execution of the Financing Documents, and the registration of Security.
25. **Jurisdiction/Laws** – The Commitment Letter shall be governed and construed under the laws of the Province of Ontario.

October 5, 2018

LONG FORM RENEWAL AGREEMENT

PRIVATE AND CONFIDENTIAL

Mr. Guery Goyo
151 Spinnaker Way, Unit 5
Toronto, ON
L4K 4C3

New Tecumseth Land Corporation
151 Spinnaker Way, Unit 5
Toronto, ON
L4K 4C3

Dear Mr. Goyo:

RE: Financing to New Tecumseth Land Corporation (the "Borrower") – Secured by, *inter alia*, a Mortgage (the "Mortgage") registered as Instrument Number SC1301746 over the Property municipally known as 6485 14th Line, New Tecumseth, ON (the "Property") pursuant to a Commitment Letter dated March 8, 2016 (the "Existing Commitment Letter")

Mortgage Account No. 802582
Maturity Date Of Mortgage, as Extended: September 30, 2018
Principal Balance to Maturity Date: \$ 6,000,000.00
(Assuming all intervening payments are made in full when due)

FirstOntario Credit Union Limited (the "Lender") will be pleased to grant an extension of the Mortgage and other Credit Facilities (if applicable), subject to the renewal conditions set out below in this document, and on the renewal terms in the below table which are selected by you.

The terms of this Long Form Renewal Agreement supersede and replace the terms of the Existing Commitment Letter with respect to all credit facilities provided by the Lender to the Borrower. However, all Security and other Financing Documents in place shall remain unchanged and in full force and effect, except as expressly amended by the terms of this Long Form Renewal Agreement.

BORROWER TO SELECT MORTGAGE RENEWAL TERMS IN TABLE 1:

TABLE 1						
Term (months)	Interest Rate (per annum)	Payment Type	Monthly Payments	New Maturity Date	Renewal Fee	Borrower to Initial Selection
October 1, 2018 to March 31, 2019	Prime + 4.00%	Interest Only, Calculated Monthly Not in advance	Interest Only, Calculated Monthly	March 31, 2019	See Section 1(H)(1)	—

(Please sign your initials above in the appropriate column to make your selection)

Prime is currently 3.70% per annum as at October 5, 2018

OFFER EXPIRY DATE:

This Long Form Renewal Agreement must be executed by all parties and received at our office on or before 5 p.m. on Friday, October 5, 2018.

DEFINITIONS AND SCHEDULES

The attached Schedules are incorporated into this agreement by reference. Schedule "A" contains definitions of capitalized terms used and not otherwise defined in this agreement. Unless otherwise provided, all dollar amounts are in Canadian currency and all accounting terms used in this agreement shall be interpreted in accordance with GAAP.

1. LOAN RENEWAL DETAILS

A. Borrower: New Tecumseth Land Corporation
(the "Borrower")

B. Guarantor(s): Guery Goyo
(the "Guarantor")

"Financing Party" means either of the Borrower or the Guarantor (if any); and "Financing Parties" means collectively the Borrower and the Guarantor (if any).

C. Credit Facilities: The Lender agrees to continue to provide and the Borrower agrees to continue to borrow the sums corresponding with the following credit facilities (the "Credit Facilities", or individually a "Credit Facility"):

Facility #1: 802582 **Principal Balance: \$ 6,000,000.00**

D. Term: 6 months (open term) from October 1, 2018 to March 31, 2019
Unless Demand is made sooner, the Credit Facilities shall be due and payable in full on March 31, 2019 (the "Maturity Date")

Events of Default: See Schedule "A"

E. Interest Rate: Facility #1: Prime +4% per annum = 7.70% per annum

- "Prime" means the annual rate of interest announced by the Lender through its offices from time to time as the rate then in effect for determining interest rates on loans made in Canadian currency. The Prime rate shall be adjusted automatically by the Lender without the necessity of any notice to the Borrower upon each change to such rate.
- Interest will be calculated monthly, and will accrue daily on the outstanding principal on the basis of the actual number of days elapsed and a year of 365 days.

F. Repayment: Facility #1 – Monthly Interest Only

The Borrower will provide the Lender: (i) on or before November 1, 2018 an Interest Reserve equal to interest over the first three (3) months of the renewal term of the loan presently in the amount of \$115,500.00, and (i) on or before December 21, 2018 a further Interest Reserve equal to interest over the final three (3) months of the renewal term of the loan presently in the amount of \$115,500.00. Monthly interest payments will be made from the Interest Reserve. Furthermore, the Borrower agrees to increase the amount of the Interest Reserve as a result of increases in the credit facility interest rate. The revised amount of the Interest Reserve is to be determined by the Lender, in its sole discretion.

Time and Place of Payment – Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day. Interest and fees payable under this agreement are payable both before and after any or all of default, maturity date, demand and judgment.

Order of Repayment – At the Lender's Discretion, each payment under the Credit Facilities shall be applied first in satisfaction of any outstanding costs, expenses and fees payable to the Lender in accordance with the Long Form Renewal Agreement; then interest accrued, then reduction of outstanding principal.

G. Prepayment: Facility #1

Open: Provided not in default, open for repayment in full or in part at any time without notice or bonus.

H. Fees: The Borrower shall pay the following fees to the Lender in connection with the Facilities provided:

1. **Renewal Fee:** See: A Renewal Fee of \$30,000.00 shall be payable on or before 5 p.m. on Tuesday, October 9, 2018, provided that the Borrower shall be entitled to pay the Lender \$25,000.00 in full and final satisfaction of the Renewal Fee on or before 5 p.m. on October 5, 2018, the payment of which Renewal Fee on or before 5 p.m. on Tuesday, October 9, 2018 is a condition precedent to the renewal of the Mortgage and Credit Facilities. This condition precedent has been inserted for the sole benefit of the Lender and may be waived by the Lender in whole or in part in its sole discretion.
2. **Discharge Fee:** Discharge Fee of \$500.00 for each document registered to discharge, partially discharge, or postpone security, or any consent required to be signed or registered in relation to the Security, plus all related legal fees incurred by the Lender.

3. **Amendment Fee:** A lump sum Amendment Fee shall be payable for amendments to the Long Form Renewal Agreement or Security requested by the Borrower. The amount of such fee is to be determined in the sole discretion of the Lender, depending on the nature and complexity of each request, and is to be in addition to any professional fees or disbursements incurred to complete such amendment.
4. **Late Payment Fee:** A Late Payment Fee of \$250.00 per occurrence to be charged at the sole discretion of the Lender.
5. **Fee for Breach of Terms:** In addition to all other fees contemplated herein, in the event that the Borrower is in breach of any covenant, condition or term of the Long Form Renewal Agreement or other Financing Documents, or if any representation made by a Financing Party, or any information provided by it/them is found to be untrue or incorrect, each such occurrence may be subject to a fee, to be determined by the Lender in its sole discretion, without prejudice or waiver of the Lender's other rights or remedies.

i. Costs and Expenses:

The Borrower shall pay all professional fees and other expenses incurred in connection with the matters contemplated by the Long Form Renewal Agreement and all other Financing Documents, including but not limited to the following:

- (a) legal fees and disbursements in connection with the renewal herein provided for on or before Tuesday, October 9, 2018, the payment of which legal fees and disbursements is a condition precedent to the renewal of the Mortgage and Credit Facilities. This condition precedent has been inserted for the sole benefit of the Lender and may be waived by the Lender in whole or in part in its sole discretion;
- (b) legal fees and disbursements in connection with preparation, execution, delivery, registration, amendment and enforcement of the Security and all documents required by the Lender's solicitor, and all legal fees and disbursements incurred in relation to amendments to the terms of the Financing Documents, or legal advice obtained by the Lender, acting reasonably, with regard to the breach or enforcement of the Financing Documents;
- (c) engineering, environmental assessment, appraisal, credit information, inspection, architectural project monitoring, cost consultancy, survey, insurance consulting, 3rd party reports, and any and all other professional and advisory costs as may be reasonably required by the Lender; and
- (d) the Lender's cost of obtaining title insurance for all new Security relating to real property, including construction and subsequent advances endorsements as necessary.

The Financing Parties agree to jointly and severally indemnify the Lender for

all fees, costs and expenses incurred by the Lender in relation to this Long Form Renewal Agreement, before and after default, and notwithstanding full or partial repayment of the Credit Facilities or discharge of any part or all of the Security.

J. Overdue Payments Any amount that is not paid when due hereunder unless interest for such amount is otherwise set out herein, shall, at the sole and absolute discretion of the Lender, bear interest until paid at the rate of Prime plus 7% per annum, computed daily and compounded monthly (the "Overdue Rate"), which shall accrue and be payable both before and after default, maturity, demand and judgment.

K. Third Party Determination: Will this account be used on behalf of a third party? No

L. Assumability: The Mortgage and Credit Facilities shall be assumable by a purchaser of the Real Property who shall be approved, in advance and in writing, by Lender, in its sole and absolute discretion and upon terms and conditions satisfactory, in advance and in writing, to Lender in its sole and absolute discretion.

M. Real Property: All Security to be registered against real property shall be registered in the priority as set out below, and all other prior encumbrances (except for the Permitted Encumbrances as hereinafter defined) shall be discharged unless otherwise provided for herein.

See Schedule A for further terms in relation to the registration of collateral mortgages, including the interest rate to be included on such registrations.

2. SECURITY

The present and future indebtedness and liability of the Borrower to the Lender is and shall be secured by the following security (the "Security"), evidenced by documents that have been provided to the Lender and its legal counsel and registered or recorded as required by the Lender (being "Financing Documents", which term is further defined in Schedule "A"):

- A. A mortgage which is to be a first ranking collateral mortgage and charge on the Property securing an amount no less than \$6,000,000.
- B. First ranking General Security Agreement registered against the Borrower.
- C. Fixed rate business loan agreement.
- D. Assignment of Rents and Leases over the subject property.

- E. Guarantee and Postponement of Claim in the amount of \$6,000,000 to be signed by Guery Goyo.
- F. Postponement and Subordination of all shareholder's and non-arm's length creditor's, to include a postponement of the right to receive any payments of both principal and interest under the said loans, except as otherwise contemplated within the Financing Offer.
- G. Assignment of all insurance policies with respect to the Property and the Borrower's rights therein and all proceeds and benefits therefrom in favour of the Lender.
- H. Any other documentation necessary in the opinion of the Lender and its legal counsel to complete this transaction.

3. General Conditions and Covenants

- A. Property Insurance:** In addition to all insurance policies required herein, the Borrower shall maintain adequate insurance on all of its assets, undertakings, and business risks sufficient to substantially replace all of its assets in the event of a loss.
- B. Insufficient Insurance:** If the Borrower fails to take out and keep in force such minimum insurance as is required hereunder, then the Lender may, but is not be obliged to, take out and keep in force such insurance at the immediate sole cost and expense of the Borrower plus costs incurred, or use other means at its disposal under the terms of the Financing Documents.
- C. Syndication/Participation:** The obligation of the Lender to make advances or allow drawdowns or withdrawals under the Credit Facilities is subject to the prior condition that the Credit Facilities are fully syndicated and the Lender and other syndicate partners complete a Loan Participation and Servicing Agreement between themselves in a form and substance acceptable to the Lender.
- D. Other Requests of the Lender:** During the period of financing, the Borrower agrees to make best efforts to satisfy any reasonable request of the Lender pertaining to the Borrower's compliance with the terms and conditions of the Financing Documents.
- E. Property Taxes:** Property taxes on the property shall be paid and/or collected as follows:
 - (a) Proof of Payment: Within 30 days of the execution of this Long Form Renewal Agreement, the Borrower shall provide proof of payment of, all taxes, assessments, duties, utility charges and other levies and charges affecting the Property.
 - (b) Payment when Due: The Borrower shall make payment of all property taxes owing, at all times on or before the applicable due date.
 - (c) Property Tax Reserve: If the Borrower defaults in paying any property tax installment when due, or is in default under any of the terms or conditions of the Financing Documents, or at any time at the Lender's option, the Lender may, at its sole option, establish a property tax reserve on the following terms:
 - (i) the Borrower shall begin to deposit with the Lender, on the date of each interest payment monthly, 1/12 of the annual property taxes for the Property, as estimated by Lender, plus a 5% administrative fee for the collection and payment of property taxes;
 - (ii) the Borrower shall authorize the Lender to make payment to the relevant tax authorities;
 - (iii) the Borrower shall provide the Lender with all property tax bills immediately upon receipt;

- (iv) if at any time the deposits are not sufficient to pay property taxes when due, the Borrower shall pay the deficiency to the Lender within 10 days of written demand thereof;
- (v) if the Borrower fails to pay any deficiency of property taxes to the Lender as required, the Lender will not have any ongoing responsibility to pay the taxing authorities and any funds in the reserve account may be applied towards any amounts owing to the Lender; and
- (vi) if the Borrower fails to pay any deficiency of property taxes to the Lender as required the Lender may, but is not obligated to, continue to make payment of property taxes to the taxing authorities by deducting such amounts (plus the a [5%] administrative fee) from any advance to the Borrower under the Credit Facilities, by automatically debiting the amount from any account of the Financing Parties with the Lender, by adding the amount of any such payment to the balance outstanding on the Credit Facilities (including additions to the balance beyond any maximum amount), or by collecting such amount with interest accrued as the Overdue Rate.

4. REPORTING

- A. **Deliveries:** The Borrower shall provide the Lender with each of the following, on the terms and within the time periods set out below:
- (i) Financial Statements – Year-end financial statements prepared by an external Chartered Professional Accountant (CPA), within 120 days of each fiscal year end, on a Notice to Reader statement level. The Financing Parties hereby each irrevocably authorize and direct its accountant to deliver all financial statements to the Lender, and to otherwise communicate with the Lender with regard to their financial matters.
 - (ii) Renewal of Insurance – Confirmation of renewal of all insurance policies required pursuant to the Security, by delivery of an insurance certificate confirming such renewal no later than 15 days prior to the expiry of any such policy.
 - (iii) Interim Statements – The Lender reserves the right to request monthly interim, internally prepared operating statements, income statements, and balance sheets, to be delivered by the Borrower within 15 days of the end of any month in which it receives such request from the Lender.
 - (iv) Property Taxes – Annual confirmation that property taxes have been fully paid, by providing a copy of an interim billing statement or paid tax receipt within 90 days of each calendar year end. If satisfactory confirmation of the payment of property taxes is not received, then the Lender will be entitled to obtain a Tax Certificate at the Borrower's expense.
 - (v) Such other financial and operating statements and reports as and when the Lender may reasonably require.
- B. **Guarantor's Net Worth Statements:** The Guarantor is to provide updated net worth statements as reasonably requested by the Lender, and not less than once annually.
- C. **Notice of Breach:** The Borrower shall immediately report to the Lender, in writing, notice of any event which constitutes, or which, with notice, lapse of time, or both, would constitute an Event of Default or a breach of any covenant, condition or term of the Commitment Letter or other Financing Documents.

FirstOntario

B U S I N E S S

Default or a breach of any covenant, condition or term of the Commitment Letter or other Financing Documents.

5. ADDITIONAL TERMS

COUNTERPARTS – This Commitment Letter may be executed in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

CONFIDENTIALITY – This letter is delivered to you with the understanding that neither it nor its substance shall be disclosed except to members of the Board of Directors, advisors, employees, counsel and accountants of the Financing Parties who are involved in consideration of this matter or as may be required to be disclosed in a judicial or administrative proceeding or as otherwise required by law.

This Renewal Agreement is offered by FirstOntario Credit Union Limited on the terms and conditions herein provided on the date first mentioned above.

FIRSTONTARIO CREDIT UNION LIMITED

Per: _____

Sean Tiernay
Associate Vice President, Commercial Credit

This Renewal Agreement is accepted by the undersigned on the terms and conditions herein provided this 5th day of October, 2018.

BORROWER

New Tecumseh Land Corporation

Per: _____

Name: Guery Goyo

Title:

I/We have authority to bind the Corporation

GUARANTOR:

Guery Goyo

FirstOntario

B U S I N E S S

Default or a breach of any covenant, condition or term of the Commitment Letter or other Financing Documents.

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COUNTERPARTS – This Commitment Letter may be executed in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

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This Renewal Agreement is offered by FirstOntario Credit Union Limited on the terms and conditions herein provided on the date first mentioned above.

FIRSTONTARIO CREDIT UNION LIMITED

Per:

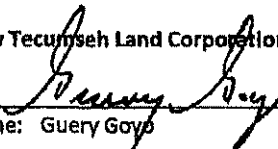
Sean Tiernay
Associate Vice President, Commercial Credit

This Renewal Agreement is accepted by the undersigned on the terms and conditions herein provided this 5th day of October, 2018.

BORROWER

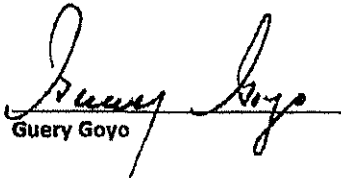
New Tecumseh Land Corporation

Per:


Name: Guery Goyo
Title:

I/We have authority to bind the Corporation

GUARANTOR:


Guery Goyo

SCHEDULE A
STANDARD TERMS AND CONDITIONS

1. **Definitions** – In addition to those terms defined within the Commitment Letter, the following definitions apply to the Commitment Letter and to this Schedule A:

- (a) **"Available Funds"** – means, with respect to the Borrower for any period of 12 months (or end of fiscal year), the sum of net income:
- Plus amortization;
 - Plus interest on long term debt;
 - Plus interest on capital leases;
 - Plus loss on disposal of assets;
 - Plus loss on debt write-offs/write-downs;
 - Plus repairs & maintenance expense that could be categorized as capital expenses (i.e. Non-recurring, renovations, etc.)[†];
 - Plus any other expense, outside of the normal course of business[†];
 - Less dividends[†];
 - Less gain on sale of assets;
 - Less gain on debt write-offs/write-downs;
 - Less any return on preferred shares;
 - Less any other income, outside of the normal course of business;
 - Less non-financed capital expenditures[†]

([†] At the discretion of the Lender)

- (b) **"Change of Control"** – means the effective sale or transfer of, or change in effective voting or other control of, any Person, or any written or verbal agreement pursuant to which the control of a Person is transferred from one Person to another, or the engagement to do any of the above.
- (c) **"Commitment Letter"** means the agreement between the Lender and the Financing Parties to which this Schedule A is attached, including if such document is a Long Form Renewal Agreement, and includes all schedules and amendments thereto.
- (d) **"Financing Documents"** – means, collectively, the application for financing, the Commitment Letter, Security documents and all other documents, instruments and agreements delivered in connection with the foregoing.
- (e) **"Insurance Consultant"** – means the professional insurance consulting company or agency retained by the Lender to provide recommendations for insurance requirements in relation to the Credit Facilities, and to review insurance policies provided by the Financing Parties.
- (f) **"Interest Act"** – means the *Interest Act*, R.S.C., 1985, c. I-15, as it may be amended or replaced from time to time, and any reference to any section of the *Interest Act* shall be a reference to such section as it has been amended or replaced from time to time.
- (g) **"Material Adverse Change"** – means (i) a material adverse change in, or a material adverse effect upon, the financial condition, operations, assets, business, properties or prospects of any Financing Party, (ii) a material impairment of the ability of any Financing Party to perform any of its obligations under any Financing Document, or (iii) a material adverse effect upon any substantial portion of the assets subject to Security in favour of the Lender or upon the legality, validity, binding effect, rank or enforceability of any Financing Document.
- (h) **"Permitted Encumbrances"** – means standard municipal development agreements, municipal or utility easements, and other similar rights which, in the Lender's opinion, will not, in the aggregate, materially and adversely impair the marketability of the Property or the use of the Property for the purpose for which it is held, and minor irregularities and defects in title approved by the Lender. For greater certainty, any easement that would restrict use of the property must have prior approval of the Lender and its solicitors; such approval not to be unreasonably withheld.
- (i) **"Person"** – includes any individual, natural person, sole proprietorship, partnership, limited partnership, unincorporated association, syndicate or organization, any trust, body corporate, government agency, and a natural person in his or her capacity as trustee, executor, administrator, or other legal representative and any other form of organization or entity whatsoever.
- (j) **"Personal Information"** – is any information that relates to an individual or allows an individual to be identified but does not include information about an individual that has been aggregated with other information and from which the individual cannot be identified.
- (k) **"Property"** – in addition to any "Property" specifically identified in the Commitment Letter, includes any real property, or portion thereof, mortgaged or encumbered by the Security.

2. **Joint and Several Liability** – Where the Commitment Letter is signed by more than one party Borrower or Guarantor, their liability for all fees and obligations under the Commitment Letter and Financing Documents shall be joint and several. Periodic statements or other notices may be sent to any one Borrower on behalf of all. Any reference in the Commitment Letter to “Borrower” or “Guarantor” shall be construed as if to read “Borrower or any one of them” and “Guarantor or any one of them”, respectively.
3. **Deductions from Advances and Accounts** – The Financing Parties acknowledge that the Lender has at all times a lien against the accounts of the Lender owned by the Financing Parties, and against monies on deposit by the Financing Parties with the Lender. All amounts payable by the Borrower to the Lender, or collectable from the Guarantor by the Lender, pursuant to this Commitment Letter, including all costs, expenses and fees, may, at the option of the Lender:
 - (a) be deducted from any advance to the Borrower under any Credit Facilities; or
 - (b) be automatically debited, by mechanical, electronic or manual means, from any account of the Financing Parties with the Lender, and the Financing Parties hereby authorize and direct the Lender in this regard.
4. **Advances at the Option of the Lender** – Notwithstanding anything to the contrary contained in the Commitment Letter, the Lender may, in its discretion, make an advance under the Credit Facilities to pay to the Lender any unpaid interest, fees, costs or expenses which have become due under the terms of the Commitment Letter, including advances that result in the Borrower exceeding credit limit of any Credit Facilities.
5. **Increased Costs** – The Borrower shall reimburse the Lender for any additional cost or deduction in income arising as a result of (i) the imposition of, or increase in, taxes on payments due to the Lender hereunder (other than taxes on the overall net income of the Lender), (ii) the imposition of, or increase in, any reserve or other similar requirement, or (iii) the imposition of, or change in, any other condition affecting the Credit Facilities imposed by any applicable law or the interpretation thereof.
6. **Searches by Lender** – The Lender shall be entitled to obtain sub searches, tax certificates, and sheriff’s certificates as to executions on record in respect of the Borrower and conduct Personal Property Security Act searches, as applicable, at the sole discretion of the Lender, with all costs to be borne by the Borrower.
7. **Reliance on Deliveries** – The Lender shall be entitled to rely on any report or certificate provided to the Lender by the Borrower by way of email or fax transmission as though it were an originally signed document. The Lender is further entitled to assume that any communication from the Borrower received by email or fax transmission is a reliable communication from the Borrower.
8. **Inspection and Information** – The Borrower shall permit the Lender or its representatives, from time to time, to (i) visit and inspect the Borrower’s premises, properties and assets and examine and obtain copies of the Borrower’s records or other information, (ii) collect information from any entity regarding any potential prior-ranking claims against the Borrower, and (iii) 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 Lender or its representatives all such information, records or documentation requested by the Lender.
9. **No Merger** – It is understood and agreed that the execution and delivery of the Financing Documents shall in no way merge or extinguish the Commitment Letter or the terms or conditions hereof, which shall continue in full force and effect while any or all of the financing to the Borrower remains outstanding. In the event of any inconsistency or conflict between any provision or provisions of this Commitment Letter and the provisions of the Financing Documents or any other documentation, such provision or provisions of the Commitment Letter shall prevail. A provision contained in the Financing Documents which is not contained in the Commitment Letter shall not be considered to be inconsistent or in conflict with the Commitment Letter.
10. **Credit Reporting** – If any Financing Party is a corporation, it hereby consents to the Lender obtaining from any credit reporting agency or from any person such information as the Lender may require at any time, and consents to the disclosure at any time of any information concerning such Financing Party to any credit grantor with whom the Financing Party has financial relations or to any direct reporting agency.
11. **Collection/Disclosure of Personal Information** – If any Financing Party is an individual, they each hereby,
 - (a) Authorize and consent to the disclosure of any Personal Information (as defined herein) to the Lender by any holder of such information requested to provide it to the Lender for the purposes of the Lender’s possible or actual provision of credit to Financing Parties;
 - (b) Consent to the collection, use and disclosure of Personal Information by the Lender for the purpose of credit risk assessment and management, including but not limited to, credit scoring, portfolio analysis, reporting fraud prevention and claim recovery; the provision of credit to the Borrower; the management of the Lender’s on-going relationship with the Borrower(s); and to comply with any legal and regulatory requirements;
 - (c) Acknowledge that the Lender may disclose information about the undersigned, regardless of when or how the information was collected, to related companies, its service providers; its agents, contractors, lawyers and external advisors; payment system operators; credit reporting agencies; rating agencies; other financial institutions and credit providers; government and other regulatory bodies; and any individuals or organizations that (i) the Borrower and/or Guarantor provide as references, (ii) who act on behalf of the Borrower and/or Guarantor provide as references (iii) who act on behalf of the Borrower and/or Guarantor, or (iv) who have been engaged to provide services to the Borrower and/or Guarantor; and

- (d) Agree that all Personal Information disclosed to the Lender has been received by the Lender in accordance with all applicable laws pertaining to the Personal Information in question, and specifically, where applicable, consent by the individual(s) whose Personal Information is provided has been obtained for the collection, use and disclosure by the Lender for purposes associated with the possible or actual provision of credit to the Borrower and/or Guarantor.
12. **Anti-Money Laundering Disclosure** – The Financing Parties acknowledge that the Lender may be required to obtain, verify, or maintain information regarding the Financing Parties, their directors, officers, shareholders or other persons who exercise control over the Financing Parties. Each Financing Party agrees to provide without delay all information, including supporting documents and other evidence that the Lender, acting reasonably, could require to comply with government legislation or the Lender's internal policies implemented to protect against the laundering of proceeds of crime or financing of terrorist activities that apply to them.
13. **Evidence of Indebtedness** – The Lender shall maintain on the books of its unit of account, accounts and records evidencing the outstanding principal amount of all Credit Facilities of the Borrower together with any interest in respect thereof. The Lender shall maintain a record of the amount of the balance, each advance, and each payment of principal and interest on the account of the Credit Facilities. The Lender's accounts and records constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Lender.
14. **Assignment and Participation** – The Lender may, from time to time, assign or syndicate its interests in any Credit Facilities in whole or in part to others. The Borrower shall co-operate with any syndication but shall not be liable for any costs incurred with respect thereto, except reasonable legal fees incurred prior to the initial advance hereunder. The Borrower shall not assign, transfer or otherwise dispose of its rights or obligations under the Financing Documents except with the prior consent of the Lender, which may be arbitrarily withheld.
15. **Representations and Warranties** – Each of the Financing Parties hereby represents and warrants to the Lender, on an ongoing basis, the following:
- (a) If not an individual, it is a partnership, trust or corporation, as the case may be, duly constituted, validly existing and duly registered or qualified to carry on business in each jurisdiction where it is required by applicable laws to be so registered or qualified.
 - (b) The Financing Party has the full power and authority to borrow in the manner and the terms set out in the Commitment Letter, and the execution, delivery of the Commitment Letter and other Financing Documents have been duly authorized and constitute legal, valid and binding obligations enforceable in accordance with their respective terms.
 - (c) No event has occurred which constitutes, or which, with notice, lapse of time, or both, would constitute, a breach of any covenant or other term or condition of the Commitment Letter, other Financing Documents or Security given in connection therewith.
 - (d) The Financing Party is not in violation of any applicable law, which violation could lead to a Material Adverse Change.
 - (e) The Financing Party is in compliance with all terms and conditions of all insurance policies issued as required by the Commitment Letter.
 - (f) No Material Adverse Change exists and there are no circumstances or events that constitute or would constitute, with the lapse of time, the giving of notice or otherwise, a Material Adverse Change.
 - (g) All information provided by the Financing Party to the Lender (including all schedules, certificates, financial statements, reports, and notices) is complete and accurate and does not omit any material fact and, without limiting the generality of the foregoing, all financial statements delivered by the Financing Party to the Lender fairly present its financial condition as of the date of such financial statements and the results of its operations for the period covered by such financial statements, all in accordance with GAAP.
 - (h) There is no pending or threatened claim, action, prosecution or proceeding of any kind, including but not limited to non-compliance with environmental law or arising from the presence or release of any contaminant, against the Financing Party or its/his/her assets before any court or administrative agency which, if adversely determined, could lead to a Material Adverse Change.
 - (i) All of the remittances required to be made to the federal government and all provincial and municipal governments have been made, are currently up to date and there are no outstanding arrears. Without limiting the foregoing, all employee source deductions (including income taxes, Employment Insurance and Canada Pension Plan), sales taxes (both provincial and federal), corporate income taxes, corporate capital taxes, payroll taxes and Workers' Compensation dues are currently paid and up to date.
 - (j) In respect of properties and assets charged pursuant to the Financing Documents, the Financing Parties, or one or more of them, are the legal and beneficial owners, with good and marketable title in fee simple, free from all encumbrances save and except those approved by the Lender.
 - (k) The Financing Party is the rightful owner of all of its intellectual property with all right, title and interest in and to all of its intellectual property.
 - (l) No portion of the Credit Facilities will be used for the supply of any services or for any erection, installation, addition, removal, construction, renovation, alteration, or repair to any property or to any building, structure or works thereon, which has not been approved by the Lender.
16. **Covenants** – So long as any amounts remain outstanding and unpaid under this Commitment Letter, or so long as any Credit Facilities under this Commitment Letter remain in open, the Borrower will:

- (a) pay all sums of money when due by it under this the Commitment Letter and the other Financing Documents;
 - (b) maintain its account and membership with the Lender in good standing while any portion of the Credit Facilities remains outstanding or committed;
 - (c) cure all defects in the preparation, execution and delivery of the Commitment Letter or Financing Documents, as necessary, including defects discovered after their initial execution and delivery;
 - (d) execute and deliver such further documents or deliveries as may be required by the Lender, including additional or amended documents required after loan/advances have been made;
 - (e) perform and observe all terms, conditions, representations and covenants contained the Commitment Letter and Financing Documents;
 - (f) maintain in full force the Security contemplated by the Commitment Letter and Financing Documents;
 - (g) maintain in full force all policies of insurance required by the Commitment Letter and Financing Documents;
 - (h) not engage in any of the following actions/changes, unless with the express written consent of the Lender:
 - (i) a Change of Control, amalgamation, change of financial year end or jurisdiction, or amendment of organization documents;
 - (ii) disposition of property outside of the normal course of business;
 - (iii) altering or allowing changes to the title of any Property secured by the Security;
 - (iv) relocation of assets; or
 - (v) change or termination of material contacts.
 - (i) ensure that all of the remittances required to be made by the Borrower to the federal, provincial and municipal governments have been made, will be kept up to date and there are no outstanding arrears. Without limiting the foregoing, all employee source deductions (Including Income Taxes, Employment Insurance and Canada Pension Plan), sales taxes (both Provincial and Federal), corporate income taxes, payroll taxes and worker's compensation dues will be paid and kept up to date;
 - (j) comply with all zoning, by-laws, restrictive covenants, and registered agreements affecting any Property secured by the Security;
 - (k) immediately advise the Lender of any claim for lien against the Property pursuant to the *Construction Lien Act* (Ontario) or *Construction Act* (Ontario);
 - (l) advise the Lender of any change in the amount or the terms of any credit arrangement made with other lenders or any action taken by another lender to recover amounts outstanding with such other lender; and
 - (m) immediately advise the Lender of any default by the Borrower(s) and/or Guarantor(s) with regard to credit facilities with any other lender.
17. **Events of Default** – Without limiting any other rights of the Lender under this Commitment Letter, and without prejudice to the Lender's right to make demand for repayment on any demand Credit Facility at any time, if any one or more "Event of Default" (as listed below) has occurred and is continuing, then, in such event, the ability of the Borrower to make further borrowings under any Credit Facility shall, at the Lender's option, immediately terminate and the Lender may, by written notice to the Borrower, declare the amounts outstanding under any such Credit Facility to be immediately due and payable. Upon receipt of such written notice, the Borrower shall immediately pay to the Lender all amounts outstanding under any Credit Facility and all other obligations of the Borrower to the Lender in connection with any such Credit Facility under this Commitment Letter. The following shall each constitute an "Event of Default":
- (a) Any Financing Party fails to pay, when due, any amount owing under or pursuant to the Commitment Letter;
 - (b) Any Financing Party fails to comply with or to perform its obligations under any provision of the Commitment Letter or any of the other Financing Documents;
 - (c) Any Financing Party is in default under any other agreement with the Lender or any third party for the granting of a loan or other financial assistance and such default remains unremedied after any cure period provided in such other agreement;
 - (d) Any representation or warranty made by any Financing Party herein or in any Financing Document is breached, false or misleading in any material respect, or becomes at any time false;
 - (e) Any schedule, certificate, financial statement, report, notice or other writing furnished by any Financing Party to the Lender in connection with the Credit Facilities is false or misleading in any material respect on the date as of which the facts therein set forth are stated or certified;
 - (f) Any Financing Party becomes insolvent or generally fails to pay, or admits in writing its inability or refusal to pay its debts as they become due; or any Financing Party applies for, consents to, or acquiesces in the appointment of a trustee, receiver or other custodian for such Financing Party or any property thereof, or makes a general assignment for the benefit of creditors; or, in the absence of such application, consent or acquiescence, a trustee, receiver or other custodian is appointed for any Financing Party or for a substantial part of the property of such Financing Party; or any bankruptcy, reorganization, debt arrangement, or other case or proceeding under any

bankruptcy or insolvency law, or any dissolution or liquidation proceeding, is commenced in respect of any Financing Party; or any Financing Party takes any action to authorize, or in furtherance of, any of the foregoing;

- (g) Any use of Credit Facility proceeds for any purpose other than specifically identified in the Commitment Letter;
- (h) Any Financing Party ceases or threatens to cease to carry on all or a substantial part of its business;
- (i) The occurrence of a Change of Control of any Financing Party from the date of the application of financing, without the written consent of the Lender;
- (j) Any provision of this Commitment Letter or any other Financing Document given in connection therewith becomes invalid or unenforceable for any reason whatsoever;
- (k) Any governmental or regulatory approvals or licenses which are material to the business of the Borrower are revoked or suspended for any reason whatsoever; and
- (l) The occurrence, in the opinion of the Lender, of a Material Adverse Change.

Nothing contained in the foregoing Events of Default section shall limit any right of the Lender under this Commitment Letter to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility made available under this Commitment Letter.

18. **Interest Rate** – Each of the Financing Parties acknowledges and agrees as follows: (i) that they understand the applicable rate of interest for each of the Facilities provided for in this Commitment Letter and are able to calculate each such rate of interest on a per annum basis using the rates or formulas provided for in this Commitment Letter, (ii) that the formula for each rate of interest provided in this Commitment Letter complies with and satisfies the disclosure obligations provided in section 4 of the *Interest Act*, and (iii) that they will not to assert, by way of defence or otherwise, that any fee or rate of interest under this Commitment Letter has not been adequately disclosed by the Lender, or that that any fee or rate of interest under this Commitment Letter does not comply with the *Interest Act*, and that the Lender is entitled to raise this provision as a complete bar to such defence. On written request of a Financing Party, the Lender will promptly calculate and deliver to such Financing Party the current rate of interest on any amount that remains outstanding and unpaid under this Commitment Letter. The Financing Party agrees that any error in the calculation of the rate of interest will not relieve any Financing Party of their obligations hereunder..
19. **Registration of Collateral Mortgages** – All collateral mortgages to be registered on title to real property will be registered with the interest rate included as 24% per annum. This rate of 24% per annum is merely a ceiling that will allow FirstOntario Credit Union Limited to accommodate the Borrower through periods of fluctuating interest rates. Notwithstanding the interest rate set out in any registered collateral mortgage, the interest rate(s) applicable to the Credit Facilities as set out in the Commitment Letter shall govern.
20. **Title Insurance** – The Lender shall obtain title insurance for all Security registered against real property, to be obtained at the expense of the Borrower, with endorsements for subsequent advances, variable interest rates, and construction as necessary and applicable.
21. **Variation** – No amendment to the Commitment Letter or any other Financing Document shall be effective unless in writing and signed by a duly authorized officer of the Lender. No term or condition of the Commitment Letter or any other Financing Document may be waived or varied orally or by way of the conduct of the parties.
22. **Time of the Essence** – Time shall be of the essence in this Commitment Letter and all Financing Documents.
23. **Entire Agreement** – This Credit Agreement, the Financing Documents and any other written agreement delivered pursuant to or referred to in this agreement constitute the whole and entire agreement between the parties in respect of the Credit Facilities. There are no verbal agreements, undertakings or representations in connection with the Financing Document or the Credit Facilities.
24. **Survival** – All terms, representations, warranties and covenants of the Commitment Letter shall survive the execution of the Financing Documents, and the registration of Security.
25. **Jurisdiction/Laws** – The Commitment Letter shall be governed and construed under the laws of the Province of Ontario.

TAB D

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

yyyy mm dd Page 1 of 3

Properties

PIN 58145 - 0050 LT *Interest/Estate* Fee Simple
Description PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH
Address 6485 14TH LINE
 ALLISTON

PIN 58145 - 0517 LT *Interest/Estate* Fee Simple
Description PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF
 NEW TECUMSETH
Address 6485 14TH LINE
 ALLISTON

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name NEW TECUMSETH LAND CORPORATION
Address for Service 151 Spinnaker Way, Unit 5
 Concord, Ontario
 L4K 4C3

I, Guery Goyo, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Chargee(s)*Capacity**Share*

Name FIRSTONTARIO CREDIT UNION LIMITED
Address for Service 4021 Upper Middle Road
 Burlington, Ontario
 L7M 0Y9

Statements

Schedule: See Schedules

Provisions

Principal \$ 6,000,000.00 *Currency* CDN
Calculation Period
Balance Due Date
Interest Rate See Schedule
Payments
Interest Adjustment Date
Payment Date ON DEMAND
First Payment Date
Last Payment Date
Standard Charge Terms 200027
Insurance Amount full insurable value
Guarantor

Instrument Statement, 61

SCHEDULE "A"

PAYMENT PROVISIONS

THIS CHARGE is given as continuing security for payment to the Chargee of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Chargor to the Chargee (such debts and liabilities being hereinafter called the "liabilities"), but the Chargor's liability hereunder being limited to the sum of SIX MILLION DOLLARS (\$6,000,000.00) with interest at the rate hereinafter set out;

THE CHARGOR covenants to pay each and every liability to the Chargee punctually as the same falls due; provided that this Charge is void upon payment on demand of the ultimate balance of the liabilities and all promissory notes, bills of exchange, guarantees and any other instruments whatsoever from time to time representing the liabilities or any part thereof, not exceeding the principal sum of SIX MILLION DOLLARS (\$6,000,000.00) together with interest thereon at the rate of 24.00 per centum per annum as well after as before maturity and both before and after default and all other amounts payable by the charger hereunder.

LAND REGISTRATION REFORM ACT, 1984
SET OF STANDARD CHARGE TERMS (COLLATERAL MORTGAGE)

Filed by FirstOntario Credit Union Limited Filing Date: July 25, 2000
("Chargee") Filing Number: 200027

The following set of standard charge terms shall be deemed to be included in every Charge in which the set is referred to by its filing number, as provided in Section 9 of the Act.

Collateral Security

1. The Charge shall, whether or not it secures a current or running account, be a general and continuing collateral security to the Chargee for payment of the indebtedness owing by the Chargor (the "Indebtedness") in an amount not exceeding the amount secured by this Charge and performance of the Chargor's other obligations under this Charge notwithstanding any fluctuation or change in the amount, nature or form of the Indebtedness or in the accounts relating thereto or in the bills of exchange, promissory notes and/or other obligations now or later held by the Chargee representing all or any part of the Indebtedness or in the names of the parties to such bills, notes and/or other obligations or that there is no Indebtedness outstanding at any particular times; and the Charge will not be deemed to have been redeemed or become void as a result of any such event or circumstances.

No Set-Offs

2. The Chargee shall be entitled to the principal monies and interest and all other amounts payable pursuant to the provisions hereof free from all equities, deductions rights or set-offs or counterclaims.

Government Compliances

3. The said Chargor doth release to the said Chargee all its claims upon the said lands subject to the said proviso. The Chargor covenants to observe all laws, by-laws, regulations and requirements of all government, governmental authorities and regulatory agencies relating to the charged premises or to the business of the Chargor.

Advance of Mortgage Moneys

4. The Chargor agrees that neither the preparation, execution nor registration of this Charge shall bind the Chargee to advance the money hereby secured, nor does the advance of a part of the monies hereby bind the Chargee to advance any unadvanced portion thereof, but nevertheless the estate hereby conveyed shall take effect forthwith upon the execution of these presents by the Chargor, and the cost of all proceedings taken in connection with this Charge, including (without limiting the generality of the foregoing) the expense of the negotiation of this Charge, examination of the title, preparing and registering this Charge and valuation, are to be secured hereby whether or not the whole or any part of the principal sum hereof is advanced, the same being hereby charged upon the said lands and shall be without demand therefore, payable forthwith upon execution of these presents by the Chargor with interest at the rate aforesaid, and in default

of payment thereof, the Chargee's power of sale hereby given, and all other remedies hereunder, shall be exercisable.

Promise to Pay and Perform

5. The Chargor will pay or cause to be paid to the Chargee the full principal amount and interest secured by the Chargee in the manner of payment provided by the Charge, without any deduction or abatement, and shall do, observe, perform, fulfil and keep all the provisions, covenants, agreements and stipulations contained in the Charge. The Chargor will comply with all orders issued by regulatory authorities and all environmental laws, regulations, and ordinances. The Chargor will pay, as they fall due, all taxes, rates, assessments and penalties, whether municipal, local, parliamentary, judicial, or administrative, which now or may hereafter be imposed, charged or levied upon the lands or against the Chargor and when required, produce for the Chargee receipts evidencing payment of the same.

The Chargee shall have the right from time to time to estimate the amount of taxes on the charged lands and premises for each year and to require the Chargor to pay in each month, a specified portion of such estimated amount in addition to the monthly instalments stipulated in this Charge (if any); and the Chargor covenants and agrees when so required to pay to the Chargee in addition to the monthly instalments herein mentioned (if any) such specified portion of the said taxes with each of the twelve succeeding monthly instalments herein mentioned next falling due, and the Chargor shall also pay to the Chargee on demand the amount, if any, by which the actual taxes exceed such estimated amount. If the principal and interest are repayable on demand only, this amount on account of taxes shall be paid to the Chargee in each month on a day designated by the Chargee. If before any amount on account of taxes so paid to the Chargee shall have been applied against taxes, there shall be arrears in the payment of principal and/or interest due and payable under this Charge, the Chargee may apply such amount paid on account of taxes instead towards payment of the arrears of principal and/or interest. The Chargee is not obligated to pay interest to the Chargor on amounts paid to the Chargee on account of taxes for the period of time immediately preceding the date the amounts are applied against taxes.

If payment provisions in this Charge require the Chargor to make payments of principal and interest monthly, the Chargor and the Chargee may, from time to time, agree that payments of principal and interest (and any amount on account of taxes, if applicable) shall be made more frequently than monthly, in which case the Chargor shall comply with the terms of any such agreement instead of the payment provisions prescribed in this Charge.

If this Charge contains an interest adjustment date, the Chargor further covenants to pay, on such date, interest at the rate set forth in the Charge and all money advanced by the Chargee to the Chargor under the Charge, prior to such interest adjustment date.

Inspection

6. The Chargor agrees from time to time to supply to the Chargee forthwith upon demand therefor such information and documents as are within the Chargor's possession or under the Chargor's control regarding the said lands or any part thereof as the Chargee may demand and to permit the Chargee and any persons acting for the Chargee at all reasonable times to enter upon the said lands or any part thereof for the purpose of inspecting the said lands

or any part thereof and further agrees that the reasonable costs of every such inspection shall be a charge upon the said lands and shall be payable forthwith upon demand therefor and bear interest at the aforesaid rate, compounded monthly until paid.

Title

7. The Chargor covenants that the Chargor has a good title in fee simple to the said land; AND that the Chargor has the right to convey to the said Chargee; AND that the said Chargor will execute such further assurances of the said lands as may be requisite; AND that the Chargor will warrant and defend his/her/its title to the said lands and to every part thereof against the claims and demands of all persons whatsoever; AND that on default the Chargee shall have quiet possession of the said lands free from all encumbrances, and in such event shall have full power and authority to carry on in the name of the Chargor the business operations of the Chargor including the power to borrow money and to advance its own monies as it deems necessary and any money so advanced by the Chargee shall bear interest at the aforesaid rate and form a charge on the Charged premises in priority to this Charge.

Insurance

8. (a) The Chargor, does hereby covenant and agree that it shall keep all buildings whether now or hereafter to be erected on the said lands and that it will keep the buildings on the said lands constantly insured for the benefit of the Chargee against loss or damage for the amounts referred to in the Charge and referred to herein and shall maintain such other insurance for the full insurable value until the monies hereby secured are fully paid, and will assign, transfer and deliver all such insurance policies to the Chargee and deliver renewals therefor to the Chargee no later than one week in advance of the expiration of any such policies or renewal thereof, stamped "paid" by the agent or company issuing the same. In the event the Chargor shall, for any reason, fail to keep the said lands so insured or fail to deliver the policies of insurance to the Chargee, or fail to pay the premiums thereon, the Chargee, if it so elects, may have such insurance underwritten and pay the premiums thereon, and any premiums so paid shall be secured by this Charge and repaid by the Chargor in lawful money of Canada within ten days after the payment by the Chargee. In default thereof, the whole principal sum and interest and insurance premium with interest on such sum paid for insurance from the date of payment at the aforesaid rate may be and shall become due at the election of the Chargee, anything herein to the contrary notwithstanding; and should the Chargee by reason of any such insurance against loss as aforesaid receive any sum or sums of money, the amount thereof may be retained and applied by it toward payment of the amount hereby secured; provided however, that unless the amount received by the Chargee is applied expressly by it in reduction of the amount owing hereunder, the receipt by the Chargee of such proceeds shall not operate as payment of the Chargor's indebtedness hereunder; or, at the option of the Chargee, the same may be paid over, either wholly or in part, to the Chargor to enable it to

repair said buildings or to erect new buildings in their place or for any other purpose or object satisfactory to the Chargee without affecting the amount of this Charge for the full amount secured hereby before such loss or payment ever took place.

- (b) The Chargor shall insure the buildings (including all fixed improvements thereof and thereto) forming part of the Charged Premises against loss or damage by fire and also against loss or damage by or from such additional perils, risks or events including extended coverage, and in such amounts as the Chargee may require at any time and from time to time but in any event in an amount sufficient to cover the Chargee's interest, and, the Chargor shall insure against general liability of at least \$1,000,000.00 and against business interruption arising out of the business operations of the Chargor on the Charged Premises for an amount to cover the average of Six (6) months income on the property, and, if a steam boiler, pressure vessel or any other object generating steam or operated by steam or if an oil or gas burner or coal blower or stoker or if a sprinkler system shall be operated on the Charged Premises, the Chargor shall also insure against loss or damage by explosion of or caused by such boiler, vessel or other object and loss or damage caused by such burner, blower or stoker and such sprinkler system;
- (c) The Chargee may require any such insurance to be cancelled and new insurance to be effected in a company or companies named by the Chargee and also may without reference to the Chargor and without any obligation or liability to do so, effect or maintain any insurance herein provided for;
- (d) The Chargor shall, as and when required by the Chargee, deliver to the Chargee each policy of insurance;
- (e) Except as set out in paragraph 7 (a) herein, evidence of the renewal of every policy or insurance shall be left with the Chargee at least fifteen (15) days before the termination thereof or the Chargee may without any obligation or liability to so do provide therefor;
- (f) The Chargee shall have a lien for all moneys secured by this Charge on all such insurance whether effected under the foregoing provisions or not;
- (g) The Chargee may require that all or any portions of moneys received on any insurance be applied in discharge of any or all of the moneys hereby secured whether due or not or be used to fulfil any of the obligations contained herein on the part of the Chargor or as the Chargee may determine, or be used to replace or restore the Charged Premises to a condition satisfactory to the Chargee, or be released to the Chargor;
- (h) The Chargee is hereby irrevocably appointed by the Chargor as attorney of the Chargor to assign any policy of insurance in the event of the foreclosure of this Charge or other extinguishment of the indebtedness secured hereby;

- (i) Charge clauses, in a form approved by the Chargee, will be attached to all insurance policies; and
- (j) The foregoing provisions as to insurance shall apply to all buildings and fixtures whether now or hereafter forming part of the Charged Premises.

Remedies of Chargee on Default

9. (a) Provided that the Chargee on default of payment for at least fifteen (15) days may, on at least thirty-five days' notice, enter on and lease the said lands or, on default of payment for at least fifteen (15) days, may, on at least thirty-five (35) days' notice, sell the said lands. Such notice shall be given to such persons and in such manner and form and within such time as provided in The Mortgages Act, as amended. In the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable it is agreed that notice may be effectually given by leaving it with an adult person on the said lands, if occupied, or by placing it on the said lands if unoccupied or, at the option of the Chargee, by mailing it in a registered letter addressed to the Chargor at its last known address, or by publishing it once in a newspaper published in the county or district in which the lands are situate; and such notice shall be sufficient notwithstanding that any person to be affected thereby may be unknown, unascertained, or under disability.
- (b) Provided further, without prejudice to the statutory powers of the Chargee under the foregoing proviso, that in case default be made in the payment the said principal or interest or any part thereof of any sum of money that is, by the terms hereof, a charge upon the said lands and such default continues for two months after any payment of either principal or interest falls due then the Chargee may exercise the foregoing powers of entering, leasing or selling or any of them without any notice, it being understood and agreed, however, that if the giving of notice by the Chargee shall be required by law then notice shall be given to such persons and in such manner and form and within such time as so required by law.
- (c) And it is hereby further agreed that the Chargee may sell any of the said lands on such terms as to credit and otherwise as shall appear to it most advantageous and for such prices as can reasonably be obtained therefor and may make any stipulations as to the title or evidence or commencement of title or otherwise which it shall deem proper, and may terminate or vary any contract for the sale of the whole or any part of the said lands and re-sell without being answerable for loss occasioned thereby, and in the case of a sale on credit the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of said purposes may make and execute all agreements and assurances as it shall think

fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease hereunder.

- (d) The Chargor covenants to deliver to the Chargee forthwith upon demand therefor at any time after the power of sale has become exercisable, all deeds and documents in the Chargor's possession or power relating to the said lands, or to the title thereto, which the Chargee would have been entitled to demand and recover if the said lands had been conveyed, appointed, surrendered or assigned to and was then vested in the Chargee for all the estate and interest of the Chargor and of which the Chargor had power to dispose, and the Chargor agrees that if the legal estate is outstanding to a trustee, the Chargee, or any purchaser from it, the Chargee shall be entitled to call for a conveyance of the legal estate to the same extent as the Chargor could have called for such a conveyance if this Charge had not been made. The Chargor hereby appoints the Chargee the irrevocable attorney of the Chargor for the purpose of making the foregoing sale and executing such deed and other instruments as may be desirable to effect such sale.
- (e) Provided that the Chargee may distrain for arrears of interest.
- (f) Provided that the Chargee may distrain for arrears of principal in the same manner as if the same were arrears of interest.

Additional Fees

10. In addition to, and not in substitution for, all costs, charges and expenses for which the Chargor may be responsible hereunder, the Chargor shall pay to the Chargee the following fees:

- (a) whenever any cheque or other document, including, without limitation, any pre-authorized debit instrument, is presented for payment of any principal, interest or other amount hereunder, and such cheque or other document is not honoured, the Chargor shall pay to the Chargee an NSF fee in the amount established from time to time by the Chargee;
- (b) whenever any amount payable by the Chargor hereunder is not paid when due, the Chargor shall pay to the Chargee a Collection Fee in respect of the Chargee's collection efforts, in the amount established from time to time by the Chargee;
- (c) whenever the Chargor is in default hereunder, the Chargor shall pay to the Chargee an Inspection Fee in the amount established from time to time by the Chargee in respect of each inspection of the lands made by or on behalf of the Chargee; and
- (d) whenever the Chargor is in default hereunder and the

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Chargee decides to exercise its right to sell the lands or to have them sold, whether or not such rights are exercised in full, the Chargor shall pay to the Chargee an Administration Fee in the amount established from time to time by the Chargee (which fee may be a per diem rate) for overhead or administrative expenses associated therewith.

All the foregoing fees shall be payable on demand to the Chargee and shall be a charge on the said lands and shall be added to the principal and bear interest at the said rate and, in default of payment, the powers of sale herein given may be exercised.

Acceleration

11. (a) Provided that in default of the payment of the interest hereby secured the principal hereby secured shall become payable.
- (b) Provided that upon default of payment of instalments of principal promptly as the same mature, the balance of the principal and interest shall immediately become due and payable at the option of the Chargee.
- (c) Provided that if any order shall be made or a resolution passed for the winding-up of the Chargor or if the Chargor shall go into liquidation either voluntarily or by order of a Court or if a petition shall be filed under the Bankruptcy Act by or against the Chargor or an assignment made by it or if an interim receiver is appointed under the Bankruptcy Act or if a receiver or manager or agent is appointed by or on behalf of a secured creditor of the Chargor privately or judicially or if an application is made under The Companies Creditors Arrangement Act or similar statute or if a proposal or an arrangement is made by the Chargor to its creditors under the Bankruptcy Act, or if the Chargor commits any act of bankruptcy, the balance of the principal and interest shall immediately become due and payable at the option of the Chargee.
- (d) Provided that any change in use of the property charged hereby from that set out in the Commitment without the written consent of the Chargee shall constitute a default under this Charge and the balance of the principal and interest shall immediately become due and payable at the option of the Chargee.

Waiver of Default

12. Provided that the Chargee may in writing at any time or times after default waive any default hereunder and such waiver shall be effective in accordance with its terms. Provided further that any such waiver shall apply only to the particular default waived and shall not operate as a waiver of any other or future default.

Release of Land by Chargee

13. And it is further agreed by and between the parties that the Chargee may, at its discretion, at all times release any part or parts of the said lands or any other security or any surety for the money hereby secured either with or without sufficient consideration therefor, without responsibility therefor, and without thereby releasing any part of the said lands or the Chargor or any other person from this Charge or from any of the covenants herein contained, it being agreed that every part or lot into which the said lands are or may hereafter be divided does and shall stand charged with the whole money hereby secured and no person shall have the right to require the Charge monies to be apportioned and the Chargee shall not be accountable to the Chargor for the value thereof, or for any monies except those actually received by the Chargee.

Application of Payments

14. In case less than the total principal amount of this Charge becomes due and payable and is paid at any time prior to maturity, the principal amount so paid shall be credited against the principal instalments payable hereunder in inverse order of their maturity date, so that no credit shall be made against a principal instalment of a stated maturity date until credits have been made against all principal instalments of later maturity dates.

Repairs and Waste

15. Provided further that no sale or other dealings by the Chargor with the equity of redemption in the said lands or any part thereof shall in any way change the liability of the Chargor or in any way alter the rights of the Chargee as against the Chargor or any person liable for payment of the monies hereby secured. The Chargor covenants with the Chargee that it will keep the said lands and the buildings, erections and improvements thereon in good condition and repair according to the nature and description thereof respectively and will not commit or permit any act of waste on the said lands or remove, destroy or dispose of any of the said buildings or any of the chattels of a fixed or permanent nature now or hereafter situate on the said lands save and except that the Chargor may remove any such chattels if it replaces the same with a comparable chattel which shall forthwith become a part of the said lands. If the Chargor neglects to keep the said lands in good condition and repair, or commits or permits any act of waste on the said lands (as to which the Chargee shall be sole judge) or makes default as to any covenants or provisoes herein contained, the principal hereby secured shall at the option of the Chargee forthwith become due and payable, and in default of payment of same with interest as in the case of payment before maturity, the powers of entering upon and leasing or selling hereby given may be exercised and the Chargee may make such repairs as it deems necessary, and the cost thereof with interest thereon shall be a charge upon the said lands prior to all claims thereon subsequent to these presents.

Chargee's Costs

16. (a) It is hereby agreed between the parties hereto that if the Chargor shall be in default as to any of the covenants or provisoes herein contained the Chargee may

in its discretion perform any of the same capable of being performed by it but shall be under no obligation so to do and that all payments, costs, charges, expenses, and reasonable compensation payable to the Chargee which may be incurred in or attributable to such performance shall, with interest at the rate aforesaid, be a charge upon the said lands.

- (b) It is hereby further agreed that the Chargee may pay any liens, (without being obliged to enquire into the validity or priority of the same and without taking or defending any action or proceedings to determine the rights or priorities of any lien claimants to or under any such lien), rents, taxes, claims, charges or encumbrances, of any nature whatsoever upon the said lands and premises for insurance, and Charge or income tax imposed, or that may be imposed, on the Chargee in respect of the said lands or this Charge or the monies hereby secured, and the amount so paid together with all costs, charges, and expenses, including, without limiting the generality of the foregoing, costs as between solicitor and client, travelling expenses of the Chargee and all servants and agents of the Chargee and commissions on collections of rent, which may be incurred in taking, recovering and keeping possession of the said lands or in inspecting or managing the same and generally in any other proceedings, matter or things taken or done in connection with or to collect, protect or realize upon this security or any security collateral hereto, or to perfect the title of the said lands, shall be a charge on the said lands in favour of the Chargee and shall be payable forthwith by the Chargor to the Chargee with interest at the aforesaid rate until paid and in default the power of sale hereby given shall be exercisable in addition to all other remedies.
- (c) The Chargor covenants and agrees with the Chargee that in the event of default in the payment of any instalment or any other monies payable hereunder by the Chargor or on breach of any covenant, proviso or agreement herein contained after all or any part of the monies hereby secured have been advanced, the Chargee may, at such time or times as the Chargee may deem necessary and without the concurrence of any person, enter upon the said lands and may make such arrangement for completing the construction of, repairing or putting in order of any buildings or other improvements on the said lands or for inspecting, taking care of, leasing, collecting the rents and managing generally the said lands, as the Chargee may deem expedient and all reasonable costs, charges and expenses, including allowances for the time and service of any employee of the Chargee, or any other person appointed for the above purposes, shall be a charge upon the said lands, shall be payable forthwith upon demand therefor and shall bear interest at the aforesaid rate, compounded monthly until paid or may be added to the debt.
- (d) Provided also that upon the registration of any construction lien against the said lands, or in the event of any buildings being erected thereon being allowed to remain unfinished or without any work being done on them for a period of ten (10) days, the principal and interest hereby secured shall, at the

option of the Chargee, forthwith become due and payable.

Assignment of Leases

17. The Chargor hereby assigns, transfers and sets over unto the Chargee its successors and assigns, all leases on all or any part of the lands now existing or hereafter made and the full benefit and advantage thereof and all rents and monies thereby reserved or payable thereunder and hereafter to become due and owing provided that so long as the Chargor is not in default hereunder all such rents and monies shall continue to be paid to the Chargor. The Chargor covenants to give such further assurances as may be required by the Chargee to perfect the foregoing assignment and transfer.

Guarantee

18. The following provisions of this paragraph have force and effect only if a party signs this Charge as Guarantor.

The Guarantor, in consideration of such advance or advances as the Chargee may make under this Charge and in consideration of the sum of ONE (\$1.00) DOLLAR now paid to him by the Chargee, the receipt whereof is hereby acknowledged,

- (a) Hereby covenants and agrees with the Chargee, as principal debtor and not as surety, to well and truly pay or cause to be paid to the Chargee the principal money, interest, taxes and all other monies which the Chargor has by this Charge covenanted to pay to the Chargee or which are secured by this Charge or intended so to be secured, the said payments to be made on the days and times and in the manner provided for in this Charge;
- (b) Hereby further covenants and agrees to keep, observe and perform the covenants, terms, provisoes, stipulations and conditions of this Charge which are to be kept, observed and performed by the Chargor and at all times to indemnify, protect and save harmless the Chargee from all loss, costs and damage in respect of the advances of the Charge money and every matter and thing contained in this Charge;
- (c) Further agrees that the Chargee may from time to time without notice extend the time for payment of all monies secured by this Charge, amend the terms and times of payment and the rate of interest with respect to the said monies, refrain from enforcing payment of the said monies, release any portion or portions of the Charged premises and waive or vary any of the covenants and conditions in this Charge to be kept observed and performed by the Chargor and grant any indulgence to the Chargor in respect of any default by the Chargor which may arise under this Charge, and that notwithstanding any such act by the Chargee, the guarantor, shall be bound by the provisions of this Charge until all of the monies secured under this said Charge shall have been fully paid and satisfied;
- (d) Further acknowledges that the Chargee may at any time grant or refuse any additional credit to the Chargor, accept or release or renounce any collateral or other security, administer or otherwise deal with the land and premises described in this Charge, take an Assignment of the Rentals with respect to the said lands and premises and apply any and all monies at any time received from

the Chargor or from any other person or from the proceeds of any securities given in connection with this Charge in any manner the Chargee may deem appropriate. The Chargee may also utilize any and all insurance proceeds in reduction of the principal monies and interest secured by this Charge or for the refurbishing of the lands and premises or in any other manner that the Chargee may in its absolute discretion deem advisable;

- (e) Agrees that all of the matters mentioned herein may be performed by the Chargee without notice the Guarantor without releasing or in any modifying, altering, varying or in any way affecting the liability of the Guarantor, herein; and
- (f) Agrees that all of the covenants and agreements of the Guarantor contained herein shall be binding upon him and his respective successors and assigns and shall accrue to the benefit of the Chargee, its successors and assigns and that the Guarantor's liability as Guarantor, hereunder and the liability of its successors and assigns shall be joint and several.

Receiver

19. If the security hereby created shall become enforceable as herein provided and the Chargor shall have failed to pay the Chargee the amount declared to be due pursuant hereto, the Chargee may in its discretion, appoint a receiver or manager or receiver and manager of the property Charged hereby, or any part hereof, and may remove any receiver or manager or receiver and manager so appointed by it and appoint another in his stead, and the following provisions shall take effect:

- (a) Such appointment may be made at any time after the security shall have been enforceable and either before or after the Chargee shall have entered into or taken possession of the property Charged hereby or any part thereof but such appointment shall be revoked upon the direction in writing of the Chargee;
- (b) Every such receiver or manager or receiver and manager may be vested with all or any of the powers and discretion of the Chargee;
- (c) such receiver or manager or receiver and manager may carry on the business of the Chargor or any part thereof and may exercise all the powers conferred upon the Chargee under this Charge;
- (d) The Chargee may from time to time fix the remuneration of every such receiver or manager or receiver and manager provided that the remuneration shall be at existing commercial rates for such services and direct the payment thereof out of the property Charged hereby or the proceeds thereof;
- (e) The Chargee may, from time to time, require any such receiver or manager or receiver and manager to give security for the performance of his duties and may fix the nature and amount thereof, but it shall not be bound to require such security;
- (f) Every such receiver or manager or receiver and manager may, with the consent in writing of the Chargee, borrow money for the purpose of carrying on the business of the

Chargor or for the maintenance of the purposes approved by the Chargee and may issue certificates (herein called "Receiver's Certificates) for such sums as will in the opinion of Chargee be sufficient for obtaining upon the security of the property Charged hereby the amounts from time to time required, and such may be payable at such time or times as the Chargee may determine, and shall bear interest as shall therein be declared, and the receiver or manager or receiver and manager or the Chargee may sell, pledge or otherwise dispose of the same in such manner as the Chargee may deem advisable, and may pay such commission on the sale thereof as to the Chargee may appear reasonable, and in the name of and as attorneys for the Chargor may hypothecate, charge, pledge, charge or otherwise grant security upon the whole or any part of the property Charged hereby, in priority over the security created hereunder, as security for the repayment of the moneys borrowed upon such Receiver's Certificates, and interest thereon which security may be granted either at the time of or subsequent to the borrowing of the said moneys, and the said moneys shall be secured by the security created hereby and shall be a first charge upon the property Charged hereby in priority to this Charge;

- (g) Save so far as otherwise directed by the Chargee, all moneys from time to time received by such receiver or manager or receiver and manager shall be paid over to the Chargee to be held by it on the trust of this Charge;
- (h) Every such receiver or manager or receiver and manager shall so far as concerns responsibility for his acts and omissions be deemed the agent of the Chargor and not of the Chargee.

Chargee Managing Business

20. In the event that the security hereby constituted shall become enforceable as herein provided, and the Chargor shall have failed to pay the Chargee the amounts declared to be due pursuant hereto, the Chargee may in its discretion by its officers, agents or attorneys, enter into and upon and take possession of all or any part of the property Charged hereby, with full power to carry on, manage and conduct the business operations of the Chargor, including the power to borrow moneys or advance its own moneys for the purpose of such business operations, the maintenance and preservation of the property charged hereby or any part thereof, the payment of taxes, wages and other charges ranking in priority to this Charge and current operating expenses incurred not more than sixty (60) days prior to such taking of possession (and moneys so borrowed or advanced shall be repaid by the Chargor on demand and until repaid shall, with interest thereon at the aforesaid rate, form a charge upon the property charged hereby in priority to this Charge) and to receive the revenues, incomes, issues, and profits of the property charged hereby and pay therefrom all its expenses, charged and advances in carrying on the said business operations or otherwise, and all taxes, assessments and other charges against the property Charged hereby ranking in priority to this Charge, or payment of which may be necessary to preserve the property Charged hereby together with interest thereon, and to apply the remainder of the moneys so received, first in payment of principal and then in payment of interest due and unpaid and interest thereon: Provided that the Chargee shall, if it waives all events of default hereunder, restore the said property and business to the Chargor, and pay to

it any balance of income so received after such payment of all amounts due to the Chargor, the security hereby constituted shall no longer be deemed to have become enforceable by reason of the events of default which theretofore existed, but the rights which may arise upon a subsequent event of default shall not be affected thereby.

Non-Merger

21. The Chargor covenants and agrees to and with the Chargee that in case of any foreclosure proceedings or other proceedings to enforce the security hereby created, judgment may be entered against it in favour of the Chargee for any amount which may remain due in respect of this Charge and the interest thereon after the application of the payment of the proceeds of any sale of the said lands or any part thereof. Neither the taking of any judgment nor the exercise of any power or seizure of sale shall operate to extinguish the liabilities of the Chargor to make payment of the principal sum hereby secured or interest thereon; nor shall the same operate as a merger of any covenant herein contained or affect the right of the Chargee to interest at the rate hereinbefore specified; nor shall the acceptance of any payment or other security operate as payment or novation of the Chargor's indebtedness under this Charge or as a reduction of the charges and pledges hereby created, notwithstanding any law, usage or custom to the contrary, and it is further agreed that the taking of a judgment or judgments under provision of the covenants herein contained shall not operate as a merger of the said covenants or affect the Chargee's right to interest at the rate and time as herein provided. No remedy herein conferred upon or reserved to the Chargee is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now existing or hereafter to exist at law or in equity or by statute.

Dealing with Other Security

22. The security hereby constituted is in addition to and not in substitution for any other security for the monies secured hereby now or hereafter held by the Chargee. The taking of any action or proceedings or refraining from so doing or any other dealings with any other security for the money secured hereby or the release or reconveyance of any such security or any part thereof to the person giving such security shall not release or affect the charge created by this Charge and the taking of the security hereby created shall not release or affect any other security held by the Chargee for the repayment of the monies hereby secured. The Chargee is at liberty to take any action or proceedings separately or simultaneously with regard to this security, any additional security or any collateral security.

Prior Mortgage

23. If the Charge should, at any time, be subject to any prior Mortgage, charge, agreement for sale or other encumbrance (in this paragraph called the "Prior Mortgage"), the Chargor will pay or caused to be paid as they become due all payments whether for principal, interest, taxes or otherwise under or by virtue of the Prior Mortgage and will otherwise observe, perform and comply with the covenant, provisions and agreements therein contained. Any default thereunder shall be deemed to be a default under this Charge and shall entitle the Chargee to exercise any and all remedies available to the Chargee in the event of default under the Charge. The Chargee may at its option make any payment or cure any default under the Prior Mortgage, and any such payment or cost incurred by the Chargee in curing such default

shall be added to the Principal Sum and shall bear interest at the rate aforesaid and shall be payable forthwith by the Chargor to the Chargee, and shall be secured by the Charge.

Demolition and Alterations

24. The Chargor shall not demolish all or any part of the buildings or fixed improvements forming part of the Lands without the prior written consent of the Chargee and the Chargor will not proceed with any substantial alteration, remodelling or rebuilding of or addition to any buildings or change in use of the premises without the prior written consent of the Chargee.

Expropriation

25. If the lands or any part thereof shall be expropriated by any government, authority or corporation clothed with the powers of expropriation, all moneys payable in respect of such expropriation shall be paid to the Chargee and, if received by the Chargor, shall be received in trust for the Chargee and forthwith paid over to the Chargee. Such moneys shall, at the option of the Chargee, be applied against the indebtedness secured by the Charge or such part thereof as the Chargee may determine.

Extensions

26. Provided that the Charge may be renewed by any agreement in writing at maturity for any term with or without an increased interest rate notwithstanding that there may be subsequent encumbrances; and it shall not be necessary to register any such agreement in order to retain priority for the Charge so altered over any instrument registered subsequently to the Charge. Provided that nothing contained in this paragraph shall confer any right of renewal upon the Chargor.

Discharge of Charge

27. Upon payment of the Principal Sum, interest and all other amounts payable by the Chargor under the charge (otherwise than by reason of this paragraph) or at any time when there is no indebtedness or liability of the Chargor to the Chargee, the Chargor may request in writing a discharge or an assignment of the Charge and upon payment of all legal and other expenses incurred by the Chargee for the preparation, execution and delivery of such discharge or assignment of the Charge (including the Chargee's usual fee for providing such services) the Chargee shall deliver such document to the Chargor. All such expenses are secured by this Charge.

Fixtures

28. The Chargor agrees that all furnaces, boilers, tanks, oil and gas burners, stokers, blowers, water heaters, television antennae, electric light fixtures, sprinklers, machinery, motors, window blinds, screen doors and windows, storm doors and windows, air conditioning, ventilating, electrical, plumbing, cooling, lighting, heating, cooking and refrigeration equipment, and all apparatus and equipment appurtenant thereto now or hereafter placed or installed upon the Lands shall, for all purposes of this

Charge, be fixtures and an accession to the freehold and form part of the realty, whether or not affixed in law to the Lands.

Notice

29. All payments, notices, demands, requests, approvals and consents which may be or are required to be given by either party to the other herein, shall be in writing and delivered or sent by prepaid registered mail to the parties at their respective addresses. Unless notice of change of address shall be given by either party to the other, their respective addresses shall be:

If to the Chargor, to him, her, it or they at:

The Chargor's address for service contained in Box 13 to the Charge/Mortgage of Land

If to the Chargee, to it at:

FIRSTONTARIO CREDIT UNION LIMITED
143 Niagara Street, P.O. Box 982,
St. Catharines, Ontario
L2R 6Z4

and if any such payment, notice, demand, request, approval or consent is sent by prepaid registered mail, it shall be deemed to have been given on the third business day following the mailing thereof and if personally served shall be deemed to have been given on the date it was personally served.

Post-Dated Cheques

30. The Chargor shall make payment of each monthly instalment by way of a post-dated cheque. The Chargor shall deliver at the inception of this Charge twelve (12) post-dated cheques for the first twelve (12) monthly instalments payable hereunder, and shall deliver another series of twelve (12) post-dated cheques on the anniversary dates of this Charge for the remainder of the monthly instalments payable hereunder unless the Chargee agrees to waive this requirement.

Assumption of Charge

31. The Chargor covenants and agrees with the Chargee that in the event of the Chargor selling, conveying, transferring or entering into an agreement for sale or of transfer of title of the property hereby charged to a purchaser or transferee not approved of in writing by the Chargee, which approval shall not unreasonably be withheld, all monies hereby secured together with accrued interest thereon and any applicable bonus on prepayment shall, at the option of the Chargee, forthwith become due and payable.

Environmental Provisions

32. The Provisions of this Section 31, to the extent they are inconsistent with any other provisions of this Charge, shall prevail over any such other provisions:

1. Definition of Hazardous Material

"Hazardous Material" means any contaminant, pollutant or waste and any substance that when released into the natural environment is likely to cause at some immediate or future time, material harm or degradation to the natural environment or material risk to human health and without restricting the generality of the foregoing, includes any contaminant, pollutant, waste, hazardous waste or dangerous goods as defined by applicable federal, provincial or municipal laws or regulations enacted for the protection of the natural environment or human health.

2. Representations and Warranties

The Chargor represents and warrants that as of the date hereof:

- (a) Neither the Chargor, nor, to its knowledge, any other person, has ever caused or permitted any Hazardous Material to be disposed of, placed, or stored on, in, into, under or through the charged premises or any part thereof;
- (b) Its businesses and assets are operated in compliance with applicable laws, regulations, licences and permits respecting the protection of the natural environment or human health (including, without limitation federal, provincial and municipal laws and regulations respecting the removal and disposal of asbestos and the discharge, deposit, emission, leakage, spill or disposal of any Hazardous Material (all such laws, regulations, licences and permits hereinafter referred to as "Environmental Laws");
- (c) No enforcement or civil action in respect of any Environmental Law or liability related to an environmental matter is threatened or pending and the Chargor knows of no circumstances that may give rise to such actions in the future; and
- (d) The Chargor has not received nor is subject to any notices or orders for violations of Environmental Laws or any claims or demands for remedial action or damages based upon any Environmental Laws and the Chargor knows of no circumstances that may give rise to such actions in the future.

3. Survival of Representations and Warranties

The representations and warranties made above shall be deemed to be repeated as of the date of each advance under this Charge and shall survive the execution and delivery of this Charge and shall continue in full force and effect until all sums owing hereunder are paid in full, notwithstanding any investigation made at any time by or on behalf of the Chargee, provided that the Chargee may, at its discretion, waive any representation and warranty at any time. The Chargor shall notify the Chargee of any change to the representations and warranties set out above and the Chargee may, at its sole discretion, from time to time accept any such changes thereto of which it shall have been notified in writing by the Chargor or waive or vary the requirements for any of the representations and warranties set out above or any part of any

representation or warranty, but the Chargee shall have no obligation to do so.

4. Further Covenants of Chargor

- (a) The Chargor shall use or cause to be used the charged premises in compliance with all Environmental Laws.
- (b) The Chargor authorizes the Chargee to have access to the charged premises to conduct environmental inspections and to conduct all sampling and testing connected therewith.
- (c) The Chargor authorizes the Chargee to make good faith inquiries with federal, provincial and municipal governmental agencies respecting environmental matters.
- (d) The Chargor shall notify the Chargee of any change in use of the charged premises and any material change to production processes resulting in alteration to the discharge of contaminants, generation of wastes or to the presence of Hazardous Materials on the charged premises.
- (e) The Chargor shall, at the Chargee's request, provide the Chargee with a compliance certificate prior to each advance certifying compliance with all representations and warranties.
- (f) If the Chargor:
 - (i) receives notice that any violation of any Environmental Law or regulation may have been committed or is about to be committed by the Chargor;
 - (ii) receives notice that any administrative or judicial complaint or order has been filed or is about to be filed against the Chargor alleging violations of any Environmental Law or regulation or requiring the Chargor to take any action in connection with the release of any Hazardous Material; or
 - (iii) receives any notice from a federal, provincial or municipal government agency or private party alleging that the Chargor may be liable or responsible for costs associated with a response to or clean up of any Hazardous Material or any damages caused thereby;

then the Chargor shall provide the Chargee with a copy of such notice within fifteen (15) days of the Chargor's receipt thereof. The Chargee may, at its option, but without any obligation so to do, take any action necessary to remedy any such violation or to comply with any such complaint or order or to undertake any such response or clean up, and any amounts paid as a result of such action shall be immediately due and payable by the Chargor and shall be a charge upon the said lands and shall bear interest in accordance with the provisions of this Charge. Within fifteen (15) days of the Chargor having learned of the enactment or promulgation of any Environmental Law or regulation which may result in any material adverse change in the condition, financial or otherwise, of the Chargor, the Chargor shall provide the Chargee with notice thereof.

5. Indemnity re Hazardous Materials

The Chargor hereby indemnifies the Chargee, its officers, directors, employees, agents and its shareholders and agrees to

hold each of them harmless from and against any and all losses, liabilities, damages, costs, expenses and claims of any and every kind whatsoever, (including, without limitation:

- (a) the costs of defending and/or counterclaiming, cross-claiming or claiming over against third parties in respect of any action or matter; and
- (b) any costs, liabilities or damages arising out of a settlement of any action entered into by the Chargee with the consent of the Chargor which consent shall not be unreasonably withheld or delayed);

which at any time or from time to time may be paid, incurred or asserted against any of them for, with respect to, or as a direct result of, the presence on or under, or the discharge, deposit emission, leakage, spill or disposal from, the charged premises or into or upon any land, the atmosphere, or a watercourse, body of water or wetland, of any Hazardous Material; and furthermore, if the Chargee or its agents or any receiver, manager, receiver-manager, liquidator or similar person takes possession of any of the charged premises or any improvements thereon or any equipment owned by the Chargor or used by it in connection with the operation of its business (the "Equipment"), or commences proceedings with respect to any of the charged premises any improvements thereon or any Equipment, the Chargor hereby indemnifies and agrees to save harmless each such person in the manner set out above except insofar as the losses referred to above are solely attributable to the acts of such person, it being understood that the indemnifications and agreements of the Chargor set out in this provision shall survive the satisfaction and release of any document providing a security interest in the charged premises or any improvements thereon or any Equipment and the payment and satisfaction of any indebtedness hereunder; it being the intention that such indemnifications and agreements shall continue in full force and effect so long as the possibility of any such losses, liabilities, damages, costs, expenses or claims exists.

Interpretation

- 13. (a) Provided and it is hereby agreed that in construing these presents the words "Chargor" and "Chargee" shall be read and construed as "Chargor or "Chargors". "Chargee or Chargees", respectively as the number of the party or parties referred to each case require and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted; and that all rights, advantages, privileges, immunities, powers and things hereby secured to the Chargor or Chargors, their administrators, successors and assigns; and that all covenants, liabilities and obligations entered into or imposed hereunder upon the Chargor or Chargors, Chargee or Chargees, shall be binding upon and enure to the benefit of the parties hereto and their respective administrators, successors and assigns, and all such covenants and liabilities and obligations shall be joint and several.
- (b) The paragraph headings in these Standard Charge Terms

are deemed not to form part of the Charge and have been inserted for convenience of reference only.

- (c) "lands", where referred to herein, shall mean the lands described in the Charge, unless the context requires otherwise.
- (d) Except where otherwise stated, this Charge and everything herein contained shall extend to and bind and enure to the benefit of the respective heirs, executors, administrators, successors in office, successors and assigns, as the case may be, of each and every of the parties hereto, and where there is more than one Chargor or Guarantor or there is a female party or corporation, the provisions hereof shall be read with all grammatical changes thereby rendered necessary, and all covenants shall be deemed to be joint and several.
- (e) If any provision of this Charge is illegal or unenforceable it shall be considered separate and severable from the remaining provisions of this Charge which shall remain in force and be binding as though such provision had never been included.
- (f) All of the provisions of this Charge on the part of the Chargor to be performed and observed shall be deemed to be covenants and agreements on the part of the Chargor in favour of the Chargee.
- (g) The Chargor covenants to observe and perform all covenants, provisions and conditions herein contained on its part to be observed or performed.
- (h) If any of the forms of words contained herein are also contained in Column One of Schedule B of the Short Forms of Mortgages Act R.S.O. 1990, and distinguished by a number therein, this charge shall be deemed to include and shall have the same effect as if it contained the form of words in Column Two of Schedule B of the said Act distinguished by the same number, and this charge shall be interpreted as if the Short Forms of Mortgages Act were still in full force and effect. The implied covenants deemed to be included in a Charge under subsection 7 (1) of the Land Registration Reform Act, R.S.O. 1990 shall be and are hereby expressly excluded from the terms of this Charge.

Additional Provisions

- 34. (a) This Charge is not a building mortgage, within the meaning of the Construction Lien Act, R.S.O. 1990 and the funds to be advanced by the Chargee are not being used to repay a building mortgage.
- (b) In the event the Chargor shall cease to be a member in good standing of the Chargee, the Chargee may, in its sole discretion and at any time following the said cessation of membership require the Chargor to pay, within three (3) months following said demand, the balance of the principal sum together with interest owing hereunder; and the interest rate applicable at the time of demand by the Chargee shall continue to be charged against the outstanding indebtedness to the Chargee until payment in full is

made by the Chargor.

35. The Chargor covenants and agrees to ensure that the property charged herein will remain free and clear of all encumbrances, liens, mortgages, charges, personal property security interests and financing save and except for the within charge throughout the term of this charge and any renewal or renewals thereof except those in writing approved by the Chargee.

Acknowledgement of Receipt

I/We the undersigned, hereby acknowledge receipt of a true copy of these Standard Charge Terms, this 29 day of April, 2016

DATED this 29 day of April, 2016

NEW TECUMSETH LAND CORPORATION

Per: [Signature]
Guery Goyo - President

I have authority to bind the Corporation.

ACKNOWLEDGEMENT

TO: FIRSTONTARIO CREDIT UNION LIMITED

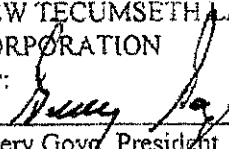
RE: \$6,000,000.00 Charge/Mortgage of Land of 6485 14th Line, Tecumseth

The undersigned acknowledges receipt of a true copy of the Standard Charge Terms Number 200027.

DULY EXECUTED at Vaughan, Ontario this 29 day of April, 2016.

NEW TECUMSETH LAND
CORPORATION

Per:



Guery Goyg, President

I have the authority to bind the Corporation

TAB E

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

yyyy mm dd Page 1 of 4

Properties

PIN 58145 - 0050 LT

Description PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH

Address 6485 14TH LINE
ALLISTON

PIN 58145 - 0517 LT

Description PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W R0517196; TOWN OF
NEW TECUMSETHAddress 6485 14TH LINE
ALLISTON**Applicant(s)**

The assignor(s) hereby assigns their interest in the rents of the above described land. The notice is based on or affects a valid and existing estate, right, interest or equity in land.

Name NEW TECUMSETH LAND CORPORATION

Address for Service 151 Spinnaker Way, Unit 5
Concord, Ontario
L4K 4C3

I, Guery Goyo, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Party To(s)

Capacity

Share

Name FIRSTONTARIO CREDIT UNION LIMITED

Address for Service 4021 Upper Middle Road
Burlington, Ontario
L7M 0Y9**Statements**

The applicant applies for the entry of a notice of general assignment of rents.

This notice may be deleted by the Land Registrar when the registered instrument, SC1301746 registered on 2016/05/05 to which this notice relates is deleted

Schedule: See Schedules

This document relates to registration no.(s)SC1301746

Signed By

Denise Patricia Kocsis

1 James Street South, 14 th floor, acting for
PO Box 926 Depo Applicant(s)
Hamilton

Signed

2016 05 05

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

yyyy mm dd Page 2 of 4

Submitted By

SCARFONE HAWKINS LLP
1 James Street South, 14 th floor,
PO Box 926 Depo
Hamilton
L8N 3P9
2016 05 05

Tel 905-523-1333
Fax 905-523-5878

Fees/Taxes/Payment

Statutory Registration Fee \$62.85
Total Paid \$62.85

File Number

Party To Client File Number : 15R1147

ASSIGNMENT OF RENTS

THIS ASSIGNMENT dated April 29, 2016

BETWEEN,

NEW TECUMSETH LAND CORPORATION

(the "Assignor")

AND:

FIRSTONTARIO CREDIT UNION LIMITED

(the "FirstOntario")

WHEREAS:

- A. By a Mortgage made between the Assignor and FirstOntario, which Mortgage is dated April 21, 2016, and was registered in the Land Registry Office of Simcoe (No 51) on the 5 day of May, 2016 as No S1301746 (hereinafter called the "Mortgage") the Assignor did grant and mortgage unto the FirstOntario the lands and premises in the Town of New Tecumseth, in the Province of Ontario and legally described as follows:

Firstly: Part Lot 7, Concession 13, Tecumseth, Designated as Part 1 on 51R-34706, New Tecumseth;
Secondly: Part Lot 7, Concession 13, Tecumseth, Designated as Part 3 on 51R-39710, Town of New Tecumseth

(the "Lands and Premises")

to secure payment of \$6,000,000.00 and interest thereon as therein set forth;

- B. The Assignor has agreed to assign to the FirstOntario all rents and other monies now due and payable or hereafter to become due and payable under every existing and future lease of and Agreement to Lease the whole or any portion of the Lands and Premises as a further security for the payment of the principal sum and interest secured by the Mortgage and for the performance of the covenants in the Mortgage contained;

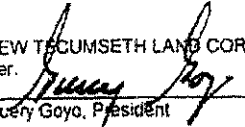
NOW THEREFORE In consideration of the premises, the sum of One Dollar (\$1 00) now paid by the FirstOntario to the Assignor, and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Assignor), the parties hereto covenant and agree as follows:

1. The Assignor does hereby assign and set over unto the FirstOntario as security for the said principal and interest secured by the Mortgage and for the performance of the covenants in the Mortgage contained, all rents and other monies now due and payable or hereafter to become due and payable under every existing and future Lease of and Agreement to Lease the whole or any portion of the Lands and Premises (hereinafter called the "Leases"), together with the benefit of all covenants, agreements and provisos contained in the Leases with full power and authority to demand, collect, sue for, recover, receive and give receipts for the rents and to enforce payment thereof in the name of the Assignor, its successors and assigns.
2. Nothing herein contained shall be deemed to have the effect of making the FirstOntario responsible for the collection of any rents and other monies now due and payable or to become due and payable, or for the performance of any covenants, terms and conditions either by the lessor or by the lessee contained or to be contained in the Leases and the FirstOntario shall not, by virtue of this Assignment, be deemed a Mortgagee in possession of the Lands and Premises or any part thereof.
3. The FirstOntario shall be liable to account for only such monies as shall actually come into its hands by virtue of this Assignment, less collection charges, exigible taxes and costs (including solicitor and client costs). Such monies when so received by the FirstOntario shall be applied on account of the monies from time to time due under the Mortgage and any renewal or extension thereof, or under any agreement collateral thereto.
4. The said rents and other monies now due and payable or hereafter to become due and payable hereunder and other benefits hereby assigned or to be assigned to the FirstOntario are being taken as collateral security only for the due payment of any sum due under the Mortgage or any renewal or extension thereof or of any Mortgage taken in substitution therefor, either wholly or in part, and none of the rights or remedies of the FirstOntario under the Mortgage shall be delayed or in any way prejudiced by these presents.

5. Notwithstanding any variation of the terms of the Mortgage or any agreement or arrangement with the Assignor or any extension of time for payment or any release of part or parts of the Lands and Premises or of any collateral security, the said rents and monies now due and payable or hereafter to become due and payable hereunder and other benefits hereby assigned or to be assigned shall continue as collateral security until the whole of the monies secured by the Mortgage shall be fully paid and satisfied.
6. The Assignor covenants and agrees from time to time and at all times hereafter, at the request of the FirstOntario, to execute and deliver at the expense of the Assignor such further assurances for the better and more perfectly assigning to the FirstOntario all rents and monies now due and payable or hereafter to become payable hereunder, as the FirstOntario shall reasonably advise.
7. Until default shall have been made in the payment of any installment of principal or of interest as provided in the Mortgage or any renewal or extension thereof or until the breach of any covenants contained in the Mortgage, the Assignor shall be entitled to receive all rents or monies payable under the Leases and shall not be liable to account therefor to the FirstOntario, but immediately upon default in payment of either the principal or interest under the Mortgage, or upon a breach on the part of the Assignor of any of the covenants contained in the Mortgage, and so often as either may occur, the FirstOntario upon notice to the lessee or to any person or persons liable for payment of any rents or monies under the Leases, shall be entitled to all such rents or monies falling due subsequent to the date of service of such notice.
8. Notwithstanding this Assignment, the Assignor shall be solely responsible for performing and complying with all the lessor's covenants and other obligations under the terms of the Leases and shall perform, according to the true intent and meaning thereof, all such the covenants and obligations contained in the Leases so that the rights and remedies of the FirstOntario shall not be in any way delayed or prejudiced.
9. The FirstOntario may, but shall not be bound to, institute proceedings for the purpose of enforcing any Leases or collecting the rents or for the purpose of preserving any rights of the FirstOntario, the Assignor or any other person, firm or corporation in respect of the same.
10. The FirstOntario may waive any default or breach of covenant and shall not be bound to serve any notice as hereinbefore set forth upon the happening of any default or breach of covenant, but any such waiver shall not extend to any subsequent default or breach of covenant.
11. This Agreement shall enure to and be binding upon the Parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the Assignor has hereunto set his hand and seal or has affixed its corporate seal duly attested by the hand(s) of its proper officer(s) in that behalf, on the day and year first above written.

NEW TECUMSETH LAND CORPORATION
Per.


Guery Goyo, President

I have the authority to bind the Corporation

TAB F

**BUSINESS LOAN
 GENERAL SECURITY AGREEMENT**

To: FIRSTONTARIO CREDIT UNION LIMITED (hereinafter called "Credit Union")

 I/WE NEW TECUMSETH LAND CORPORATION
 (Hereinafter called the "Assignor")

hereby mortgages, charges and assigns to the Credit Union, as a general and continuing collateral security for payment of all existing and future indebtedness and liability of the Assignor and whosoever and howsoever incurred and any ultimate unpaid balance thereof, all property of the kinds described in paragraph 2 below of which the Assignor is now or may hereafter become the owner:

1. DEFINITIONS

in this Agreement.

(a) "PPSA" means the Personal Property Security Act (Ontario), and any Act that may be substituted therefor, as from time to time amended.

(b) "Receivables" means all debts, accounts, claims, moneys and choses in action now due or hereafter to become due or owing to the Assignor, or any one of them.

(c) "Inventory" means all goods now or hereafter forming part of the inventory of the Assignor or any one or more of them, including, without limiting the generality of the foregoing, goods held for sale or lease; goods furnished or to be furnished under contracts of service; goods which are raw materials or work in progress; goods used in or prepared for packing; materials used or consumed in the business of the Assignor; emblements; growing crops that become such within one year after the execution of this agreement; timber to be cut; oil, gas and other minerals to be extracted; and goods described in paragraph 5 below.

(d) "Equipment" means all goods, exclusive of inventory or consumer goods, now or hereafter owned by the Assignor or any one or more of them, which are used or are intended for use in or about the business conducted by the Assignor or in the plants referred to in paragraph 8 and including, without limiting the generality of the foregoing, machinery; fixtures; furniture; plant; vehicles of any sort or description, the property described in paragraph 10 below; and all accessories installed in or affixed, attached or appertaining to any of the foregoing.

(e) "Documents of Title" shall have the meaning ascribed to it in the PPSA and shall include, without limiting the generality of the foregoing, all warehouse receipts and bills of lading whether negotiable or not.

(f) "Chattel Paper", "goods" and "instrument" shall have the meanings respectively ascribed to them in the PPSA.

2. SECURITY INTEREST

As security for the payment and performance of all existing and future liabilities and indebtedness of the Assignor, or any one or more of them, to the Credit Union, howsoever arising, the Assignor hereby grants to the Credit Union a continuing security interest in the present and after acquired business undertaking of the Assignor and in all property of the following kinds now owned or hereafter acquired by the Assignor or by any one or more of them:

(a) Inventory;

(b) Equipment;

(c) Receivables;

(d) Chattel Paper;

(e) Documents of Title;

(f) All books and papers recording, evidencing or relating to the Receivables, Chattel Paper or Documents of Title, and all securities, bill, notes, instruments or other documents now or hereafter held by or on behalf of the Assignor or any one or more of them with respect to the said Receivables, Chattel Paper or Documents of Title;

(g) All shares, stock, warrants, bonds, debentures, debenture stock or other securities including, without limiting the generality of the foregoing, the securities listed in paragraph 11 hereof, together with renewals thereof, substitutions therefor, accretions therein and all rights and claims in respect thereof;

(h) All proceeds and products of any or all the foregoing, including any compensation for collateral damaged, expropriated, stolen or destroyed. The above named property, whether now owned or hereafter acquired, shall hereinafter be called the "Collateral".

3. WARRANTIES AND COVENANTS

(a) Except for the security interest granted hereby the Assignor or any one or more of them is (and as to collateral to be acquired after the date hereby, shall be) the owner of the Collateral free and clear of all liens, charges, claims, encumbrances, taxes or assessments.

(b) The Assignor will not sell, offer to sell, transfer, or otherwise dispose of, pledge or mortgage the Collateral (other than inventory which may be sold, leased, or otherwise disposed of in the ordinary course of Assignor's business), nor will the Assignor suffer to exist any other security interest in the Collateral in favour of any person other than the Credit Union without the prior written consent of the Credit Union. All proceeds of the Collateral whether or not arising in the ordinary course of Assignor's business, shall be received as trustee for the Credit Union and shall be forthwith paid over to the Credit Union.

(c) The Assignor shall, during the currency of this Agreement, insure and keep insured the Collateral to its full insurable value for fire, theft and such other risks as the Credit Union may reasonably require, and will, at the request of the Credit Union, pay such further premium as is necessary to obtain an endorsement that the security interest of the Credit Union will not be invalidated by any breach of statutory condition. The proceeds in any insurance held pursuant to this paragraph shall be payable to the Credit Union and any proceeds of such insurance shall, at the option of the Credit Union, be applied to the replacement of the Collateral or towards repayment of any indebtedness of the Assignor or any one or more of them to the Credit Union. Should the Assignor neglect to maintain such insurance, the Credit Union may insure, and any premiums paid by the Credit Union together with interest thereon shall be payable by the Assignor to the Credit Union upon demand. The Assignor will deposit a certified copy of such insurance with the Credit Union on request, or obtain an insurance endorsement in favour of the Credit Union. Assignor will promptly give the Credit Union written notice of any loss or damage to all or any part of the Collateral.

(d) The Assignor shall provide from time to time upon request from the Credit Union, written information relating to the Collateral or any part thereof, and the Assignor's financial or business affairs, and the Credit Union shall be entitled from time to time to inspect the tangible Collateral including, without limitation, the books and records referred to in paragraph 2(f) above wherever located and however stored. For such purpose the Credit Union shall have access to all places where the Collateral or any part thereof is located, and to all premises occupied by the Assignor, and to all mechanical or electronic, equipment devices and processes where any of them may be stored or from which any of them may be retrieved.

(e) The Assignor is in compliance with all Environmental Laws in respect of the operation of its business and/or its assets (including the Collateral), has obtained all permits necessary under Environmental Laws ("Permits") to operate its business and own its assets, and has not received any notice of non-compliance with any Environmental Laws or Permits. The Assignor will continue to conduct its business and own and operate its assets in compliance with all Environmental Laws and Permits for the term of this agreement. The Assignor will immediately advise the Credit Union of (i) any environmental issues that arise in respect of its business or assets that result in or may lead to non-compliance with Environmental Laws or Permits, and, (ii) any notice of non-compliance with Environmental Laws or Permits that it may receive, including any stop orders or orders for remediation or preventative steps. For the purposes of this agreement, "Environmental Laws" shall mean the Environmental Protection Act, R.S.O. 1990, c.E.19 and the Canadian Environmental Protection Act, R.S.C. 1985, c.16 or any successor legislation or any other applicable federal, provincial or local environmental, health or safety law, rules or regulations imposing liability or standards in connection with hazardous, toxic or dangerous waste, substance, materials, smoke, gas or particular matter.

4. EVENTS OF DEFAULT

Any or all of the liabilities or indebtedness of the Assignor or any one or more of them to the Credit Union shall, at the option of the Credit Union and notwithstanding any time or credit allowed by any instrument evidencing a liability, be immediately due and payable without notice or demand upon the occurrence of any of the following events (hereinafter referred to as "Event(s) of Default"):

- (a) Default in the payment or performance when due or payable of any liability of the Assignor of any one or more of them, or of any endorser, guarantor or surety for any liability of the Assignor or any one or more of them to the Credit Union;
- (b) Default by the Assignor of any obligation or covenant contained herein, or in any other agreement or document existing at any time between the Credit Union and Assignor or any of them;
- (c) Any warranty, representation or statement made by the Assignor or furnished to the Credit Union herein, or in the application for any loan, was untrue in any material respect when made or furnished;
- (d) Any loss, theft, damage or destruction of Collateral or of any part of it, or the making of any levy, seizure or attachment thereto or the appointment of a receiver of any part thereof;
- (e) If the Credit Union should at any time deem itself insecure, bearing in mind the extent of the liabilities secured hereby, the value of the Collateral and any other relevant considerations;
- (f) The death, dissolution, termination of existence, insolvency, business failure, or commencement of any proceedings under the Bankruptcy and Insolvency Act affecting the Assignor or any one or more of them;
- (g) The Assignor ceases or threatens to cease to carry on in the normal course the Assignor's business or any material part of such business;
- (h) Change of effective control of the Assignor, if a corporation;

5. REMEDIES

Upon any Event of Default and at any time thereafter the Credit Union, at its option may declare that all indebtedness and obligations secured by this agreement shall immediately become due and payable, and:

- (a) the Credit Union shall have all rights and remedies of a secured party under the PPSA;
- (b) the Credit Union shall be constituted to appoint in writing any person to be a receiver (which term shall include a receiver and manager) of the Collateral, including any rents and profits thereof, and may remove any receiver and appoint another in his stead. Such receiver so appointed shall have power to take possession of the Collateral and to carry on or concur in carrying on the business of the Assignor, and to sell or concur in selling the Collateral or any part thereof. Any such receiver shall (for purposes relating to responsibility for the receiver's acts or omissions) be deemed to be the agent of the Assignor. The Credit Union may from time to time fix the remuneration of such receiver. All moneys from time to time received by such receiver shall be paid by him first in discharge of all rents, taxes, rates, insurance premiums and outgoings affecting the Collateral, secondly in payment of his remuneration as received, thirdly in keeping in good standing any liens and charges on the Collateral prior to the security constituted by this Agreement, and fourthly in or toward payment of such parts of the indebtedness and liability of the Assignor to the Credit Union as to the Credit Union seems best, and any residue of such moneys so received shall be accounted for as required by law. The Credit Union in appointing or refraining from appointing such receiver shall not incur any liability to the receiver, the Assignor or otherwise;
- (c) the Credit Union may collect, realize, sell or otherwise deal with the Collateral or any part thereof in such manner, upon such terms and conditions at such time or times, and without notice to the Assignor, as may seem to it advisable. The Credit Union shall not be liable or accountable for any failure to collect, realize, sell or obtain payment of the Collateral or any part thereof, and shall not be bound to institute proceedings for the purpose of collecting, realizing or obtaining payment of the same or for the purpose of preserving any rights of the Credit Union, the Assignor or any other person, firm or corporation in respect of the same. All moneys collected or received by the Assignor in respect of the Collateral shall be received as trustee for the Credit Union and shall be forthwith paid over to the Credit Union. All moneys collected or received by the Credit Union in respect of the Receivables or other Collateral may be applied on account of such parts of the indebtedness and liability of the Assignor as to the Credit Union seems best or, in the discretion of the Credit Union, may be released to the Assignor, all without prejudice to the liability of the Assignor or the Credit Union's right to hold and realize this security;
- (d) The Assignor(s) will remain liable to the Credit Union for payment of any and all indebtedness following realization of all or any part of the Collateral.

6. CHARGES AND EXPENSES

The Credit Union may charge on its own behalf and pay to others reasonable sums for expenses incurred and for services rendered (expressly including advice and services) in or in connection with realizing, disposing of, retaining or collecting the Collateral or any part thereof. Such sums shall be a first charge on the proceeds of realization, disposition or collection. The Credit Union may at its option pay taxes, discharge any encumbrance or charge claimed (whether validly or not) against the Collateral and pay any amount which, in the Credit Union's sole discretion, it may consider requisite to secure possession of the Collateral with or without litigation or compromise. The Credit Union may settle any litigation in respect of the Collateral or the possessions thereof, and may pay for insurance, repairs and maintenance to the Collateral, and any sum so paid by the Credit Union shall constitute indebtedness of the Assignor secured hereunder, which the Assignor shall repay on demand.

7. POSSESSION OF COLLATERAL

Until default, the Assignor may have possession of the Collateral and enjoy the same subject to the terms hereof. However, whether or not default has occurred, the Credit Union may at any time request that debtors on the Receivables be notified of the Credit Union's security interest. The Credit Union may from time to time confirm with such debtors the existence and amount of the Receivables. Until such notification is made, the Assignor shall continue to collect Receivables but shall hold the proceeds received from collection in trust for the Credit Union without commingling the same with other funds, and shall turn the same over to the Credit Union immediately upon receipt in the identical form received.

8. LOCATION OF COLLATERAL

Except for any property described in paragraph 11 hereof, the Collateral, insofar as it consists of tangible property is now and will hereafter be at the place or places, listed below. None of the Collateral shall be removed from such place or places without the written consent of the Credit Union. *If space insufficient, attach a list, signed and witnessed schedule.*

6485 14th Line, New Tecumseth

9. SUPPLEMENTARY DESCRIPTION OF INVENTORY *(If space insufficient, attach a list, signed and witnessed schedule)***10. SUPPLEMENTARY DESCRIPTION OF EQUIPMENT** *(If space insufficient, attach a list, signed and witnessed schedule)***11. SUPPLEMENTARY DESCRIPTION OF SECURITIES** *(If space insufficient, attach a list, signed and witnessed schedule)***12. FURTHER ASSURANCES CLAUSE**

The Assignor will from time to time at its sole cost and expense, promptly and duly authorize, execute and deliver such further and other instruments and documents and take such further action, as the Credit Union may from time to time require for the purpose of obtaining or preserving the full benefits of, and the rights and powers gained by this Agreement, including without limitation, the filing of any financing statement or financing change statement under applicable legislation with respect to the security interest granted to the Credit Union hereunder.

13. ENTIRE AGREEMENT CLAUSE

The Credit Union has not made any representation or undertaken any obligation in connection with the subject matter of this Agreement other than as expressly set out in this Agreement, and in particular, nothing in this Agreement requires the Credit Union to make, renew or extend the time for payment of any loan or other financial accommodation to the Assignor or any one of them or any other person. This Agreement contains the entire agreement between the Credit Union and the Assignor with respect to the subject matter hereof.

14. GENERAL

- (a) This agreement shall be a continuing agreement in every respect.
- (b) This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

(c) This Agreement shall come to the benefit of and be binding upon the Credit Union and its successors and assigns and each Assignor and their respective heirs, executors, administrators, successors and permitted assigns. No Assignor will assign this Agreement without the Credit Union's prior written consent.

(d) The Assignor may terminate this Agreement by delivering written notice to the Credit Union at any time when the Assignor, or each of them, is not indebted or liable to the Credit Union. No remedy for the enforcement of the rights of the Credit Union hereunder shall be exclusive of or dependent on any other such remedy and any one or more of such remedies may from time to time be exercised independently or in combination. The security interest created or provided for by this Agreement is intended to attach (i) to existing Collateral, when this Agreement is signed by the Assignor (ii) to Collateral subsequently acquired by the Assignor, immediately upon the Assignor acquiring any rights on such Collateral. The parties confirm that they do not intend to postpone the attachment of any security interest created hereby and delivered to the Credit Union. For greater certainty it is declared that any and all future loans, advances or other value which the Credit Union may in its discretion make or extend to or for the account of the Assignor or of any one or more of them shall be secured by this Agreement.

(e) In construing the Agreement, the word "Assignor" and the personal pronouns "he" or "his" and any verb relating thereto shall be read and construed as the number and gender of the parties signing this Agreement may require.

(f) The Credit Union may increase, reduce, discontinue or otherwise vary the Assignor's credit facility, grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases, take and give up any Collateral, abstain from taking, perfecting or registering any security interest, mortgage, charge or assignment granted hereby and discharge and otherwise deal with the Assignor, debtors of the Assignor, sureties and others, and with the Collateral and other securities, as the Credit Union may see fit and without prejudice to the liability of the Assignor or the Credit Union's right to hold and realize this security.

(g) If more than one person or entity signs this Agreement as Assignor, the obligations of such persons or entities is to be joint and several.

(h) This General Security Agreement is in addition and without prejudice to any securities of any kind now or hereafter held by the Credit Union.

(i) The Assignor agrees to pay on demand the Credit Union's costs and expenses (including legal fees) in connection with the taking/discharging/registering of this Agreement and exercising any and all of its rights granted hereunder.

15. The Borrower hereby acknowledges receipt of a copy of this Agreement.

Signed, sealed and delivered this 29 day of April, 2016 at Vernon, Ontario

TO BE COMPLETED BY SOLE PROPRIETOR OR PARTNERS

Witness Signature of Assignor
Witness Signature of Assignor

Middle Initial	Date of Birth Day, Month, Year	Gender (M/F)

TO BE COMPLETED BY INCORPORATED BUSINESS

NEW TECUMSETH LAND CORPORATION
Corporation and or Trade Name of Assignor

Title President

Per [Signature]
Authorized Signing Officer - Greg Goyo
(I have the authority to bind the corporation)

Title

Authorized Signing Officer
(I have the authority to bind the corporation)

SCHEDULE "A"

Year/Make	Asset Type	Model	VIN
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TAB G

Ross Macfarlane

From: Don Parente, B.A., J.D. <donparente@parenteborean.com> 129
Sent: Friday, February 28, 2020 8:53 AM
To: Ross Macfarlane
Cc: Tina Dugas; Lucas Parente B.A. (Hons), J.D.; Dorisia Campanella; Guery Goyo
Subject: RE: New Tecumseth Land Corporation
Attachments: APS final executed Nov 14 17.pdf; Waiver - Jan 16.18.pdf; Amendment to APS Jan 3 18.pdf; Amendment to APS Jan 9 18.pdf; Amendment to APS ltr Apr 18 19.pdf

Good morning Ross,

As per your request, we have attached a copy of the agreement of purchase and sale together with the relevant amendments. The closing is currently scheduled for March 16, 2020. I have not forwarded to you all the email correspondence that it pertaining to the extensions.



PARENTE BOREAN

Don Parente, B.A., J.D.
Partner
Parente Borean
Lawyers
3003 Highway 7, Suite 207
Woodbridge, ON
L4L 9C1
Direct: (905) 850-6067
Mobile: (905) 850-6066 ext. 223
Toronto: (416) 798-7077
Fax: (905) 850-6069
E-mail: donparente@parenteborean.com
www.parenteborean.com

From: Ross Macfarlane <jrmacfar@flettbeccario.com>
Sent: Wednesday, February 26, 2020 11:58 AM
To: Don Parente, B.A., J.D. <donparente@parenteborean.com>
Cc: Tina Dugas <Tdugas@flettbeccario.com>
Subject: New Tecumseth Land Corporation

Good morning, Don.

Further to our telephone conversation, kindly forward a copy of the agreement of purchase and sale, once you have your client's instructions to do so.

Thank you,
Ross

J. Ross Macfarlane
Flett Beccario,
Barristers & Solicitors
190 Division Street
P.O. Box 340
Wellsand, ON L3B 5P9
Canada

Tel: 905.732.4481 x.274

Cel: 289.821.0679

Fax: 905.732.2020

Web: heltbex.com/eng

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CONFIDENTIALITY: This communication (including attachments, if any) is privileged and confidential. It is intended only for the addressee and should not be read or delivered to any other person. Any unauthorized use or disclosure is strictly prohibited. Disclosure of this communication to anyone other than the intended addressee does not constitute waiver of privilege. If you have received this communication in error, please delete it and notify us immediately. We take no responsibility for changes which may be made to this communication (including attachments) by the recipient or any other party. Thank you for your co-operation.

TAB H

FORBEARANCE AGREEMENT

This Agreement is made as of May 11, 2018 (the "Effective Date") among, FirstOntario Credit Union Limited (the "Lender"), New Tecumseth Land Corporation (the "Corporation"), and Guery Goyo (the "Guarantor").

RECITALS:

- A. The Corporation is indebted to the Lender as set out in Section 3 hereof, including pursuant to the commitment letter among the Lender and the Corporation dated September 15, 2015 (as may be amended, supplemented or modified, collectively, the "Commitment Letter").
- B. The Corporation's liabilities and obligations under the Commitment Letter are guaranteed by the Guarantor pursuant to a Guarantee and Postponement of Claim dated April 29, 2016, (the "Guarantee").
- C. The Corporation has granted security to and in favour of the Lender to secure payment and performance of their obligations to the Lender (including the indebtedness and liabilities of the Corporation pursuant to the Commitment Letter and Guarantee), including without limitation pursuant to the documents set out in Schedule "A" hereto (collectively, the "Security").
- D. The Corporation has advised the Lender that an Events of Default shall occur and shall continue pursuant to the Commitment Letter and the Guarantee as a result of, among other things, the failure of the Corporation to pay out the Indebtedness and to satisfy the balance of all other Obligations to the Lender on May 11, 2018, being the date upon the term of the loan provided for in the Loan Documents shall expire (the "Specified Event of Default").
- E. The Lender has put the Corporation and Guarantor on notice that they shall be in default of the Loan Documents (as defined below).
- F. The Corporation and Guarantor have waived the requirement of the Lender to deliver a Notice of Intention to Enforce Security (the "NOI") pursuant to Section 244(1) of the BIA, and the benefit of the notice period provided for thereunder.
- G. The Corporation and the Guarantor have requested that the Lender forbear from exercising the enforcement remedies available to it under the Loan Documents and otherwise at law (collectively, the "Remedies") during the Forbearance Period (as defined below).
- H. The Lender hereby agrees to forbear from exercising its Remedies against the Corporation and the Guarantor, subject to and in accordance with the following terms and conditions.

In consideration of the forbearance, the payments provided for hereunder, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Defined Terms

In this Agreement, in addition to the terms defined in the Preamble and Recitals, above, and unless the context otherwise requires, the following terms shall have the following meanings:

- (a) "Agreement" means this Forbearance Agreement, including the schedules,

preamble and recitals to this Agreement, as it or they may be amended, restated, replaced or supplemented from time to time, and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and not to any particular section or other portion of this Agreement.

- (b) "**Claims**" has the meaning set forth in Section 9 hereof.
- (c) "**Event of Default**" means any default or event of default pursuant to the Loan Documents.
- (d) "**Forbearance Condition**" means any of the covenants and conditions set forth in Section 4 of this Agreement.
- (e) "**Forbearance Period**" has the meaning set forth in Section 4 hereof.
- (f) "**General Assignment**" has the meaning set forth in Schedule "A".
- (g) "**Indebtedness**" has the meaning set forth in Section 3(a).
- (h) "**Indemnitors**" has the meaning set forth in Section 10 hereof.
- (i) "**Loan Documents**" means, collectively, the Commitment Letter, the Security, this Agreement, and any and all other documents, agreements, letters or understandings delivered by the Corporation and the Guarantor, including the Guarantee, pursuant to or in connection with the Commitment Letter or the Security.
- (j) "**Obligations**" means all loans, advances, debts, liabilities and obligations, howsoever arising, owed by the Corporation to the Lender under the Loan Documents of every kind and description.
- (k) "**Party**" means the Lender, the Corporation and each of the Guarantors, and any reference to a Party includes its successors, heirs, estate trustees and permitted assigns.
- (l) "**Property**" means the real property of the Corporation located at 6485 14th Line, New Tecumseth, Ontario, being legally described as (a) PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH, being all of PIN 58145-0050 (LT), and (b) PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH, being all of PIN 58145-0517 (LT).
- (m) "**Termination Event**" means any of the events set forth in Section 7 of this Agreement.

2. Extended Meanings

In this Agreement, words importing the singular number only include the plural and *vice versa*. The term "including" means "including without limiting the generality of the foregoing". All references to dollars or "\$" in this Agreement mean Canadian dollars unless otherwise specified.

3. Confirmations

The Corporation and each Guarantor hereby confirms, acknowledges and agrees to

the Lender as follows:

- (a) The Recitals are true and accurate and form integral terms and conditions of this Agreement.
- (b) As at May 11, 2018, the Corporation is indebted to the Lender pursuant to the Commitment Letter in the amount of Six Million Thirty-Five Thousand Two Hundred and Sixty Dollars and Fifty-Five Cents (\$6,035,260.55), as more particularly set out in Schedule "B" hereto, including all principal outstanding, accrued and unpaid interest, together with all fees, expenses and other amounts payable by the Corporation to the Lender pursuant to the Loan Documents (collectively, the "Indebtedness"), and all such amounts are Obligations secured by the Security, and shall be paid by the Corporation to the Lender free and clear of any set-off, counterclaim, deduction or defense of any kind whatsoever. For greater certainty, total Obligations owing to the Lender and secured by the Security shall include any Obligations of the Corporation to the Lender incurred from and after May 11, 2018, including any and all costs, fees and expenses incurred after May 11, 2018, and interest shall continue to accrue on the Obligations at the applicable rates set out in the Loan Documents, as amended by this Agreement.
- (c) Each of the Loan Documents set out in Schedule "A" is legal, valid and binding against the Corporation and/or Guarantor, as applicable, and is enforceable in accordance with its terms.
- (d) The Indebtedness, the Obligations, the liabilities owing by the Corporation under the Commitment Letter and the liabilities owing by the Corporation under this Agreement are secured by the Security.
- (e) Events of Default shall occur and shall continue pursuant to the Loan Documents as a result of, among other things, the Specified Events of Default. As a result of the Specified Events of Default, the Lender shall, as at May 11, 2018, be entitled to exercise its Remedies.
- (f) The Corporation and Guarantor have waived the requirement of the Lender to deliver NOI, and the notice period specified therein. Accordingly, subject to the terms and conditions of this Agreement and applicable law, the Security is immediately enforceable by the Lender in accordance with its terms.
- (g) The Guarantor hereby acknowledges and confirms that his guarantee of the Obligations, including the Indebtedness, on the terms of the Guarantee, are continuing and unaffected by the provisions of this Agreement.
- (h) All terms and conditions of the Loan Documents shall continue in full force and effect save and except as amended by this Agreement, and to the extent that any provision thereof is inconsistent with this Agreement, this Agreement shall prevail.

4. Forbearance

Notwithstanding the Specified Events of Default, the Lender hereby agrees to forbear from exercising its Remedies against the Corporation and the Guarantor until the earlier of: (i) June 11, 2018, or (ii) the occurrence of a Termination Event (the "Forbearance Period"), provided that the Corporation covenants and agrees to observe and be bound by the conditions set out below

(collectively, the "Forbearance Conditions"):

- (a) The Corporation shall pay the full the Indebtedness and satisfy the balance of all other Obligations to the Lender immediately at the end of Forbearance Period.
- (b) During the Forbearance Period, the Corporation and Guarantor shall strictly comply and perform all of their respective covenants and obligations as prescribed by the Loan Documents, save for the Specified Event of Default which shall be governed by the terms and conditions of this Agreement.
- (c) Without limiting the generality of the Section 4(b) hereof:
 - (i) The Corporation shall make all payments of interest as and when they become due;
 - (ii) The Corporation shall pay all property taxes and utilities in respect of the Property in full when due to the applicable municipality or utility, and shall promptly provide evidence of same to the Lender, as and when requested by the Lender; and
 - (iii) The Corporation shall preserve and insure the Property as prescribed by the Loan Documents and shall promptly provide evidence of same to the Lender, as and when requested by the Lender.
- (d) Intentionally Deleted
- (e) From and after the Effective Date, the Corporation and Guarantor shall immediately notify the Lender in writing of any material adverse change in the business or financial condition of the Corporation or Guarantor, or the occurrence of any Event of Default or Termination Event, or any event which with notice or lapse of time or both would constitute an Event of Default or Termination Event.

5. **Consideration for Forbearance**

In consideration for the Lender's forbearance as set out in this Agreement, in addition to any other amounts payable under this Agreement:

- (a) The Corporation and Guarantor shall pay a forbearance fee to the Lender in the amount of Forty-Seven Thousand Five Hundred (\$47,500.00) Dollars which amount shall be fully earned by the Lender upon the execution of this Agreement;
- (b) The Corporation and Guarantor shall pay a statement of fee of Five Hundred (\$500.00) Dollars and Missed Payment Fees of Two Hundred and Forty (\$240.00) Dollars;
- (c) The Corporation and Guarantor shall pay all costs, fees and expenses on a full indemnity basis (including, without limitation, all legal, financial and other advisory fees, disbursements and out of pocket expenses) incurred by the Lender in connection with:
 - (i) this Agreement including, without limitation, all fees, costs, expenses and disbursements incurred by the Lender in connection with the negotiation, preparation and administration of this Agreement; and

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- (ii) the enforcement of all rights and remedies under this Agreement and the Loan Documents.

The amounts set out Subsections 5(a), (b) and (c)(i) shall be due and payable contemporaneous with the execution of this Agreement by the Corporation and the Guarantor and delivery thereof to the Lender, and the amounts set out in Subsection 5(c)(ii) as and incurred by the Lender, and to the extent not paid by the Corporation and the Guarantors, such amounts shall be added to the Indebtedness and secured by the Security.

6. Representations and Warranties

The Corporation and Guarantor represents and warrants to the Lender as follows:

- (a) The Corporation is a corporation duly organized and validly existing under the laws of the jurisdiction of their incorporation and have the corporate power and authority and all government licenses, authorizations, consents, registrations and approvals required to own their assets, to conduct the business in which they are engaged and to enter into and perform its obligations under the Loan Documents.
- (b) This Agreement has been duly authorized, executed and delivered by the Corporation and Guarantor and constitutes a legal, valid and binding obligation of the Corporation and Guarantor enforceable in accordance with its terms.

7. Termination of Forbearance

Other than as may be consented to in writing by the Lender, in its sole discretion, the Forbearance Period shall terminate immediately upon the occurrence of any of the following Termination Events:

- (a) The occurrence of any Event of Default other than a Specified Event of Default;
- (b) Failure of the Corporation or Guarantor to comply with any Forbearance Condition or any other term or condition set out in this Agreement;
- (c) If any confirmation, representation or warranty given by the Corporation or any Guarantor herein or in any Loan Document is untrue in any material respect;
- (d) If the Corporation or Guarantor challenges in any manner the legality, validity, or enforceability of any Loan Document or this Agreement or any security interest granted thereunder, including the Security, or challenges any of the liabilities or obligations owing to the Lender (including the Indebtedness and/or the Obligations);
- (e) If at any time an order is made or an effective resolution passed for the winding-up, liquidation or dissolution of the Corporation;
- (f) If at any time the Corporation, or a related or affiliated Corporation, or Guarantor consents to or makes a general assignment for the benefit of creditors, or makes a proposal under (or files a notice of intention to do so), or takes advantage of, any insolvency legislation, or take any corporate step in furtherance of the foregoing, or is declared bankrupt, or if a liquidator, trustee in bankruptcy, custodian, interim receiver, receiver or receiver and manager or other officer with similar powers is appointed with respect to the Corporation, or a related or

affiliated Corporation, or Guarantor or any of its/his/their respective property, or any step in furtherance of any of the foregoing is taken by the Corporation, or a related or affiliated Corporation, or their respective its respective directors or officers, or Guarantor, or any third party;

- (g) If the Corporation ceases or threatens to cease to carry on the business, or a substantial part thereof, in the ordinary course;
- (h) If the Lender, in its sole discretion, determines that there is a material adverse change in the business or financial condition of the Corporation or Guarantor; or
- (i) If the Lender, in its sole discretion, determines that the value of any of the collateral granted as security in support of the Obligations is depreciating or the ability of the Corporation or any Guarantor to fulfill its Obligations to the Lender is diminishing.

Each Termination Event shall be deemed an Event of Default pursuant to the Loan Documents. Upon the occurrence of a Termination Event, the Lender may declare the Forbearance Period to be terminated and the Lender shall be entitled immediately to exercise all rights and remedies (including the Remedies) under the Loan Documents, this Agreement or otherwise arising upon an Event of Default without further notice or delay, and the Corporation and each of the Guarantors acknowledge that, to the extent permitted by law including, without limitation, any and all rights pursuant to Section 17 of the Mortgages Act (which rights be and are expressly reserved hereby by the Lender), all Obligations owing to the Lender shall be immediately due and payable without further notice or demand by the Lender.

8. Independent Legal Advice

The Corporation and the Guarantor acknowledges that, in executing and delivering this Agreement, they have acted and continue to act freely and without duress. The Corporation and Guarantor acknowledges that the actions of the Lender in entering into this Agreement have been fair and reasonable and that the Lender (i) has not acted in a managerial capacity with respect to the Corporation or Guarantor, and (ii) has no fiduciary duty to the Corporation or Guarantor in connection with this Agreement or any Loan Documents. The Corporation and the Guarantor confirm that they have had the benefit of independent legal advice in connection with the preparation and negotiation of this Agreement. The Corporation and Guarantor hereby waive and agree not to assert or cause to be asserted any defence, right or claim with respect to any matter set forth in this Section, and the Corporation and Guarantor hereby release the Lender from any and all claims they may have with respect thereto arising on or before the date of this Agreement.

9. Release

In consideration of the Lender agreeing to forbear as set out in this Agreement, the Corporation and the Guarantor, on their own behalf and on behalf of their successors, heirs, estate trustees and assigns, remise, release and forever discharge the Lender and its employees, agents, officers, directors, successors and assigns from any and all actions, causes of action, claims, demands, damages, costs and expenses whatsoever at law or in equity in which they ever had, now have, or which they shall have against the Lender or its employees, agents, officers, directors, successors and assigns by reason of any manner, cause, or thing whatsoever existing up to the date hereof (the "**Claims**"). Neither the Corporation nor Guarantor shall make any Claims or take any proceedings against any other person, firm, corporation or other legal entity who might claim contribution or indemnity against the Lender in respect of any cause, matter or thing whatsoever arising out of, related to, or in any manner connected with the Claims released herein. The

Corporation and the Guarantor further hereby promise and covenant, on their own behalf and on behalf of their successors, heirs, estate trustees and assigns, that they shall not bring any legal action, application or petition against the Lender or its employees, agents, officers, directors, successors and assigns in respect of or in relation to any Claim. The provisions of this Article 9 shall survive indefinitely.

10. Indemnity

The Corporation and Guarantor (collectively, the "Indemnitors") shall defend, indemnify and hold the Lender and its advisors, successors, assigns, officers and directors harmless from and against any losses, damages, costs (including reasonable legal fees on a substantial indemnity basis, and costs of appeal), expenses, judgments, liens, decrees, fines, penalties, liabilities, claims, actions, suits, and causes of action arising, directly or indirectly, from any breach by any of the Indemnitors of any covenant, warranty or representation contained in this Agreement. The provisions of this Article 10 shall survive indefinitely.

11. No Waiver

For greater certainty, the Lender has not waived the Specified Events of Default or any other existing or future Event of Default, and nothing in this Agreement, and no delay on the Lender's part in exercising or enforcing any of its rights or remedies (including the Remedies) shall constitute or be deemed to constitute a waiver of the Specified Events of Default or any other existing or future Event of Default.

A waiver by the Lender of any default, breach or non-compliance under this Agreement is not effective unless in writing and signed by the Lender. No waiver will be inferred from or implied by any failure to act or delay in acting by the Lender in respect of any default, breach or non-observance or by anything done or omitted to be done by the Corporation. The waiver by the Lender of any default, breach or non-compliance under this Agreement will not operate as a waiver of the Lender's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

12. No Third Party Beneficiaries

Unless expressly stated herein, this Agreement shall be solely for the benefit of the Parties and no other person or entity shall be a third party beneficiary hereof.

13. Time of Essence

Time shall be of the essence of this Agreement in all respects.

14. Further Assurances

Each Party shall from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that the other Party may require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

15. Entire Agreement

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes any and all prior agreements, understanding,

negotiations and discussions, whether oral or written. There are no conditions, warranties, representations or other agreements between the Parties in connection with the subject matter of this Agreement (whether oral or written, express or implied, statutory or otherwise) except as specifically set out in this Agreement.

16. Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

17. Governing Law

This Agreement will be binding upon and enure to the benefit of the Parties and their respective successors, heirs, estate trustees and assigns, and will be governed by and construed in accordance with the laws of the Province of Ontario.

18. Counterparts

This Agreement may be executed in any number of counterparts and by the undersigned in separate 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. Delivery of an executed signature page to this Agreement by any of the undersigned by facsimile or "pdf" e-mail transmission shall be effective as delivery of a manually executed copy of this Agreement by such undersigned.

19. No Novation

This Agreement shall not constitute and shall not be deemed or construed to be a satisfaction, reinstatement, novation or release of the Commitment Letter or any other Loan Document.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

FIRSTONTARIO CREDIT UNION LIMITED

By: 

Name:

Title:

**Sean T. Tiernay
Senior Manager
Commercial Services**

I have authority to bind the Credit Union

NEW TECUMSETH LAND CORPORATION

By: [Signature]
Name: Guery Goy
Title: President

I have the authority to bind the corporation.

I hereby certify that I agree to be bound to this Forbearance Agreement, and that I have made this decision of my own volition, after having obtained, or having been given the opportunity to obtain, independent legal advice:

GUERY GOYO

[Signature]

Witness: [Signature]
Name: Sandra Noost

SCHEDULE "A"**- Security -****Borrower Security**

1. Fixed Rate Business Loan Agreement dated April 29, 2016;
2. Business Loan General Security Agreement dated April 29, 2016;
3. Personal property security, including as evidenced by a financing statement filed with the Ontario Personal Property Security Registry on September 29, 2015 as 20150929 1016 1295 7657 (File No. 710357121) with respect to the Assignment of Rents;
4. Charge/Mortgage registered in the Land Registry Office #51 (the "Land Registry Office") on May 5, 2016 as Instrument No. SC1301746 (the "Charge");
5. Assignment of Rents registered in the Land Registry Office on May 5, 2016 as Instrument No. SC1301755;
6. Personal property security, including as evidenced by a financing statement filed with the Ontario Personal Property Security Registry on September 29, 2015 as 20150929 1016 1295 7657 (File No. 710357121) with respect to the Assignment of Rents; and
7. Transfer and Consent of Insurance dated April 29, 2016.

Guarantor Security – Guery Goyo

8. Guarantee and Postponement of Claim of Guery Goyo dated April 29, 2016 for \$6,000,000.00.

Postponements

9. Postponement of Related Party's Loans (No Interest) dated April 18, 2016 by Frank Marchetti;
10. Postponement of Related Party's Loans (No Interest) dated April 21, 2016 by Franco Giambagno;
11. Postponement of Related Party's Loans (No Interest) dated April 20, 2016 by Roberta Borland;
12. Postponement of Related Party's Loans (No Interest) dated April 20, 2016 by Andy Vankranlingen;
13. Postponement of Related Party's Loans (No Interest) dated April 29, 2016 by Villarboit Investments Limited;
14. Postponement of Related Party's Loans (No Interest) dated April 29, 2016 by Villarboit Holdings Limited;

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15. Postponement of Related Party's Loans (No Interest) dated April 29, 2016 by Triabacus Capital Corporation;
16. Postponement of Related Party's Loans (No Interest) dated April 28, 2016 by Johnwood Investment Inc.;
17. Postponement of Related Party's Loans (No Interest) dated April 15, 2016 by P.D.R. Investments Ltd.;
18. Postponement of Related Party's Loans (No Interest) dated April 20, 2016 by Tanview Investments Limited; and
19. Postponement of Related Party's Loans (No Interest) dated April 28, 2016 by 859055 Ontario Ltd..

**FLETT
BECCARIO**
(Founded 1919)

Flett Beccario, Barristers & Solicitors
Mailing: P. O. Box 340, Welland, ON L3B 5P9
Courier: 190 Division Street, Welland, ON L3B 4A2

Tel: 905-732-4481
Toll Free 1-866-473-5388

VIA EMAIL: donparente@parenteborean.com

March 12, 2020

Parente Borean LLP
Barristers & Solicitors
Attention: Don Parente
3883 Highway 7, Suite 207
Woodbridge ON L4L 6C1

Reply To: J. Ross Macfarlane (Ext. 274)
Fax No: (905) 732-2020
E-mail: jrmacfar@flettbeccario.com
Assistant: Tina Dugas (Ext. 231)
E-mail: tdugas@flettbeccario.com

Dear Sirs:

Re: *FirstOntario Credit Union Limited (the "Lender"), New Tecumseth Land Corporation (the "Company"), and Guery Goyo (the "Guarantor")*

We confirm that we act as counsel on behalf of the Lender in connection with the above matter. We understand that you act on behalf of the Company and the Guarantor.

The Lender has agreed to forbear from exercising its Remedies (as hereinafter defined) against the Company and the Guarantor to provide the Company with an opportunity to sell the Property (as hereinafter defined) (as hereinafter defined) and repay the Indebtedness (as hereinafter defined) in full by March 31, 2021 ("Termination Date"). The Lender's agreement to provide its continued financial support until the Termination Date is in consideration of the following acknowledgements and agreements.

RECITALS

- a. The Company is indebted to the Lender as set out in Section A hereof, including pursuant to the commitment letter among the Lender and the Company dated September 15, 2015 (as may be amended, supplemented or modified, collectively the "Commitment Letter").
- b. The Company and Guarantor entered into a Forbearance Agreement dated May 11, 2018 ("Original Forbearance Agreement").
- c. The Company has advised the Lender that an Events of Default shall occur and shall continue pursuant to the Commitment Letter, Guarantee and Original Forbearance Agreement as a result of, among other things, the failure of the Company to pay out the Indebtedness (as hereinafter defined) and to satisfy the balance of all other obligations to the Lender.

- d. The Lender has put the Company and Guarantor on notice that they shall be in default of the Credit Facilities (as defined below).
 - e. The Company and the Guarantor have waived the requirement of the Lender to deliver a Notice of Intention to Enforce Security (the "NOI") pursuant to Section 244(1) of the BIA, and the benefit of the notice period provided for thereunder. Accordingly, subject to the terms and conditions of this Letter Agreement and applicable law, the Security (as hereinafter defined) is immediately enforceable by the Lender in accordance with its terms.
 - f. The Company and the Guarantor have requested that the Lender forbear from exercising the enforcement remedies available to it under the Credit Facilities and the Original Forbearance Agreement and otherwise at law (collectively, the "Remedies") during the forbearance period until the Termination Date (as hereinafter defined).
- A. Indebtedness and Additional Security**
1. The indebtedness owed by the Company and the Guarantor to the Lender as of February 27, 2020 that is the subject of this Letter Agreement pursuant to the Commitment Letter ("Credit Facilities") is set out in Schedule "A" attached. The Commitment Letter is legal, valid and binding against the Company and/or the Guarantor, as applicable, and is enforceable in accordance with its terms.
 2. The amounts set out in Schedule "A", together with accruing interest, all professional and legal costs, and all other amounts payable under this Letter Agreement and the Credit Facilities are collectively referred to as the "Indebtedness".
 3. The security given in support of the Indebtedness is set out in Schedule "B" attached hereto ("Security").
 4. The Company and the Guarantor hereby acknowledge their Indebtedness and obligations to the Lender and that the Security is valid and binding on the Company and the Guarantor and shall continue to be enforceable in accordance with its terms.
 5. The Guarantor hereby acknowledges and confirms that, concurrently with the execution of this Letter Agreement, he will execute and deliver an unlimited guarantee of the indebtedness of the Company.
 6. The Company and the Guarantor hereby acknowledge that the Indebtedness does not include any additional credit facilities that are not the subject of this Letter Agreement (the "Additional Facilities"). The Company and the Guarantor agree that any Additional Facilities shall be kept in good standing during the term of this Letter Agreement.
 7. All terms and conditions of the Credit Facilities shall continue in full force and effect save and except as amended by this Letter Agreement, and to the extent that any provision thereof is inconsistent with this Letter Agreement, this Letter Agreement shall prevail.
- B. Consideration for Forbearance**
8. On or before the Termination Date, the Company and the Guarantor shall pay to the Lender a forbearance fee in the amount of \$30,000.00 which amount shall be fully earned by the Lender upon execution of this Letter Agreement.

9. The Company and the Guarantor shall pay a statement fee of \$500.00 on or before the Termination Date.
10. The Company and Guarantor agree to pay the remaining balance of the Indebtedness, including but not limited to principal, accrued interest, and the Lender's total incurred and future professional and legal costs, on or before the Termination Date.
11. The Company and Guarantor agree to prepay six (6) month's interest in the amount of \$239,862.30 into a business savings account with the Lender on or before March 31, 2020 ("Interest Prepayment"), such interest to be paid monthly from the Interest Prepayment commencing on April 11, 2020.
12. The Company and the Guarantor agree that all past due and accrued interest with respect to the Indebtedness shall be paid in full on or before March 31, 2020. As of February 27, 2020 the amount of interest owed is \$437,146.08, with a per diem of \$1,318.32 ("Past Due Interest"). Such funds will be applied toward the Indebtedness at the discretion of the Lender.
13. The Company shall make all payments of interest as and when they become due.
14. The Company shall pay all property taxes and utilities in respect of the real property owned by the Company located at 6485 14th Line, New Tecumseth, Ontario, being legally described as (a) PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH, being all of PIN 58145-0050 (LT) and (b) PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH, being all of PIN 58145-0517 (LT) (the "Property") in full when due to the applicable municipality or utility, and shall promptly provide evidence of same to the Lender, as and when requested by the Lender.
15. The Company shall preserve and insure the Property as prescribed by the Credit Facilities and Security and shall promptly provide evidence of same to the Lender, as and when requested by the Lender.
16. The Company shall provide the Lender a copy of the executed Agreement of Purchase and Sale in respect of the Property.
17. The Company shall provide the Lender a copy of the Executed Letter of Direction signed by the buyer of the Property and acknowledged by the buyer's solicitor, to hold in escrow monthly interest payments for six (6) months commencing with the monthly payment due October 11, 2020 in the amount of \$242,577.90 to be deposited in a FirstOntario business savings account for payment of interest for the final six (6) months (the "Escrow Interest Prepayment"), such interest to be paid monthly from the Escrow Interest Prepayment commencing on October 11, 2020. The Lender, the Company, and the Guarantor agree that the Interest Prepayment and the Escrow Interest Prepayment will be reconciled after 12 months, and any interest owing or any overpayment of interest will be adjusted among the parties.
18. All payments hereunder are to be kept current during the term of this Letter Agreement.
19. From and after the Effective Date (as hereinafter defined), the Company and the Guarantor shall immediately notify the Lender in writing of any material adverse change in the business or financial condition of the Company or Guarantor, or the occurrence of any Events of Default or Termination

Event, or any event which with notice or lapse of time or both would constitute an Events of Default or Termination Event.

20. The Company and the Guarantor shall provide the Lender with an executed Consent to Judgment in the form attached hereto as Schedule "C", contemporaneously with the execution of this Letter Agreement.
21. If the Lender is asked to respond to any credit inquiry concerning the Company made by any other bank, financial institution or any other party, the Lender shall refuse to respond to such inquiry and the Company hereby releases and discharges the Lender in respect of any loss that the Company may suffer as a result of such refusal to respond.

B. Demands and Notices

22. The Company and the Guarantor acknowledge default in payment of their obligations pursuant to the Credit Facilities, and acknowledge being served with demands for payment ("Demands"), dated January 9, 2019, and that the Demands are valid and effective.
23. The Company and the Guarantor have waived the requirement of the Lender to deliver a Notice of Intention to Enforce Security (the "NOI") pursuant to Section 244(1) of the BIA, and the benefit of the notice period provided for thereunder.
24. The Company and the Guarantor acknowledge that following the expiry or other termination of this Letter Agreement, the Lender shall not be obligated to issue any further demands or notices and the notice period under the Demands and NOI shall not run anew.

C. Termination

25. This Letter Agreement shall terminate on the Termination Date, unless terminated earlier pursuant to paragraph 27.

D. Events of Default

26. An event of default will be deemed to have occurred in the event:
 - (a) the Company or the Guarantor are in breach of any terms of this Letter Agreement;
 - (b) if, in the opinion of the Lender, there is a material adverse change in the financial condition, ownership or operation of the Company;
 - (c) if any confirmation, representation or warranty made by the Company or the Guarantor to the Lender shall knowingly be false in any material respect;
 - (d) any of the assets or undertakings of the Company or the Guarantor that form part of the Security are sold without the Lender's prior written consent; or,
 - (e) the occurrence of any other event which, in the opinion of the Lender, may materially and adversely impact the priority or enforceability of the Security, or the realizable value of the collateral subject to such Security.

- (f) if the Company or Guarantor challenges in any manner the legality, validity, or enforceability of any Credit Facilities, Security, Original Forbearance Agreement or this Letter Agreement, or any security interest granted thereunder, or challenges any of the liabilities or obligations owing to the Lender (including the Indebtedness and other obligations to the Lender).
 - (g) if at any time an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution of the Company.
 - (h) if at any time the Corporation, or a related or affiliated Company, or Guarantor consents to or makes a general assignment for the benefit of creditors, or makes a proposal under (or files a notice of intention to do so), or takes advantage of, any insolvency legislation, or take any corporate step in furtherance of the foregoing, or is declared bankrupt, or if a liquidator, trustee in bankruptcy, custodian, interim receiver, receiver or receiver and manager or other officer with similar powers is appointed with respect to the Company, or a related or affiliated Company, or Guarantor or any if its/his/their respective property, or any step in furtherance of any of the foregoing is taken by the Company, or a related or affiliated Company, or their respective directors or officers, or Guarantor, or any third party.
 - (i) if the Company ceases or threatens to cease to carry on the business, or a substantial part thereof, in the ordinary course.
 - (j) if the Lender, in its sole discretion, determines that the value of any of the collateral granted as security in support of the Obligations is depreciating or the ability of the Company or any Guarantor to fulfill its obligations to the Lender is diminishing.
 - (k) if the Company fails to pay any monthly payments with respect to the Credit Facilities and Indebtedness as they fall due after the Effective Date (hereinafter defined), including but not limited to all payments of interest as and when they become due.
 - (l) if the Company or Guarantor fail to pay the Interest Prepayment of \$242,079.14 on or before March 31, 2020 plus \$500 statement fee.
 - (m) if the Company or Guarantor fails to pay the Past Due Interest on or before March 31, 2020.
 - (n) if the Company fails to pay all property taxes and utilities in respect of the Property in full when due to the applicable municipality or utility.
 - (o) if the Company fails to pay the Indebtedness in full by the Termination Date.
 - (p) if the Company fails to obtain a zoning change with respect to the Property as required to enable it to close the sale of the Property.
27. Upon the occurrence of an Event of Default as contemplated by paragraph 26 and provided such Event of Default is not cured within 2 calendar days of the Lender giving notice of such default to the Company and Guarantor, the Lender may unilaterally, in its sole discretion, terminate this Letter Agreement and otherwise proceed to collect the Indebtedness and enforce the Security at its sole discretion and the Lender shall be entitled immediately to exercise all rights and remedies (including the Remedies), under the Credit Facilities and Security and this Letter Agreement or otherwise without further notice or delay, and the Company and Guarantor acknowledge that, to

the extent permitted by law including, without limitation, any and all rights pursuant to Section 17 of the Mortgages Act (which rights be and are expressly reserved hereby by the Lender), all obligations owing to the Lender shall be immediately due and payable without further notice or demand by the Lender.

E. Representations and Warranties

28. The Company and the Guarantor represent and warrant to the Lender as follows:
- (a) The Company is a corporation duly organized and validly existing under the laws of the jurisdiction of their incorporation and have the corporate power and authority and all government licenses, authorizations, consents, registrations and approvals required to own their assets, to conduct the business in which they are engaged and to enter into and perform its obligations under the Credit Facilities, Security and this Letter Agreement.
 - (b) This Letter Agreement has been duly authorized, executed and delivered by the Company and the Guarantor and constitutes a legal, valid and binding obligation of the Company and the Guarantor enforceable in accordance with its terms.

F. Covenants

29. Except as amended by this Letter Agreement, the Company and Guarantor shall comply with the terms of their agreements with the Lender and the Security.
30. The Company shall keep all Priority Claims, going forward, current. For the purpose of this paragraph "Priority Claims" means deemed trusts and other claims ranking in priority to the Lender's security including, without limitation, union dues and related expenses, utilities, realty taxes, HST, GST, PST, wages, employee remittances and WSIB. The Company shall further provide monthly confirmation to the Lender of payment of employee source deductions and HST. The Company shall provide HST, payroll and WSIB status reports to the Lender on a monthly basis.
31. The Company and the Guarantor shall maintain fire and liability insurance with respect to the assets forming the Security. A copy of that policy (or policies) shall be delivered to the Lender upon request.

G. Notices

32. Any notice, demand, approval, consent, waiver or other communication ("Notice") to be given by one party to another under this Letter Agreement, shall be in writing and shall be sufficiently given if delivered by registered mail or delivered personally or transmitted by electronic transmission to such party as follows:
- (a) in the case of the Company and the Guarantor

New Tecumseth Land Corporation
 151 Spinnake Way, Unit 5
 Concord, ON L4K 4C3
 E-Mail: ggoyo@villarboit.ca

Guery Goyo
 9255 Jane Street, Apt. #1411

Vaughan, ON L6A 0K1
E-Mail: ggoyo@villarboit.ca

with a copy to:

Parente Borean LLP
Barristers & Solicitors
Attention: Don Parente
3883 Highway 7, Suite 207
Woodbridge ON L4L 6C1

E-mail: donparente@parenteborean.com

(b) in the case of The Lender to:

FirstOntario Credit Union Limited
4021 Upper Middle Rd.
Burlingotn, ON L7M 0Y9

Attention: Virginia Selemidis
E-Mail: Virginia.Selemidis@firstontario.com

with a copy to:

Flett Beccario
Barristers & Solicitors
Attention: J. Ross Macfarlane
190 Division Street, Box 340
Welland, ON L3B 5P9

E-mail: jrmafar@flettbeccario.com

Any Notice delivered and received as aforesaid shall be deemed to have been given and received on the date of personal delivery or electronic transmission, or the third day after the registered letter is mailed, as the case may be.

H. Non-Waiver

33. No delay on the part of the Lender in exercising any remedy or any waiver of the rights given to it hereunder or the Security shall operate as a waiver thereof except if such waiver is specifically given in writing by the Lender and no forbearance on the part of the Lender with respect to any event of default shall be deemed to be of any waiver by the Lender of that event of default or any other subsequent or similar event of default.

I. Time of the Essence

34. Time is of the essence in this Letter Agreement.

J. Successors, Assigns and Governing Law

35. This Letter Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors or permitted assigns and will be governed by and construed in accordance with the laws of the Province of Ontario.

K. Unenforceability

36. The invalidity, illegality or unenforceability, for any reason, of any term or provision of this Letter Agreement, shall not in any manner invalidate any other term or provision hereof; the same shall be deemed to have been severed herefrom so that the validity, legality and enforceability of the remaining terms and provisions hereof shall not be affected, prejudiced or impaired thereby.

L. Conflict

37. If there is any inconsistency or conflict between the terms of this Letter Agreement and the terms of the Credit Facilities or the Security, the provisions of this Letter Agreement shall prevail to the extent of the inconsistency, but, the foregoing shall not apply to limit or restrict in any way the right and remedies of the Lender under the Credit Facilities, the Security or this Letter Agreement other than as may be specifically contemplated herein.

M. Correction of Security

38. The Company and the Guarantor shall at the request of the Lender correct and amend or replace any defective or incomplete security and to take all steps that may be necessary to correct the priority position of the Security as contemplated by the Credit Facilities.

N. Counterparts

39. This Letter Agreement or any amendment thereto may be executed in counterparts, and if so executed all counterparts when taken together shall comprise one and the same instrument, and facsimile and e-mail copies of signatures shall be treated as originals for all purposes. The parties signing below acknowledge and agree that each signatory to this Agreement is bound to the Agreement irrespective of whether all named parties have signed, and the refusal or failure of any party to accept or sign this Agreement shall not invalidate the Agreement or affect the liability of any party so signing.

O. Novation

40. This Letter Agreement will not discharge or constitute novation of any debt, obligation, covenant or agreement contained in the Credit Facilities or any of the Security but same shall remain in full force and effect save to the extent same are amended by the provisions of this Letter Agreement. The Company and the Guarantor hereby consent to such amendments to the Credit Facilities as may be occasioned through the execution and delivery of this Letter Agreement and consent to the terms of this Letter Agreement and the Company and the Guarantor do hereby agree that their obligations to the Lender, and any security granted in respect thereof, shall remain in full force and effect until such time as the obligations of the Company to the Lender have been indefeasibly paid

in full, notwithstanding the execution and delivery of this Letter Agreement or any further indulgences as may be afforded to the Company by the Lender.

P. Confirmation

41. The Company and the Guarantor reaffirm that the Credit Facilities and the Security remain in full force and effect as amended hereby; acknowledge and agree that there is no defense, set-off, or counterclaim of any kind, nature or description, to their obligations arising under the Credit Facilities and the Security as a result of the execution of this Letter Agreement or otherwise and that they have no adverse claims whatsoever against the Lender, their consultants, or their officers and employees (including claims for set-off, counterclaim or damages) with respect to their dealings with the Company.

Q. Effect of this Letter Agreement

42. Except as modified pursuant hereto, no other changes or modifications to the terms of the Credit Facilities or the Security are intended or implied and in all other respects of the terms of the Credit Facilities and the Security are confirmed.

R. Further Assurances

43. The parties hereto shall execute and deliver such supplemental documents and take such supplemental action as may be necessary or desirable to give effect to the provisions and purpose of this Letter Agreement, all at the expense of the Company.

S. Independent Legal Advice

44. The Company and the Guarantor acknowledges that, in executing and delivering this Agreement, they have acted and continue to act freely and without duress. The Company and Guarantor acknowledges that the actions of the Lender in entering this Letter Agreement have been fair and reasonable and that the Lender (i) has not acted in a managerial capacity with respect to the Company or the Guarantor, and (ii) has no fiduciary duty to the Company or Guarantor in connection with this Letter Agreement or any loan documents. The Company and the Guarantor confirm that they have had the benefit of independent legal advice in connection with the preparation and negotiation of this Letter Agreement. The Company and Guarantor hereby waive and agree not to assert or cause to be asserted any defence, right or claim with respect to any matter set forth in this Section, and the Company and Guarantor hereby release the Lender from any and all claims they may have with respect thereto arising on or before the date of this Letter Agreement.

T. Release

45. In consideration of the Lender agreeing to forbear as set out in this Agreement, the Company and the Guarantor, on their own behalf and on behalf of their successors, heirs, estate trustees and assigns, remise, release and forever discharge the Lender and its employees, agents, officers, directors, successors and assigns from any and all actions, causes of action, claims, demands, damages, costs and expenses whatsoever at law or in equity in which they ever had, now have, or which they shall have against the Lender or its employees, agents, officers, directors, successors and assigns by reason of any manner, cause, or thing whatsoever existing up to the date hereof (the "Claims"). Neither the Company nor the Guarantor shall make any Claims or take any proceedings against any other person, firm, corporation or other legal entity who might claim contribution or indemnity against the Lender in respect of any cause, matter or thing whatsoever arising out of,

related to, or in any manner connected with the Claims released herein. The Company and the Guarantor further hereby promise and covenant, on their own behalf and on behalf of their successors, heirs, estate trustees and assigns, that they shall not bring any legal action, application or petition against the Lender or its employees, agents, officers, directors, successors and assigns in respect of or in relation to any Claim. The provisions of this Section 47 shall survive indefinitely.

U. Indemnity

46. The Company and the Guarantor (collectively, the "Indemnitors") shall defend, indemnify and hold the Lender and its advisors, successors, assigns, officers and directors harmless from and against any losses, damages, costs (including reasonable legal fees on a substantial indemnity basis, and costs of appeal), expenses, judgments, liens, decrees, fines, penalties, liabilities, claims, actions, suits, and causes of action arising, directly or indirectly, from any breach by any of the Indemnitors of any covenant, warranty or representations contained in this Letter Agreement. The provisions of this Section 48 shall survive indefinitely.

V. No Third Party Beneficiaries

47. Unless expressly stated herein, this Letter Agreement shall be solely for the benefit of the Parties and no other person or entity shall be a third party beneficiary hereof.

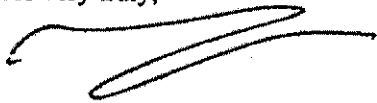
W. Entire Agreement

48. This Letter Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Letter Agreement and supersedes any and all prior agreements, understanding, negotiations and discussions, whether oral or written. There are no conditions, warranties, representations or other agreements between the Parties in connection with the subject matter of this Letter Agreement (whether oral or written, express or implied, statutory or otherwise) except as specifically set out in this Agreement.

X. Acceptance

49. In order for this Letter Agreement to be binding and enforceable, this Agreement shall be signed and returned to Flett Beccario no later than 5:00 p.m. on March 13, 2020 (the date of signature and return is the "Effective Date").

Yours very truly,



J. ROSS MACFARLANE
For the Firm
JRM/td

c.c. Virginia Selemidis

Schedule "A" -- Indebtedness
Schedule "B" -- Security
Schedule "C" -- Consent to Judgment

We agree to the above.

DATED this 20 of March, 2020

NEW TECUMSETH LAND CORPORATION

Per: *Guery Goyo*
Name: Guery Goyo
Title: Director
I have authority to bind the Company.

Guery Goyo
GUERY GOYO

[Signature]
WITNESS

Schedule "A"

Indebtedness
as of February 27, 2020

a) Loan Balance (as at February 27, 2020)	
Principal Balance, including Collection Fees and Forbearance Fee	\$6,052,670.58
Interest (as at February 27, 2020)	\$437,146.08
Per diem \$1,318.32	
Interest rate 7.95%	
Subtotal Payout	\$6,489,816.66
Statement Fee	\$500.00
Forbearance Fee	\$30,000.00
Legal Fees for Forbearance Agreement (est.)	\$10,000.00
Grand Total	<u>\$6,530,316.66</u>

Schedule "B"

Borrower Security

1. Fixed Rate Business Loan Agreement dated April 29, 2016;
2. Business Loan General Security Agreement dated April 29, 2016;
3. Personal property security, including as evidenced by a financing statement filed with the Ontario Personal Property Security Registry on September 29, 2015 as 20150929 1013 1295 7656 (Renewed September 18, 2019 File No. 710357067) with respect to the Business Loan General Security Agreement;
4. Charge/Mortgage registered in the Land Registry Office #51 (the "Land Registry Office") on May 5, 2016 as Instrument No. SC1301746 (the "Charge");
5. Assignment of Rents registered in the Land Registry Office on May 5, 2016 as Instrument No. SC1301755;
6. Personal property security, including as evidenced by a financing statement filed with the Ontario Personal Property Security Registry on September 29, 2015 as 20150929 1016 1295 7657 (Renewed September 18, 2019, File No. 710357121) with respect to the Assignment of Rents;
7. Transfer and Consent of Insurance dated April 29, 2016.

Guarantor Security – Guery Goyo

8. Guarantee and Postponement of Claim of Guery Goyo limited to \$6,000,000.00 dated April 29, 2016.
9. Unlimited Guarantee and Postponement of Claim of Guery Goyo to be executed concurrently with this Letter Agreement;

Postponements

10. Postponement of Related Party's Loans (No Interest) dated April 18, 2016 by Frank Marchetti;
11. Postponement of Related Party's Loans (No Interest) dated April 21, 2016 by Franco Giambagno;
12. Postponement of Related Party's Loans (No Interest) dated April 20, 2016 by Roberta Borland;

13. Postponement of Related Party's Loans (No Interest) dated April 20, 2016 by Andy Vankranlingen;
14. Postponement of Related Party's Loans (No Interest) dated April 29, 2016 by Villarboit Investments Limited;
15. Postponement of Related Party's Loans (No Interest) dated April 29, 2016 by Villarboit Holdings Limited;
16. Postponement of Related Party's Loans (No Interest) dated April 29, 2016 by Triabacus Capital Corporation;
17. Postponement of Related Party's Loans (No Interest) dated April 28, 2016 by Johnwood Investments Inc.;
18. Postponement of Related Party's Loans (No Interest) dated April 15, 2016 by P.D.R. Investments Ltd.;
19. Postponement of Related Party's Loans (No Interest) dated April 20, 2016 by Tanview Investments Limited; and,
20. Postponement of Related Party's Loans (No Interest) dated April 28, 2016 by 859055 Ontario Ltd..

Schedule "C"

Court File No. CV19-88

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN :

FIRSTONTARIO CREDIT UNION LIMITED

Plaintiff

-and-

NEW TECUMSETH LAND CORPORATION and GUERY GOYO

Defendants

CONSENT

The plaintiff and the defendants hereby consent to the judgment in the form attached as Appendix "A" to this consent and hereby approve the same as to form and content. No party under disability is affected by this judgment.

DATE: _____, 2020

FIRSTONTARIO CREDIT UNION LIMITED

Per: _____
J. Ross Macfarlane
Flett Beccario
Lawyers for the Plaintiff

DATE: March 20, 2020

NEW TECUMSETH LAND CORPORATION

Per: Guery Goyo
Name and Title Guery Goyo / Director
I have authority to bind the Corporation.

WITNESS

Guery Goyo

GUERY GOYO

3. **THIS COURT ORDERS** that the defendant, Guery Goyo ("Goyo") shall pay to the plaintiff the sum of \$6,530,316.66.
 4. **THIS COURT ORDERS** that the defendant, Goyo, shall pay post-judgment interest on the amount set out in paragraph 7 above at the rate of 7.95% per annum from the 28th day of February, 2020.
 5. **THIS COURT ORDERS** that the Company shall forthwith deliver to the plaintiff, or as the plaintiff may direct, possession of the personal property of the Company described in the Business Loan General Security Agreement entered into between the plaintiff and the Company dated April 29, 2016.
 6. **THIS COURT ORDERS** that the Company shall deliver to the plaintiff possession of the lands and premises described as:
 - (a) PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH, being all of PIN 58145-0050 (LT), and
 - (b) PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETHand known for municipal purposes as 6485 14th Line, Alliston, Ontario.
 7. **THIS COURT ORDERS** that the defendants shall pay the plaintiff's professional and legal costs incurred after February 27, 2020, on a full indemnity basis, in an amount to be assessed, together with post-judgment interest at the rate of 3.0% from the date of judgment.
-

FIRSTONTARIO CREDIT UNION LIMITED
Plaintiff

-and-

NEW TECUMSETH LAND CORPORATION, et al.
Defendants

Court File No. CV19-88

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
SIMCOE

JUDGMENT

FLETT BECCARIO
190 Division Street
P.O. Box 340
Welland, ON L3B 5P9

J. Ross Macfarlane (LSUC# 36417N)
jrmacfar@flettbeccario.com
Tel: (905) 732-4481
Fax: (905) 732-2020

Lawyers for the plaintiff

JRM/tjd

FIRSTONTARIO CREDIT UNION LIMITED
Plaintiff

-and-

NEW TECUMSETH LAND CORPORATION, et al.
Defendants

Court File No. CV19-88

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
SIMCOE

CONSENT

FLETT BECCARIO
190 Division Street
P.O. Box 340
Welland, ON L3B 5P9

J. Ross Macfarlane (LSUC# 36417N)
jrmacfar@flettbeccario.com
Tel: (905) 732-4481
Fax: (905) 732-2020

Lawyers for the plaintiff

JRM/tjd

TAB I

FLETT
BECCARIO
(Founded 1919)

Flett Beccario, Barristers & Solicitors
Mailing: P. O. Box 340, Welland, ON L3B 5P9
Courier: 190 Division Street, Welland, ON L3B 4A2

Tel: 905-732-4481
Toll Free 1-866-473-5388

Reply to: **J. Ross Macfarlane**, Ext. 274
Fax No.: (905) 732-2020
E-mail: jrmacfarlane@flettbeccario.com
Assistant: Colleen Balint, Ext. 277
Email: cbalint@flettbeccario.com

VIA REGISTERED MAIL

April 3, 2020

New Tecumseth Land Corporation
151 Spinnaker Way, Unit 5
Concord, ON L4K 4C3

Dear Sirs:

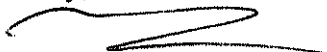
**Re: FirstOntario Credit Union Limited ("FirstOntario") Loan to
New Tecumseth Land Corporation
Notice of Intention to Enforce Security**

Please find enclosed a Notice of Intention to Enforce Security that is sent pursuant to s. 244(1) of the *Bankruptcy and Insolvency Act*.

I am also enclosing a consent to earlier enforcement of the security, and would request that you execute and return it to my attention.

As the forbearance period has expired and FirstOntario has not been paid in accordance with the forbearance agreement, I am instructed to pursue the appointment of a receiver by the court as soon as it is possible to do so.

Yours truly,



J. ROSS MACFARLANE
For the Firm
JRM/cb

Enclosures

c.c.: Virginia Selemidis
Guery Goyo
Don Parente
Ed Upenieks (all via e-mail with encls.)

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY
(Subsection 244(1))

TO: New Tecumseth Land Corporation., an insolvent person (the "Debtor")

TAKE NOTICE THAT:

1. FirstOntario Credit Union Limited, a secured creditor, intends to enforce its security on all the insolvent person's property described below:
 - (a) The undertaking of the Debtor and all of the Debtor's present and after acquired personal property,
 - (b) The real property of the Debtor located at 6485 14th Line, Alliston, Ontario, and described as follows:

Firstly:

PIN	58145-0050 LT
DESCRIPTION	PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH

Secondly:

PIN	58145-0517 LT
DESCRIPTION	PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL, 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH

2. The security that is to be enforced is the following:
 - (a) General Security Agreement dated April 29, 2016
 - (b) A charge/mortgage from the Debtor registered against the Real Property on May 5, 2016 as instrument number SC1301746
 - (c) An assignment of rents – general from the Debtor registered against the Real Property on May 5, 2016 as Instrument No. SC1301755
3. The total amount of indebtedness secured by the security is \$6,542,389.09.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

DATED at Welland this 3rd day of April, 2020.

FirstOntario Credit Union Limited
By its solicitors,
FLETT BECCARIO
Per:



J. ROSS MACFARLANE
for the Firm

CONSENT

(Section 244(2) of the *Bankruptcy and Insolvency Act*)

TO: FIRSTONTARIO CREDIT UNION LIMITED

AND TO: FLETT BECCARIO, BARRISTERS & SOLICITORS

DATE: APRIL 3, 2020

The undersigned hereby acknowledges receipt of a notice sent pursuant to s. 244(1) of the *Bankruptcy and Insolvency Act*, and does hereby consent to the immediate enforcement of the security described therein.

NEW TECUMSETH LAND CORPORATION

PER: _____

Guery Goyo, President

I have authority to bind the corporation.

**FLETT
BECCARIO**
(Founded 1919)

Flett Beccario, Barristers & Solicitors
Mailing: P. O. Box 340, Welland, ON L3B 5P9
Courier: 190 Division Street, Welland, ON L3B 4A2

Tel: 905-732-4481
Toll Free 1-866-473-5388

Reply to: **J. Ross Macfarlane**, Ext. 274
Fax No.: (905) 732-2020
E-mail: jrmacfarlane@flettbeccario.com
Assistant: Colleen Balint, Ext. 277
Email: cbalint@flettbeccario.com

VIA EMAIL

April 3, 2020

New Tecumseth Land Corporation
151 Spinnaker Way, Unit 5
Concord, ON L4K 4C3
Email: ggoyo@villarboit.ca

And

Guery Goyo
9255 Jane Street, Apt. 1411
Vaughan, ON L6A 0K1
Email: ggoyo@villarboit.ca

Dear Sirs:

Re: FirstOntario Credit Union Limited (the “Lender”), New Tecumseth Land Corporation (the “Company”), and Guery Goyo (the “Guarantor”) Forbearance Agreement Dated March 12, 2020 and accepted by the Company and the Guarantor on March 20, 2020 (“Forbearance Agreement”)

Notice is hereby given that the Company and the Guarantor are in default of the terms of the Forbearance Agreement, without limitation, pursuant to clauses 26 (a), (b), (k), (l), and (m) thereof.

Unless these defaults are cured within 2 calendar days of this notice, the Lender will terminate the Forbearance Agreement.

Notwithstanding the provisions of the Forbearance Agreement purporting to waive the requirement for such notice, the Lender has under separate cover given notice of intention to enforce its security pursuant to s. 244(1) of the *Bankruptcy and Insolvency Act*.

Yours truly,



J. ROSS MACFARLANE

For the Firm
JRM/cb

Enclosures

c.c.: Don Parente
Email: donparente@parenteborean.com
Virginia Selemidis

From: Colleen Balint
Sent: April-03-20 12:01 PM
To: 'ggoyo@villarboit.ca'
Cc: 'Selemidis, Virginia'; 'Don Parente, B.A., J.D.'; Ross Macfarlane
Subject: FirstOntario Credit Union and New Tecumseth Land Corporation
Attachments: Letter to New Tecumseth & Goyo.pdf

Good afternoon,

Attached please find correspondence from Mr. Macfarlane, of today's date, with respect to the above-noted matter.

Regards,

Colleen Balint
Assistant to J. Ross Macfarlane
Flett Beccario
Barristers & Solicitors
190 Division Street
P. O. Box 340
Welland, Ontario
L3B 5P9
(905) 732-4481 - Telephone
(905) 732-2020 - Fax
E-mail: cbalint@flettbeccario.com

CONFIDENTIALITY: This communication (including attachments, if any) is privileged and confidential. It is intended only for the addressee and should not be read or delivered to any other person. Any unauthorized use or disclosure is strictly prohibited. Disclosure of this communication to anyone other than the intended addressee does not constitute waiver of privilege. If you have received this communication in error, please delete it and notify us immediately. We take no responsibility for changes which may be made to this communication (including attachments) by the recipient or any other party. Thank you for your co-operation.

CANADA POST

REGISTRATION RECEIPT (Bulk)

This receipt is necessary if enquiry is desired.

JRM/cb

Re: New Tecumseth

168

Mailed By
(Name and address of firm)
FLETT BECCARIO
190 Division Street
P. O. Box 340
Welland, Ontario
L3B 5P9

Stamp of
Firm:

Date
Stamp
of Post
Office :

0.10 41

PLEASE PROVIDE COST OF POSTAGE FOR EACH ENVELOPE

New Tecumseth Land Corporation 151 Spinnaker Way Unit 5 Concord, ON L4K 4C3		REGISTERED DOMESTIC CUSTOMER RECEIPT	RECOMMANDÉ RÉGIME INTÉRIEUR REÇU DU CLIENT	
	Pin	Destinataire:		
	Name	Nom		
	Address	Adresse		
	City / Prov. / Postal Code	Ville / Prov. / Code postal		
	\$			
	23-888-834 (17-12)		RN 478 013 232 CA	
	<div style="border: 1px solid black; padding: 5px;"><p>101001</p><p>2020-11-03</p><p>Rose City Title</p><p>Welland, ON L3B 5C0</p></div>			

Sheet No.: ____/____

No. of Articles: 4

Accepted by _____
(Postal Employee's Signature)

**FLETT
BECCARIO**
(Founded 1919)

Flett Beccario, Barristers & Solicitors
Mailing: P. O. Box 340, Welland, ON L3B 5P9
Courier: 190 Division Street, Welland, ON L3B 4A2

Tel: 905-732-4481
Toll Free 1-866-473-5388

Reply to: **J. Ross Macfarlane**, Ext. 274
Fax No.: (905) 732-2020
E-mail: jrmacfarlane@flettbeccario.com
Assistant: Colleen Balint, Ext. 277
Email: cbalint@flettbeccario.com

VIA EMAIL

April 7, 2020

New Tecumseth Land Corporation
151 Spinnaker Way, Unit 5
Concord, ON L4K 4C3
Email: ggoyo@villarboit.ca

And

Guery Goyo
9255 Jane Street, Apt. 1411
Vaughan, ON L6A 0K1
Email: ggoyo@villarboit.ca

Dear Sirs:

**Re: FirstOntario Credit Union Limited (the "Lender"), New Tecumseth Land Corporation (the "Company"), and Guery Goyo (the "Guarantor")
Forbearance Agreement Dated March 12, 2020 and accepted by the Company and the Guarantor on March 20, 2020 ("Forbearance Agreement")**

Further to my letter dated April 3, 2020, the Lender hereby terminates the Forbearance Agreement pursuant to clause 27 thereof.

Yours truly,


J. ROSS MACFARLANE
For the Firm
JRM/cb

Enclosures

c.c.: Don Parente
Email: donparente@parenteborean.com
Virginia Selemidis

Colleen Balint

From: Colleen Balint
Sent: April-07-20 11:51 AM
To: 'ggoyo@villarboit.ca'; 'Don Parente, B.A., J.D.'; 'Selemidis, Virginia'
Cc: Ross Macfarlane; Alyssa Adams
Subject: FirstOntario Credit Union and New Tecumseth Land Corporation et al
Attachments: Letter to New Tecumseth April 7 2020.pdf

Attached please find correspondence from Mr. Macfarlane dated April 7, 2020.

Regards,

Colleen Balint
Assistant to J. Ross Macfarlane
Flett Beccario
Barristers & Solicitors
190 Division Street
P. O. Box 340
Welland, Ontario
L3B 5P9
(905) 732-4481 - Telephone
(905) 732-2020 - Fax
E-mail: cbalint@flettbeccario.com

CONFIDENTIALITY: This communication (including attachments, if any) is privileged and confidential. It is intended only for the addressee and should not be read or delivered to any other person. Any unauthorized use or disclosure is strictly prohibited. Disclosure of this communication to anyone other than the intended addressee does not constitute waiver of privilege. If you have received this communication in error, please delete it and notify us immediately. We take no responsibility for changes which may be made to this communication (including attachments) by the recipient or any other party. Thank you for your co-operation.

TAB J

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

FIRSTONTARIO CREDIT UNION LIMITED

Plaintiff

- and -

NEW TECUMSETH LAND CORPORATION and GUERY GOYO

Defendants

STATEMENT OF CLAIM

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the Rules of Civil Procedure. serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it, with proof of service, in this Court Office, **WITHIN TWENTY DAYS** after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

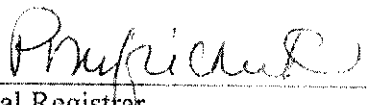
Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

IF YOU PAY THE PLAINTIFF'S CLAIM, and \$2,500.00 for costs, within the time for serving and filing your statement of defence you may move to have this proceeding dismissed by the court. If you believe the amount claimed for costs is excessive, you may pay the plaintiff's claim and \$400 for costs and have the costs assessed by the court.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

DATE: August 23, 2019

Issued by: 
Local Registrar
Simcoe Courthouse
Suite 301
50 Frederick Hobson VC Drive
Simcoe, ON N3Y 0E4

TO: **New Tecumseth Land Corporation**
151 Spinnake Way, Unit 5
Concord, Ontario L4K 4C3

AND TO: **Guery Goyo**
151 Spinnake Way, Unit 5
Concord, Ontario L4K 4C3

CLAIM:

1. The Plaintiff claim as against the Defendants:
 - a. Possession of the Mortgaged Property (hereinafter defined);
 - b. Payment by the Defendants of the sum of \$6,240,746.49 due under the Plaintiff's Mortgage Loan (hereinafter defined) as at August 22, 2019;
 - c. Pre-Judgment and post-judgment interest at the rate of Prime (hereinafter defined) plus 4% per annum, calculated monthly not in advance; alternatively, in accordance with the *Courts of Justice Act* (Ontario);
 - d. The costs of enforcement of the Plaintiff's Mortgage Loan and of this action on a substantial indemnity scale, together with all applicable Harmonized Sales Tax thereon in accordance with the *Excise Tax Act* (Canada);
 - e. Interest on any costs awarded at the rate of Prime plus 4% per annum, calculated monthly not in advance, alternatively, in accordance with the Courts of Justice Act (Ontario); and
 - f. Such further and other relief as to this Honourable Court may seem and proper in the circumstances.
2. The Plaintiff's claim is on a loan in the principal amount of \$6,000,000.00 (the "Plaintiff's Mortgage Loan") given to the Defendant, New Tecumseth Land Corporation ("NTLC"), and guaranteed by the Defendant, Guery Goyo ("Goyo"), pursuant to the terms and provisions of a Financing Offer dated September 15, 2015, which Financing Offer had been accepted by the Defendants on September 17, 2015, and pursuant to which Financing Offer, NTLC did grant to the Plaintiff a first ranking collateral mortgage/charge in the principal amount of \$6,000,000.00 registered over and to the

Mortgaged Property on May 6, 2016 as Instrument Number SC1301746 (a copy of which is attached hereto as Scheduled "A") and Goyo did execute and deliver to the Plaintiff a Guarantee and Postponement of Claim dated April 25, 2016.

3. The initial term of the Plaintiff's Mortgage Loan expired on May 6, 2018, after which time, the Plaintiff's Mortgage Loan had been amended and extended from time to time, the last of which amendments and extensions is embodied in an Long Form Renewal Agreement dated October 5, 2018, pursuant to which, the Plaintiff's Mortgage Loan accrues interest at a rate of Prime plus 4% per annum, calculated monthly not in advance (where "Prime" is defined as the annual rate of interest announced by the Plaintiff through its offices from time to time as the rate then in effect for determining interest rates on loans made in Canadian currency), and has a term which expired on March 31, 2019.
4. The Plaintiff's Mortgage Loan provides that on default of payment of any amount required to be paid thereunder, the principal and all further and other monies secured thereunder become due and payable on the Plaintiff's Mortgage Loan and the Plaintiff is entitled to possession of the Mortgaged Property.
5. The Plaintiff's Mortgage Loan further provides that legal fees in taking, recovering and keeping possession of the Mortgaged Property and generally in any other proceedings taken in connection with or to realize upon the security given in the Plaintiff's Mortgage (including legal fees) shall be with interest at the rate of Prime plus 4% per annum, calculated monthly, not in advance.
6. Default in payment of principal and interest has occurred on the March 31, 2019, the date that the term of the Plaintiff's Mortgage Loan expired and continues as at the date hereof.
7. Pursuant to the terms of the Plaintiff's Mortgage Loan, as at August 22, 2019 there was \$6,240,746.49 due together with interest and costs, comprised as detailed below, and that the Defendants are liable to pay these sums and subsequent costs and interest at the rate of Prime plus 4% per annum, calculated monthly not in advance:

Principal Balance	\$6,000,000.00
Interest Accrued on Principal Balance from April 1, 2019 to August 22, 2019	\$188,186.30
Statement Fee	\$500.00
Prior Legal and Appraisal Fees	\$18,624.04
Interest Accrued on Prior Legal/Appraisal Fees from April 1, 2019 to August 22, 2019	\$584.13
Second Appraisal	\$21,187.50
Interest Accrued on Second Appraisal from April 1, 2019 to August 22, 2019	\$664.52
Legal Fees/Disb/HST (re Demand)	\$1,750.00
Legal Fees/Disb/HST (re Notice of Sale)	\$3,500.00
Legal Fees/Disb/HST (re BIA Notice)	\$750.00
Legal Fees/Disb/HST (re Statement of Claim)	\$3,500.00
Legal Fees/Disb/HST (re Discharge)	<u>\$1,500.00</u>
TOTAL OWING as at August 22, 2019	\$6,240,746.49

Per Diem: \$1,359.29

8. The following is a legal description of the Mortgaged Property:

<i>PIN</i>	58145-0050 LT
<i>Description</i>	PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH
<i>Address</i>	6485 14 TH LINE, ALLISTON, ONTARIO L9R 1V4
- and -	
<i>PIN</i>	58145-0517 LT
<i>Description</i>	PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH
<i>Address</i>	6485 14 TH LINE, ALLISTON, ONTARIO L9R 1V4

Vitulli Law Group
Barristers and Solicitors
69 Hughson Street North
Hamilton, Ontario, L8R 1G5

Tel: (905) 528-8773
Fax: (905) 528-6543

John Vitulli, Jr. (LSUC No. 46527E)
Solicitors for the Plaintiff

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

yyyy mm dd Page 1 of 3

Properties

<i>PIN</i>	58145 - 0050 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH		
<i>Address</i>	6485 14TH LINE ALLISTON		
<i>PIN</i>	58145 - 0517 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH		
<i>Address</i>	6485 14TH LINE ALLISTON		

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

<i>Name</i>	NEW TECUMSETH LAND CORPORATION
<i>Address for Service</i>	151 Spinnaker Way, Unit 5 Concord, Ontario L4K 4C3

I, Guery Goyo, President, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Chargee(s)*Capacity**Share*

<i>Name</i>	FIRSTONTARIO CREDIT UNION LIMITED
<i>Address for Service</i>	4021 Upper Middle Road Burlington, Ontario L7M 0Y9

Statements

Schedule: See Schedules.

Provisions

<i>Principal</i>	\$8,000,000.00	<i>Currency</i>	CDN
<i>Calculation Period</i>			
<i>Balance Due Date</i>			
<i>Interest Rate</i>	See Schedule		
<i>Payments</i>			
<i>Interest Adjustment Date</i>			
<i>Payment Date</i>	ON DEMAND		
<i>First Payment Date</i>			
<i>Last Payment Date</i>			
<i>Standard Charge Terms</i>	200027		
<i>Insurance Amount</i>	full insurable value		
<i>Guarantor</i>			

Signed By

Denise Patricia Kocsis

1 James Street South, 14 th floor, PO Box 926 Depo Hamilton L8N 3P9	acting for Chargor (s)	Signed	2016 05 05
--	---------------------------	--------	------------

Tel 905-523-1333

Fax 905-523-5878

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

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

Submitted By

SCARFONE HAWKINS LLP
1 James Street South, 14 th floor.
PO Box 926 Depo
Hamilton
L8N 3P9
2016 05 05

Tel 905-523-1333
Fax 905-523-5878

Fees/Taxes/Payment

Statutory Registration Fee	\$62.85
Total Paid	\$62.85

File Number

Chargee Client File Number : 15R1147

Instrument Statement, 61

SCHEDULE "A"

PAYMENT PROVISIONS

THIS CHARGE is given as continuing security for payment to the Chargee of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Chargor to the Chargee (such debts and liabilities being hereinafter called the "liabilities"), but the Chargor's liability hereunder being limited to the sum of SIX MILLION DOLLARS (\$6,000,000.00) with interest at the rate hereinafter set out;

THE CHARGOR covenants to pay each and every liability to the Chargee punctually as the same falls due; provided that this Charge is void upon payment on demand of the ultimate balance of the liabilities and all promissory notes, bills of exchange, guarantees and any other instruments whatsoever from time to time representing the liabilities or any part thereof, not exceeding the principal sum of SIX MILLION DOLLARS (\$6,000,000.00) together with interest thereon at the rate of 24.00 per centum per annum as well after as before maturity and both before and after default and all other amounts payable by the charger hereunder.

Court File No. CV19-88

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

FIRSTONTARIO CREDIT UNION LIMITED

Plaintiff

and

NEW TECUMSETH LAND CORPORATION and GUERY GOYO

Defendants

STATEMENT OF DEFENCE

1. The Defendants, New Tecumseth Land Corporation ("NTLC") and Guery Goyo ("Goyo") admit the allegations contained in paragraph 2 of the Statement of Claim.
2. The Defendants, NTLC and Goyo, deny the allegations contained in the balance of the Statement of Claim.
3. The Defendants, NTLC and Goyo, state that this action is premature and that it should be stayed pending completion of the sale of the property to 2187933 Ontario Inc. Should the sale to 2187933 Ontario Inc. not be completed due to the action of the Plaintiff, these Defendants seek damages from the Plaintiff.
4. The Defendant, Goyo, states that any guarantee signed by him was to be relied upon only if there is insufficient value in the Mortgaged Property, and that the Mortgaged Property has sufficient value as disclosed by all appraisals.

-2-

5. The Defendants, NTLC and Goyo, state that the legal and appraisal fees are excessive and state that they require an assessment and accounting therefore.

6. The Defendants ask that this action be heard in Barrie, Ontario, which is the jurisdiction in which the Mortgaged Property is situated.

November 28, 2019

LAWRENCE, LAWRENCE, STEVENSON LLP
Barristers & Solicitors
43 Queen Street West
Brampton, ON L6Y 1L9

Edwin G. Upenieks (22924K)

Tel: 905-451-3040

Fax: 905-451-5058

Lawyers for the Defendants,
Guery Goyo and New Tecumseth Land Corporation

TO: **VITULLI LAW GROUP**
Barristers & Solicitors
69 Hughson Street North
Hamilton ON L8R 1G5

John Vitulli, Jr. (46527E)

Tel: 905-528-8773

Fax: 905-528-6543

Lawyers for the Plaintiff

RCP-E 18A (July 1, 2007)

FIRST ONTARIO CREDIT UNION LIMITED
Plaintiff

-and-
Defendants

NEW TECUMSETH LAND CORPORATION et al.

Court File No. CV19-88

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT
SIMCOE

STATEMENT OF DEFENCE

LAWRENCE, LAWRENCE, STEVENSON LLP
Barristers & Solicitors
43 Queen Street West
Brampton, ON L6Y 1L9

Edwin G. Upenieks (22924K)

Tel: 905-451-3040
Fax: 905-451-5058

Lawyers for the Defendants,
New Tecumseth Land Corporation and Guey Goyo

RCP-E 4C (May 1, 2016)

TAB K

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 03/31/2020
DISPLAY 2C REGISTRATION - SCREEN 1 11:01:41
ACCOUNT : 001793-0101 FAMILY : 1 OF 2 ENQUIRY PAGE : 2 OF 4
FILE CURRENCY : 30MAR 2020
SEARCH : BD : NEW TECUMSETH LAND CORPORATION

185

FILE NUMBER 710357067
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20190918 1406 1462 5450
21 REFERENCE FILE NUMBER : 710357067
22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 1 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: NEW TECUMSETH LAND CORPORATION
25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE:

04/07 ADDRESS: OCN:
CITY: PROV: POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : FIRSTONTARIO CREDIT UNION LIMITED

17 ADDRESS : 148 NIAGARA STREET P.O. BOX 982

CITY : ST. CATHARINES PROV : ON POSTAL CODE : L2R6Z4

=====

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 03/31/2020
DISPLAY 2C REGISTRATION - SCREEN 1 11:01:54
ACCOUNT : 001793-0101 FAMILY : 2 OF 2 ENQUIRY PAGE : 4 OF 4
FILE CURRENCY : 30MAR 2020
SEARCH : BD : NEW TECUMSETH LAND CORPORATION

187

FILE NUMBER 710357121
PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20190918 1406 1462 5451
21 REFERENCE FILE NUMBER : 710357121
22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 1 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: NEW TECUMSETH LAND CORPORATION
25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE:
04/07 ADDRESS: OCN:
CITY: PROV: POSTAL CODE:

29 ASSIGNOR:
08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE
10
11
12
13
14
15
16 NAME : FIRSTONTARIO CREDIT UNION LIMITED
17 ADDRESS : 148 NIAGARA STREET P.O. BOX 982
CITY : ST. CATHARINES PROV : ON POSTAL CODE : L2R6Z4

LAST SCREEN

FILE CURRENCY 30MAR 2020

CHANGE ACCOUNT (Y/N) : ACCOUNT NUMBER :

SEARCH TYPE (BD,IN,IS,MV) :

SEARCH CRITERIA :

SUB-SEARCH

RETRIEVE REGISTRATIONS RECORDED SINCE (DDMMYYYY) :

RESPONSE TYPE (V,P) : V RESPONSE LANGUAGE (E,F) : E PICK-UP CODE :

RESPONSE MAILING ADDRESS

NAME :

:

ADDRESS :

CITY :

PROV :

POSTAL CODE :

PRINT RESPONSE LOCALLY (Y/N) : N

ENQUIRY FOR "NEW TECUMSETH LAND CORPORATION" ENDED

TAB L

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER
 PAGE 1 OF 3
 PREPARED FOR G.L.
 ON 2020/03/31 AT

LAND REGISTRY OFFICE #51

58145-0050 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PT LT 7 CON 13, TECUMSETH PT 1 51R34706, NEW TECUMSETH

PROPERTY REMARKS:
 ESTATE/QUALIFIER:
 FEE SIMPLE
 LT CONVERSION QUALIFIED

RECENTLY FIRST CONVERSION FROM BOOK

CAPACITY SHARE ROWN

OWNERS' NAMES
 NEW TECUMSETH LAND CORPORATION

PIN CREATION DATE:
 1998/09/14



REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
EFFECTIVE 2000/07/29		THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1998/09/14 ON THIS PIN				
WAS REPLACED WITH THE "PIN CREATION DATE" OF 1998/09/14						
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1998/09/14 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO SUBSECTION 4(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 1998/09/14 **						
R0336238	1970/08/19	TRANSFER		*** COMPLETELY DELETED ***	HEMAC FARMS LIMITED	
SC426263	2006/04/07	TRANSFER		*** COMPLETELY DELETED *** HEMAC FARMS LIMITED	1205785 ALBERTA LTD.	
REMARKS: PLANNING ACT STATEMENTS						
SC426264	2006/04/07	CHARGE		*** COMPLETELY DELETED *** 1205785 ALBERTA LTD.	CYPRESS MORTGAGE CORP. B2B TRUST	
SC426265	2006/04/07	CHARGE		*** COMPLETELY DELETED *** 1205785 ALBERTA LTD.	CYPRESS MORTGAGE CORP.	
51R34706	2006/07/13	PLAN REFERENCE			CYPRESS MORTGAGE CORP.	

NOTE: ADDITIONAL PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PLOTTED THEM ALL.



Ontario ServiceOntario

LAND REGISTRY OFFICE #51

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

58145-0050 (LT)

PAGE 2 OF 3
PREPARED FOR Gualtieri
ON 2020/03/31 AT 12:45:51

* CERTIFIED IN ACCORDANCE WITH THE LAND TILES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHRD
SC458118	2006/07/17	IR'S ORDER REMARKS: AMENDS PROPERTY DESCRIPTION TO INCLUDE "EXCEPT PT 2 51R4070 AND PT 2 51R15172"		LAND REGISTRAR		C
SC487595	2006/10/13	TRANSFER REMARKS: PLANNING ACT STATEMENTS	57,128,228	120785 ALBERTA LTD.	NEW TECUMSETH LAND CORPORATION	C
SC487596	2006/10/13	CHARGE		*** COMPLETELY DELETED *** NEW TECUMSETH LAND CORPORATION	FIRM CAPITAL MORTGAGE FUND INC.	
SC487597	2006/10/13	NO ASSGN RENT GEN REMARKS: SC487596		*** COMPLETELY DELETED *** NEW TECUMSETH LAND CORPORATION	FIRM CAPITAL MORTGAGE FUND INC.	
SC510575	2007/01/03	DISCH OF CHARGE		*** COMPLETELY DELETED *** CYPRESS MORTGAGE CORP. B2B TRUST		
SC510576	2007/01/03	DISCH OF CHARGE REMARKS: RE: SC426264		*** COMPLETELY DELETED *** CYPRESS MORTGAGE CORP.		
SC784963	2009/11/26	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** SCS CONSULTING GROUP LTD.		
SC786859	2009/12/02	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** EVANS, MURRAY		
SC793667	2010/05/07	CERTIFICATE REMARKS: SC784963		*** COMPLETELY DELETED *** SCS CONSULTING GROUP LTD.	NEW TECUMSETH LAND CORPORATION	
SC902442	2011/05/19	DIS CONSTRUCT LIEN REMARKS: SC796459.		*** COMPLETELY DELETED *** EVANS, MURRAY		
SC902443	2011/05/19	DIS CONSTRUCT LIEN REMARKS: SC794463.		*** COMPLETELY DELETED *** SCS CONSULTING GROUP LTD.		
SC942514	2011/05/19	CHARGE		*** COMPLETELY DELETED *** NEW TECUMSETH LAND CORPORATION	VECTOR FINANCIAL SERVICES LIMITED	

NOTE: ADJOINING PROPRIETORS SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



Ontario ServiceOntario

LAND REGISTRY OFFICE #51

PARCEL REG-STER (ABBREVIATED) FOR PROPERTY IDENTIFIER

58145-0050 (LI)

PAGE 3 OF 3
PREPARED FOR Gualtieri
ON 2020/03/31 AT 12:45:51

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
SC902515	2011/05/19	NO ASSGN RENT GEN REMARKS: SC902514.		*** COMPLETELY DELETED *** NEW TECUMSETH LAND CORPORATION	VECTOR FINANCIAL SERVICES LIMITED	C
SC902612	2011/05/19	DISCH OF CHARGE REMARKS: SC987396.		*** COMPLETELY DELETED *** FIRM CAPITAL MORTGAGE FUND INC.		
SC955923	2012/01/06	LR'S ORDER REMARKS: DELETES SC793667		*** COMPLETELY DELETED *** LAND REGISTRAR, SIMCOE NC. 52		
SC1187270	2015/01/13	CHARGE	\$550,000	NEW TECUMSETH LAND CORPORATION	P.D.R. INVESTMENTS LTD.	C
SC1298390	2016/04/25	CHARGE		*** COMPLETELY DELETED *** NEW TECUMSETH LAND CORPORATION	VECTOR FINANCIAL SERVICES LIMITED	
SC1298391	2016/04/25	POSTPONEMENT REMARKS: SC1187270 TO SC1298390		*** COMPLETELY DELETED *** P.D.R. INVESTMENTS LTD.	VECTOR FINANCIAL SERVICES LIMITED	
SC1301746	2016/05/05	CHARGE	\$6,000,000	NEW TECUMSETH LAND CORPORATION	FIRSTONARIO CREDIT UNION LIMITED	C
SC1301755	2016/05/05	NO ASSGN RENT GEN REMARKS: SC1301746.		NEW TECUMSETH LAND CORPORATION	FIRSTONARIO CREDIT UNION LIMITED	C
SC1301765	2016/05/05	POSTPONEMENT REMARKS: SC1187270 TO SC1301746		P.D.R. INVESTMENTS LTD.	FIRSTONARIO CREDIT UNION LIMITED	C
SC1303040	2016/05/11	DISCH OF CHARGE REMARKS: SC902514.		*** COMPLETELY DELETED *** VECTOR FINANCIAL SERVICES LIMITED		
SC1503041	2016/05/11	DISCH OF CHARGE REMARKS: SC1298390.		*** COMPLETELY DELETED *** VECTOR FINANCIAL SERVICES LIMITED		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER



LAND REGISTRY OFFICE #51
 58145-0517 (LT)
 * CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W R0517196; TOWN OF NEW TECUMSETH

PROPERTY REMARKS: PLANNING ACT CONSENT IN DOCUMENT SC184636.
 ESTATE/QUALIFIER: RECENTLY.
 FEE SIMPLE DIVISION FROM 58145-0440
 LT CONVERSION QUALIFIED CAPACITY SHARE
 OWNERS' NAMES: NEW TECUMSETH LAND CORPORATION

PIN CREATION DATE:
 2015/01/16

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT		INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2015/01/16 **				
**SUBJECT		ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO				
**		SUBSECTION 4(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *				
**		AND ESCHEATS OR FORFEITURE TO THE CROWN.				
**		THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF				
**		IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY				
**		CONVENTION.				
**		ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.				
**DATE OF CONVERSION TO LAND TITLES: 1998/09/14 **						
SC580945	2007/09/07	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 1406963 ONTARIO LTD.	THE TORONTO-DOMINION BANK	
REMARKS: DELETED 2015/10/07 BY E. MACDONALD BASED ON SC1186561						
SC644190	2008/06/12	NOTICE		THE CORPORATION OF THE TOWN OF NEW TECUMSETH	1406963 ONTARIO LTD.	C
51R39710	2014/12/09	PLAN REFERENCE				C
SC1184636	2014/12/23	TRANSFER	850,000	1406963 ONTARIO LTD.	NEW TECUMSETH LAND CORPORATION	C
REMARKS: PLANNING ACT STATEMENTS.						
SC1186361	2015/01/09	DISCH OF CHARGE		*** DELETED AGAINST THIS PROPERTY *** THE TORONTO-DOMINION BANK		
REMARKS: SC450945. DELETED 2015/10/07 BY E. MACDONALD						
SC1180270	2015/01/13	CHARGE	6550,000	NEW TECUMSETH LAND CORPORATION	P.D.R. INVESTMENTS LTD.	C
SC1198190	2016/04/25	CHARGE		*** COMPLETELY DELETED *** NEW TECUMSETH LAND CORPORATION	VECTOR FINANCIAL SERVICES LIMITED	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

58145-0517 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
SC1298391	2016/04/25	POSTPONEMENT REMARKS: SC1187270 TO SC1298390		*** COMPLETELY DELETED *** P.D.R. INVESTMENTS LTD.	VECTOR FINANCIAL SERVICES LIMITED	
SC1301746	2016/05/05	CHARGE	\$6,000,000	NEW TECUMSETH LAND CORPORATION	FIRSTONTARIO CREDIT UNION LIMITED	C
SC1301751	2016/05/05	NO ASSGN RENT GEN REMARKS: SC1301746.		NEW TECUMSETH LAND CORPORATION	FIRSTONTARIO CREDIT UNION LIMITED	C
SC1301761	2016/05/05	POSTPONEMENT REMARKS: SC1187270 TO SC1301746		P.D.R. INVESTMENTS LTD.	FIRSTONTARIO CREDIT UNION LIMITED	C
SC1303041	2016/05/11	DISCH OF CHARGE REMARKS: SC1298390.		*** COMPLETELY DELETED *** VECTOR FINANCIAL SERVICES LIMITED		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT SHOWS THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

TAB M

LRO # 51 Charge/Mortgage

Registered as SC1187270 on 2015 01 13 at 14:52

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

yyyy mm dd Page 1 of 3

Properties

PIN 58145 0440 LT Interest/Estate Fee Simple Redescription
 Description PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; NEW TECUMSETH
 Address ALLISTON
 PIN 58145 - 0050 LT Interest/Estate Fee Simple
 Description PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH
 Address ALLISTON

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name NEW TECUMSETH LAND CORPORATION
 Address for Service 151 Spinnaker Way, Unit 5
 Concord, Ontario
 L4K 4C3

I, GUERY GOYO, President and I, MARY GOYO, Secretary-Treasurer, have the authority to bind the corporation
 This document is not authorized under Power of Attorney by this party.

Chargee(s)

Capacity

Share

Name P.D.R. INVESTMENTS LTD
 Address for Service 3895 Loyd-town-Aurora Road
 King, Ontario
 L7B 0E7

Provisions

Principal \$550,000.00 Currency CDN
 Calculation Period annually, not in advance
 Balance Due Date 2016/01/01
 Interest Rate 12.0% per annum
 Payments
 Interest Adjustment Date 2015 01 01
 Payment Date interest only payable annually
 First Payment Date 2016 01 01
 Last Payment Date 2016 01 01
 Standard Charge Terms 200033
 Insurance Amount full insurable value
 Guarantor

Additional Provisions

See Schedules

Signed By

Severino Salvati 505-7050 Weston Rd. acting for Chargor First 2015 01 13
 Woodbridge (s) Signed
 L4L 8G7
 Tel 905-851-7717
 Fax 905-851-7718
 Severino Salvati 505-7050 Weston Rd. acting for Chargor Last 2015 01 15
 Woodbridge (s) Signed
 L4L 8G7
 Tel 905-851-7717
 Fax 905-851-7718

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

LRO # 51 Charge/Mortgage

Registered as SC1187270 on 2015 01 13 at 14:52

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

yyyy mm dd Page 2 of 3

Submitted By

MANCINI ASSOCIATES
505-7050 Weston Rd.
Woodbridge
L4L 8G7
2015 01 15

Tel 905-851-7717
Fax 905-851-7718

Fees/Taxes/Payment

Statutory Registration Fee \$60.00
Total Paid \$60.00

File Number

Chargor Client File Number : 070279024

Additional Provisions

The Chargor shall have the privilege of prepaying the whole or any part or parts of the principal sum secured hereunder, at any time or times, without notice, bonus or penalty.

Standard Charge Terms

The Chargee covenants and agrees that the Dye & Durham Co. Inc. Standard Charge Terms 200033 referenced herein is hereby amended as follows:

1. Sections 16, 17 and 24 are hereby deleted therefrom;
2. Where there is a conflict with the terms, words and/or provisions as set out in the Dye & Durham Co. Inc. Standard Charge Terms 200033 and as otherwise set out in the Charge/Mortgage, the said terms, words and/or provisions as otherwise set out in the Charge/Mortgage, shall prevail.

Properties

PIN 58145 - 0050 LT
Description PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH
Address 6485 14TH LINE
 ALLISTON

PIN 58145 - 0517 LT
Description PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W R0517196; TOWN OF
 NEW TECUMSETH
Address 6485 14TH LINE
 ANGUS

Source Instruments

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
SC1187270	2015 01 13	Charge/Mortgage

Party From(s)

Name P.D.R. INVESTMENTS LTD.
Address for Service 3895 Lloydtown-Aurora Road
 King, Ontario
 L7B 0E7

I, Eleonora Schmieid, Director, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Party To(s)

<i>Name</i>	<i>Capacity</i>	<i>Share</i>
FIRSTONTARIO CREDIT UNION LIMITED		
<i>Address for Service</i> 4021 Upper Middle Road Burlington, Ontario L7M 0Y9		

Statements

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number SC1301746 registered on 2016/05/05

Schedule: See Schedules

This document relates to registration no.(s)SC1187270, SC1301746 and SC1301755

Signed By

Denise Patricia Kocsis	1 James Street South, 14 th floor, PO Box 926 Depo Hamilton L8N 3P9	acting for Party From(s)	Signed	2016 05 05
<i>Tel</i> 905-523-1333				
<i>Fax</i> 905-523-5878				

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

LRO # 51 Postponement Of Interest

Received as SC1301765 on 2016 05 05 at 14:56

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

yyyy mm dd Page 2 of 3

Submitted By

SCARFONE HAWKINS LLP

1 James Street South, 14 th floor,
PO Box 926 Depo
Hamilton
L8N 3P9

2016 05 05

Tel 905-523-1333

Fax 905-523-5878

Fees/Taxes/Payment

Statutory Registration Fee \$62.85

Total Paid \$62.85

File Number

Party To Client File Number : 15R1147

POSTPONEMENT OF MORTGAGE

P.D.R. INVESTMENTS LTD. (the "MORTGAGEE"), the registered owner of the Charge registered on the 13th day of January, 2015 as No. SC1187270 made by NEW TECUMSETH LAND CORPORATION ("NEW TECUMSETH") charging the land registered in the Land Registry Office for the Land Titles Division of County of Simcoe (No. 51) as Firstly: Part Lot 7, Concession 13, Tecumseth, Designated as Part 1 on 51R-34706, New Tecumseth; Secondly: Part Lot 7, Concession 13, Tecumseth, Designated as Part 3 on 51R-39710, Town of New Tecumseth, known as 6485 14th Line, New Tecumseth (the "Lands") hereby postpones Charge No. SC1187270 together with all of the MORTGAGEE'S other interests and claims in and to the Lands, whatsoever and howsoever, arising whether presently existing or arising in the future, whether arising at law or equity and whether pursuant to statute or otherwise (all such registered instruments and all such rights, interests and claims collectively being referred to as the "MORTGAGEE Charge") to the Charge made by NEW TECUMSETH to FIRSTONTARIO CREDIT UNION LIMITED and registered on the 5 day of May, 2016 as No. ~~SC1301746~~ (the "FIRSTONTARIO Charge").

The MORTGAGEE acknowledges and agrees that the FIRSTONTARIO Charge secures all present and future indebtedness and liability of NEW TECUMSETH to FIRSTONTARIO CREDIT UNION LIMITED including without limitation the outstanding balance of the principal amount of the FIRSTONTARIO'S Charge from time to time, interest thereon at the interest rate specified in the FIRSTONTARIO Charge and all other present and future indebtedness and liabilities of NEW TECUMSETH to FIRSTONTARIO payable under or by virtue of the FIRSTONTARIO Charge (such indebtedness and liability collectively referred to as the "FIRSTONTARIO Interest"). The MORTGAGEE hereby further postpones the MORTGAGEE Charge to the FIRSTONTARIO Interest secured by the FIRSTONTARIO Charge.

E.S.

TAB N

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
 (Commercial List)

BETWEEN

FIRSTONTARIO CREDIT UNION LIMITED

Applicant

-AND-

NEW TECUMSETH LAND CORPORATION

Respondent

APPLICATION UNDER Subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended, Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, and Rule 14.05(3)(g) and (h) of the *Rules of Civil Procedure*

CONSENT TO ACT

The undersigned, msi Spergel Inc. ("Spergel"), hereby consents to the appointment of Spergel as receiver, without security, of all of the assets, undertakings and properties of the Respondent, New Tecumseth Land Corporation, including, without limitation, the real property municipally known as 6485 14th Line, Alliston, Ontario and more particularly described as:

Firstly:

PIN	58145-0050 LT
DESCRIPTION	PT LT 7 CON 13, TECUMSETH PT 1 51R34706; NEW TECUMSETH

Secondly:

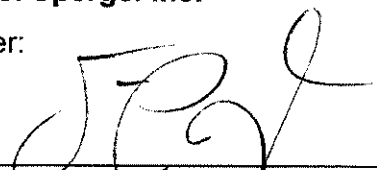
PIN	58145-0517 LT
DESCRIPTION	PT LT 7 CON 13 TECUMSETH, BEING PT 3 PL 51R39710, T/W RO517196; TOWN OF NEW TECUMSETH

(the "Property") pursuant to the provisions of subsection 243(1) of the Bankruptcy and Insolvency Act, R.S.O. 1990, c. C.43, as amended, and the terms of an order substantially in the form filed in the above proceeding.

DATED at Hamilton, Ontario, this ^{14TH} day of April, 2020.

msi Spergel Inc.

Per:


Name: Trevor Pringle, ^{LT}
Title: Senior Vice-President
I have authority to bind the corporation

FIRSTONTARIO CREDIT UNION LIMITED

v.

NEW TECUMSETH LAND CORPORATION

Applicant

Respondent

Court File No.:

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at **TORONTO**

AFFIDAVIT OF VIRGINIA SELEMIDIS

FLETT BECCARIO

Barristers & Solicitors
190 Division Street
P.O. Box 340
Welland, ON L3B 5P9

Tel: (905) 732-4481

Fax: (905)732-2020

Email: jrmacfar@flettbeccario.com

J. ROSS MACFARLANE

Lawyers for the Applicant

LSO: 36417N

JRM/cb

FIRSTONTARIO CREDIT UNION LIMITED v. NEW TECUMSETH LAND CORPORATION

Applicant

Respondent

Court File No. CV-20-639679-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

APPLICATION RECORD

FLETT BECCARIO
Barristers and Solicitors
190 Division Street, P.O. Box 340
Welland, Ontario L3B 5P9

J. Ross Macfarlane
LSO: 36417N

Tel: 905-732-4481
Fax: 905-732-2020

Lawyers for the Applicant