

Court File No. CV-25-00001199-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

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

B E T W E E N:

1000688136 ONTARIO INC.

Applicant

and

20 CALDARI DEVELOPMENT INC.

Respondent

**APPLICATION RECORD
(RETURNABLE APRIL 24, 2025)**

March 17, 2025

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AND TO: **RAVI AURORA, CEO** ravi@aurora-group.ca
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AND TO: **NAKUL (NICK) AURORA** nick@aurora-group.ca
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BETWEEN:

1000688136 ONTARIO INC.

Applicants

and

20 CALDARI DEVELOPMENT INC.

Respondent

NOTICE OF RETURN OF APPLICATION

TAKE NOTICE THAT the application originally returnable on Thursday, April 3, 2025 at 10:00 a.m., via video conference, will be returnable on Thursday, April 24, 2025 at 10:00 a.m., via video conference, or as soon after that time as the application can be heard at the court house, 7755 Hurontario Street, Brampton ON L6W 4T6.

March 17, 2025

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AND TO: **THE AURORA HOTEL GROUP INC.**
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AND TO: **RAVI AURORA, CEO** ravi@aurora-group.ca
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AND TO: **NAKUL (NICK) AURORA** nick@aurora-group.ca
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AND TO: **J.I.S. CONTRACT FURNITURE INC.** jay.khanna@st-damase.com
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100688136 ONTARIO INC.
Applicant

-and- 20 CALDARI DEVELOPMENT INC.
Respondent

Court File No. CV-25-00001199-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**PROCEEDING COMMENCED AT
BRAMPTON**

NOTICE OF RETURN OF APPLICATION

FOGLER, RUBINOFF LLP

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100688136 ONTARIO INC.

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BETWEEN:

(Court Seal)

1000688136 ONTARIO INC.

Applicant

and

20 CALDARI DEVELOPMENT INC.

Respondent

NOTICE OF APPLICATION

TO THE RESPONDENT

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

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

- In person.
- By telephone conference
- By video conference

at the following location:

Brampton Courthouse
7755 Hurontario Street
Brampton, Ontario L6W 4T1

(Courthouse address or telephone conference or video conference details, such as a dial-in number, access code, video link, etc. if applicable)

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on Thursday, April 3, 2025 at 10:00 a.m. (or on a day to be set by the Registrar).

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

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

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

Date | MARCH 5 2025 Issued by Tricia Abankwa
Digitally signed by Tricia Abankwa
Date: 2025.03.07 13:33:44 -05'00'
Local Registrar

Address of court office: Brampton Courthouse
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Brampton, Ontario L6W 4T1

TO: **20 CALDARI DEVELOPMENT INC.**
20 Caldari Road
Vaughan, ON L4K4N8

- 3 -

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APPLICATION

1. The Applicant, 1000688136 ONTARIO INC., (the "**First Mortgagee**") makes an application for: *(State here the precise relief claimed.)*

- (a) an order pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "**BIA**"), and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43 (the "**CJA**"), appointing MSI Spergel Inc., as receiver and manager over all of the property, assets and undertakings of the Respondent, substantially in the form of the draft Commercial List Order attached hereto as Schedule "A"; and;
- (b) Such further and other Relief as to this Honourable Court may deem just.

Grounds

1. The Respondent, 20 Caldari Development Inc. (the "**Debtor**"), owns real property known municipally as 20 Caldari Road, Vaughan, ON (the "**Property**").
2. The First Mortgagee is the holder of a secured loan to the Respondent, secured by way of a mortgage (the "**First Mortgage**") which has been in payment default since December 22, 2024, in addition to other defaults.
3. The First Mortgagee holds first ranking security interest over all of the Debtor's assets, including the Property.

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4. The First Mortgagee became the first mortgagee by reason of a previous receivership in this Court, initiated by the Canadian Western Bank ("CWB"), through which, as part of a resolution of several outstanding pieces of litigation, the CWB mortgage was assigned and transferred by the Debtor to the First Mortgagee and registered against the Property as Instrument No. YR3685547 (the "**Global Resolution**").
5. The Global Resolution received the endorsement of this Court by the order of the Honourable Justice Agarwal, dated May 31, 2024 (the "**Order**").
6. The Global Resolution under the Order provided for, *inter alia*:
 - (a) Acknowledgement of the transfer of the former CWB mortgage and security to the First Mortgagee;
 - (b) The acknowledgement of further security being given by the Debtor and the registration of a second mortgage in favour of J.I.S. Contract Furniture pursuant to the security;
 - (c) The acknowledgment of two new leases to related companies of the Debtor [now in default];
 - (d) A Business Operating Agreement between shareholders of the Debtor dated June 1, 2024 (the "**BOA**"), which was part of a resolution of a previous oppression remedy application [now in default];
7. The Debtor has failed to cure the defaults under the Global Resolution.
8. The Debtor remains in default of filing corporate income tax returns for paid income tax or HST.

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9. On January 31, 2025 the First Mortgagee issued a formal demand for payment by the Debtor (the "Demand Letter") and a Notice of Intention to Enforce Security (the "Notice") under Section 244 of the BIA.

10. The Demand Letter notified the Debtor of its several defaults, under the security, including, *inter alia*:

(a) Payment Default

The Debtor is in default of monthly mortgage payments owing under the First Mortgage due December 22, 2024 of \$84,201.88 and January 22, 2024 of \$84,201.88, together with late payment and other charges, totaling \$151,400.92. As of February 13, 2025, the total amount in default is \$212,189.78.

(b) Reporting Defaults

Pursuant to an Agreement dated August 26, 2021 between the First Mortgagee and the Debtor, the Debtor agreed to fulfill following Covenants and Conditions:

1. *Review Engagement, annual financial statements of the Borrower and Guarantor(s) prepared by a firm of qualified professional accountants within 120 days of the borrower's fiscal year-end, together with annual business plan including proforma balance sheets with profit and loss and cash flow statements as well as capital expenditure forecasts for the current fiscal year, showing purpose and source of financing;*
2. *Quarterly, internal financial statements of the Borrower and the Aurora Hotel Group inclusive of at least an income statement and balance sheet within 45 days of quarter end;*

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The Debtor missed the dates for the quarterly submissions for period ended June 31, 2024, and September 30, 2024.

(c) Property Taxes Default

The Debtor has not made any payments to the City of Vaughan for arrears of property taxes for year-end 2022, 2023, and 2024, which are now at approximately \$207,000 in arrears. Failure to remit and pay property taxes is a further default of the Debtor pursuant to, *inter alia*, section 7 of the Mortgage and clause 6(i) of the General Security Agreement.

(d) Default of Construction Lien

A construction lien was registered against the Property as Instrument No. YR3729300 on October 16, 2024 by Evans Industrial Installations Ltd. in the amount of \$40,329.87, such construction lien being a default under, *inter alia*, section 5(e) of the Mortgage and clause 7(f) of the General Security Agreement.

11. The Debtor did not respond at all to the Demand Letter or the Notice, served January 31, 2025.
12. Notwithstanding notification of the defaults, and the expiry of the 10-day notice period, under the B.I.A., the Debtor remains in default of its obligations to the First Mortgagee and has failed to repay its indebtedness to the First Mortgagee under the First Mortgage in the amount of \$9,425,626.68, as at January 22, 2025,

- 9 -

together with all interest accrued thereon, plus costs, solicitors' fees and expenses, which continue to accrue.

13. Since the issue of the Demand Letter and the Notice, the Debtor has defaulted on a further mortgage payment of February 22, 2025 of \$84,201.80.

14. The First Mortgagee has lost confidence in the Debtor's ability to repay the loan under the First Mortgage.

15. The Second Mortgagee consents to the Appointment of a Receiver.

16. In the circumstances, given (i) the default in payment of the First Mortgage, (ii) the non-compliance with the terms of the Global Settlement, as set out in the Order, and (iii) the impairment of the security of the Property by the arrears of taxes and the lien, it is just and expedient that a Receiver be placed over the assets of the Debtor including, *inter alia*, the Property.

Evidence:

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

- (a) The Affidavit of Ricardo Sousa, for 1000688136 Ontario Inc, sworn February 26, 2025 and the Exhibits thereto;
- (b) The Affidavit of Jay Khanna sworn February 26, 2025 and the Exhibits thereto;
- (c) The Consent of the Receiver, MSI Spergel Inc.; to be filed; and
- (d) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

- 10 -

(Date of issue)

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ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
BRAMPTON

NOTICE OF APPLICATION

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**ONTARIO
SUPERIOR COURT OF JUSTICE**

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

B E T W E E N:

1000688136 ONTARIO INC.

Applicant

and

20 CALDARI DEVELOPMENT INC.

Respondent

AFFIDAVIT OF RICARDO SOUSA

I, RICARDO SOUSA, businessman, of the City of Maple, in the Regional Municipality of York Region, Province of Ontario, MAKE OATH AND SAY:

1. I am the President of the Applicant, 1000688136 Ontario Inc., ("**the First Mortgagee**") and in such capacity I have knowledge of the matters to which I hereinafter deposed.
2. Where I have received other information from other parties, I state the source of that information and believe it to be true.

BACKGROUND FACTS

3. The Respondent, 20 Caldari Development Inc. (the "**Debtor**"), owns real property known municipally as 20 Caldari Road, Vaughan, ON (the "**Property**"). A true copy of the Parcel Register for 20 Caldari Road, PIN 03276-0125(LT), dated February 26, 2025 is annexed hereto to this my Affidavit and marked as **Exhibit "A"**.
4. The First Mortgagee is the holder of a secured loan to the Respondent, secured by way of a mortgage (the "**First Mortgage**") which has been in payment default since December 22, 2024, in addition to other defaults.
5. The First Mortgagee holds first ranking security interest over all of the Debtor's assets, including the Property.
6. The First Mortgagee became the first mortgagee by reason of a previous receivership in this Court, initiated by the Canadian Western Bank ("**CWB**"), through which, as part of a resolution of several outstanding pieces of litigation, the CWB mortgage was assigned and transferred to the Debtor and registered against the Property as Instrument No. YR3685547 (the "**Global Resolution**").
7. The Global Resolution received the endorsement of this Court by the order of the Honourable Justice Agarwal, dated May 31, 2024 (the "**Order**"). A true copy of the Order, dated May 31, 2024 is annexed hereto to this my Affidavit as **Exhibit "B"**
8. The Global Resolution under the Order provided for, inter alia:

- (a) Acknowledgement of the transfer of the former CWB mortgage to the First Mortgagee;
- (b) The acknowledgement of further security being given by the Debtor and the registration of a second mortgage in favour of J.I.S. Contract Furniture pursuant to the security;
- (c) The acknowledgment of two new leases to related companies of the Debtor [now in default];
- (d) A Business Operating Agreement between shareholders of the Debtor dated June 1, 2024 (the "**BOA**"), which was part of a resolution of a previous oppression remedy application [now in default];

Security Documentation

- 9. The transfer of the first documentation endorsed under the Order included the following:
 - i. Assignment of Debt and Security Agreement between Canadian Western Bank and 1000688136 Ontario Inc., dated March 11, 2024-(**Exhibit "C"**);
 - ii. Registered Assignment/Transfer of First Mortgage, dated March 11, 2024 – YR3655690-(**Exhibit "D"**);
 - iii. Amendment to Commitment Letter, dated June 1, 2024-(**Exhibit "E"**);

- iv. Schedule "B" – Mortgage Amending Agreement, dated June 1, 2024-
(Exhibit "F");
- v. Mortgage Statement of principal re 1000688136 Ontario Inc. -**(Exhibit "G")**;
- vi. Loan Agreement dated August 26, 2021-**(Exhibit "H")**;
- vii. Mortgage dated November 23, 2021-**(Exhibit "I")**;
- viii. General Security Agreement dated November 24, 2021 **(Exhibit "J")**; and
- ix. Amending Agreement, dated March 31, 2023 **(Exhibit "K")**.

First Mortgage in Default

- 10. Since the Order, the payments under the First Mortgage have never been made on time and the monthly installments have been in arrears more often than they have been paid up to date.
- 11. I note that, at the time of the Order, the Borrower was three months in arrears of making payments under the First Mortgage, and that these payments were amortized and added to the First Mortgage as part of the Global Resolution.
- 12. After the Order, two payments were made for the months of June and July, but the First Mortgage went into default in August, and remained in default for September thereafter.

13. These arrears were eventually paid in October of 2024 when the Aurora Brothers had affected the sale of another property located at 20 Regina (which property was also in receivership), and some of the equity in the Regina property resulting from the sale was used to pay the First Mortgage. This occurred on October 22, 2024, where the mortgage payment for November 22, 2024 was paid in advance from the same proceeds of sale of the Regina property.
14. Since October 22, 2024, no payments on the First Mortgage from AHG have been paid.

Notice of Default

15. On January 31, 2025, the First Mortgagee, through its solicitors, Fogler Rubinoff LLP, issued a formal demand for payment to the Debtor (the "Demand Letter") and a Notice of Intention to Enforce Security (the "Notice") under Section 244 of the BIA. A true copy of the Demand Letter and the Notice are annexed hereto to this my Affidavit and annexed as **Exhibit "L"**.
16. As of the date of this Affidavit, the total amount of principal, with **\$99,472.68** of per diem interest since the date of the Demand Letter and Notice, is **\$9,504,759.36**. (This figure does not include an increase in property taxes, but does include an amount crediting the amount received by the First Mortgagee from an Attornment of Rent, described below.

Property Taxes in Arrears

17. Since the date of the Order, the payments made under the First Mortgage include a monthly payment of \$6,941.67 for property taxes, which has been remitted by the First Mortgagee to the City of Vaughan (the "**City**") when the payments have been received. The property tax payments made by the First Mortgagee were based on the 2024 property tax assessment.
18. However, previous years unpaid property taxes have remained outstanding, and have been accruing interest. I am advised by the City of Vaughan (Tax Department), and verily believe, that the tax payments by the First Mortgagee have in fact been applied by the City to the tax arrears and the interest on the tax arrears.
19. As the Borrower has made no payment on tax arrears itself, the total tax arrears have increased in respect of the property. When the Order was made on July 27 2024, the tax arrears were approximately \$140,490, and the tax arrears as of December 24, 2024 are \$207,946.48. A true copy of the statement of taxes in respect of 20 Caldari Road, from the City, dated December 24, 2024 is annexed hereto, to this my affidavit, and marked as **Exhibit "M"** to this my Affidavit.
20. I have concern that the equity in the Property is being further impaired and diminished by the failure of the Borrower to take any steps whatsoever to rectify the tax account with the City, and the tax account has increased by more than \$60,000 of arrears.

Lien on Property

21. When Countertop Solutions Inc., a tenant of the Property and a related entity to the Aurora Brothers, moved into unit #1 of the Property, it brought certain equipment to be used for its stone manufacturing business, which equipment was apparently installed by a third-party contractor.
22. The third-party contractor, Evans Industrial Installation Ltd. (the "**Contractor**") was unpaid for its services and registered a construction lien against the property for \$40,329.87 on October 28, 2024 as instrument YR3732583 (the "**Lien**"). A true copy of the claim for lien of the Contractor is annexed hereto to this my affidavit and marked as **Exhibit "N"**.
23. It is my understanding that the Aurora Brothers and Counter Top Solutions Inc. dispute the amount which the Contractor alleges to be owed, however as of the date of this Affidavit the Lien remains on title and has not been resolved or discharged. I note that the Lien is a breach of the covenants in the First Mortgage, a breach of the Covenants in the Second Mortgage, and a breach of the terms of the Leases of AHG and Counter Top Solutions Inc. with the Corporation

Attornment of Rent

24. Pursuant to a Notice of Attornment of Rent, dated January 31, 2025, the First Mortgagee delivered a Notice of Attornment of Rent to the independent tenant, occupying Unit 2 at the property, Stone Quartz Inc. The monthly rental payment pursuant to the Lease of Stone Quartz in the amount of \$20,340.00 was received

directly by the First Mortgagee in accordance with the Attornment and has been accounted for in the total owing to the First Mortgagee. A true copy of the Notice of Attornment of Rents, dated January 31, 2025 is attached as **Exhibit "O"**.

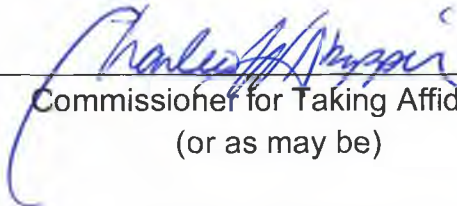
Statement of Arrears

25. The Debtor did not respond to the First Mortgagee or to its solicitors in respect of the Demand Letter or the Notice.
26. I have prepared, for this Application, a comprehensive mortgage statement as of February 26, 2025, which I believe to be a true and accurate accounting and record of the First Mortgage, and which shows a principal and interest owing of \$9,504,759.36. A true copy of the Mortgage Statement dated February 26, 2025 is annexed hereto as **Exhibit "P"**
27. Since the delivery of the Demand Letter and Notice, the debtor has defaulted further, and made no effort or payment for a further mortgage payment that was due on February 22, 2025 of \$84,201.80.
28. The First Mortgagee has lost confidence in the Debtor's ability to repay the First Mortgage.
29. In the circumstances, given (i) the default in payment of the First Mortgage and (ii) the non-compliance of the other defaults listed in the Demand Letter (iii) the impairment of the security of the property by the arrears of property taxes and the

lien. I believe that it is just and expedient that a Receiver be placed over the assets of the Debtor including, inter alia, the Property.

30. I make this Affidavit on behalf of the First Mortgagee for the appointment of a Receiver over the assets of 20 Caldari Development Inc., including the property over which the First Mortgagee has registered security, 20 Caldari Rd., and for no other or improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario on February 26, 2025



Commissioner for Taking Affidavits
(or as may be)

Charles W. Skipper

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)
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)
)

RICARDO SOUSA

This is **Exhibit "A"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

PROPERTY DESCRIPTION: PCL 1-1 SEC 65M2681; LT 1 PL 65M2681; S/T LT552714, LT586315 ; S/T LT546620,LT546628 VAUGHAN

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
ABSOLUTE

RECENTLY:
FIRST CONVERSION FROM BOOK

PIN CREATION DATE:
1997/04/07

OWNERS' NAMES
20 CALDARI DEVELOPMENT INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/04/07 ON THIS PIN** **WAS REPLACED WITH THE "PIN CREATION DATE" OF 1997/04/07** ** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1997/04/04 **</p>						
LT504012	1988/07/26	NOTICE AGREEMENT			THE CORPORATION OF THE TOWN OF VAUGHAN	C
65R12674	1988/12/15	PLAN REFERENCE				C
LT546620	1988/12/22	TRANSFER EASEMENT			THE CORPORATION OF THE TOWN OF VAUGHAN	C
LT546628	1988/12/22	TRANSFER EASEMENT			VAUGHAN HYDRO-ELECTRIC COMMISSION	C
LT586315	1989/05/30	TRANSFER		*** COMPLETELY DELETED ***	MULLER MARTINI CANADA INC.	
LT682551	1990/06/27	NOTICE				C
YR76	2001/05/23	NOTICE OF LEASE		*** COMPLETELY DELETED *** MULLER MARTINI CANADA INC.	MOULINEX CANADA LTD.	
YR3141202	2020/09/16	APL (GENERAL)		*** COMPLETELY DELETED *** MULLER MARTINI CANADA INC.		
REMARKS: DELETING YR76						
YR3141634	2020/09/16	TRANSFER	\$9,650,000	MULLER MARTINI CANADA INC.	20 CALDARI DEVELOPMENT INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
YR3141635	2020/09/16	CHARGE		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	VISRAM, ZAHERALI	
YR3141636	2020/09/16	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	VISRAM, ZAHERALI	
REMARKS: YR3141635						

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.

* 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/ CHRD
YR3234313	2021/04/09	CHARGE		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION LI, RONGZHEN STREAM CAPITAL INC. CHEN, YANGYU PAN, XIAOLAN	
YR3234323	2021/04/09	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 20 CADARI DEVELOPMENT INC.	PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION LI, RONGZHEN STEAM CAPITAL INC. CHEN, YANGYU PAN, XIAOLAN	
		REMARKS: YR3234313.				
YR3234472	2021/04/09	POSTPONEMENT		*** COMPLETELY DELETED *** VISRAM, ZAHERALI	PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION LI, RONGZHEN STREAM CAPITAL INC. CHEN, YANGYU PAN, XIAOLAN	
		REMARKS: YR3141635 YR3234313 YR3234323 YR3141636				
YR3234473	2021/04/09	NOTICE		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	VISRAM, ZAHERALI	
		REMARKS: YR3141635				
YR3254161	2021/05/21	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** MARSHALL EXCAVATING INC.		
YR3271515	2021/06/24	APL DEL CONST LIEN		*** COMPLETELY DELETED *** MARSHALL EXCAVATING INC.		
		REMARKS: YR3254161.				
YR3282115	2021/07/14	CHARGE		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	OWEMANCO MORTGAGE HOLDING CORPORATION	
YR3282116	2021/07/14	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	OWEMANCO MORTGAGE HOLDING CORPORATION	
		REMARKS: YR3282115.				
YR3282117	2021/07/14	CHARGE		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	BREXIT HOLDINGS INC.	

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* 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
YR3282118	2021/07/14	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	BREXIT HOLDINGS INC.	
		REMARKS: YR3282117.				
YR3282484	2021/07/15	DISCH OF CHARGE		*** COMPLETELY DELETED *** PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION LI, RONGZHEN STREAM CAPITAL INC. CHEN, YANGYU PAN, XIAOLAN		
		REMARKS: YR3234313.				
YR3282526	2021/07/15	DISCH OF CHARGE		*** COMPLETELY DELETED *** VISRAM, ZAHERALI		
		REMARKS: YR3141635.				
YR3344879	2021/11/23	CHARGE	\$13,120,000	20 CALDARI DEVELOPMENT INC.	CANADIAN WESTERN BANK	C
YR3344880	2021/11/23	NO ASSGN RENT GEN		20 CALDARI DEVELOPMENT INC.	CANADIAN WESTERN BANK	C
		REMARKS: TO BE DELETED UPON THE DELETION OF YR3344879				
YR3344974	2021/11/23	DISCH OF CHARGE		*** COMPLETELY DELETED *** OWEMANCO MORTGAGE HOLDING CORPORATION		
		REMARKS: YR3282115.				
YR3344986	2021/11/23	DISCH OF CHARGE		*** COMPLETELY DELETED *** BREXIT HOLDINGS INC.		
		REMARKS: YR3282117.				
YR3653172	2024/03/01	APL COURT ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	ERNST & YOUNG INC.	
YR3655690	2024/03/11	TRANSFER OF CHARGE		CANADIAN WESTERN BANK	1000688136 ONTARIO INC.	C
		REMARKS: YR3344879.				
YR3685545	2024/06/07	APL AMEND ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	ERNST & YOUNG INC.	
		REMARKS: DELETES YR3653172				
YR3685546	2024/06/07	NOTICE		20 CALDARI DEVELOPMENT INC.	1000688136 ONTARIO INC.	C
		REMARKS: YR3344879				
YR3685547	2024/06/07	CHARGE	\$5,800,000	20 CALDARI DEVELOPMENT INC.	J.I.S CONTRACT FURNITURE INC.	C

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* 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
YR3729300	2024/10/16	CONSTRUCTION LIEN	\$40,329	EVANS INDUSTRIAL INSTALLATIONS LTD.		C
YR3732583	2024/10/28	CONSTRUCTION LIEN	\$40,329	EVANS INDUSTRIAL INSTALLATIONS LTD.		C
YR3747061	2024/12/10	CERTIFICATE		EVANS INDUSTRIAL INSTALLATIONS LTD.		C
REMARKS: YR3732583 AND YR3729300						

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

This is **Exhibit "B"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)
CHARLES W. SKIPPER

Court File No. CV-23-00004340-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE)	FRIDAY, THE 31ST
)	
JUSTICE AGARWAL)	DAY OF MAY, 2024

BETWEEN:



1000688136 ONTARIO INC.

Applicant

- and -

20 CALDARI DEVELOPMENT INC.

Respondent

DISCHARGE ORDER

THIS MOTION, made by the Applicant, 1000688136 ONTARIO INC. for an order approving the resolution of litigation in Ontario Superior Court of Justice action numbers CV-21-00003633, CV-22-00001381, CV-22-00692176 AND CV-23-00004340, among other relief and the Cross-motion by Ernst & Young Inc. in its capacity as the Court-appointed receiver and manager (the "Receiver") of the undertaking, property and assets of 20 Caldari Development Inc. (the "Debtor"), for an order:

- i. approving the activities and proposed activities of the Receiver as set out in the third report of the Receiver dated May 24, 2024 (the "Third Report");
- ii. approving the Receiver's Statement of Receipts and Disbursements for the period April 4, 2024 to May 23, 2024;

- iii. approving the fees and disbursements of the Receiver and its counsel;
- iv. directing the Aurora Hotel Group Inc. (“AHG”) to forthwith pay to the Receiver the amount of \$1000.00 owing pursuant to the Order of the Honourable Justice Mirza dated March 8, 2024, and the amount of \$49,224 owing pursuant to the Order of the Honourable Justice Mandhane dated April 12, 2024;
- v. Alternatively, directing 1000688136 Ontario Inc.(the “Secured Creditor”) to provide to the Receiver funding in an amount requested by the Receiver to satisfy the post – receivership obligations;
- vi. after payment of all post–receivership obligations, approving the distribution of the remaining proceeds available in the estate, if any, to the Secured Creditor, or as otherwise ordered by the court;
- vii. discharging Ernst & Young Inc. as Receiver of the undertaking, property and assets of the Debtor; and
- viii. releasing Ernst & Young Inc. from any and all liability, as set out in paragraph 9 of this Order.

was heard this day via judicial video conference at the courthouse at 7755 Hurontario Street, Brampton, Ontario.

1. **ON READING** the Third Report, the affidavits of the Receiver and its counsel as to fees (the “Fee Affidavits”), and on reading the Notice of Motion of the secured creditor, 1000688136 Ontario Inc., dated May 16, 2024, the Affidavit of Jay Khanna, sworn May 16, 2024 and the Exhibits annexed thereto and the Affidavit of Akash Aurora, sworn May 23, 2024, and together with the documents evidencing the global resolution as listed in Schedule "B" to this Order, and on hearing the submissions of counsel for the Receiver, counsel for 1000688136 Ontario Inc.(the “Secured Creditor”), and counsel for The Aurora Hotel Group Inc., Akash Aurora, Nakul Aurora, and Ravi Aurora no one else appearing although served as evidenced by the Affidavits of Service, filed;

2. **THIS COURT ORDERS** that the time for service of this motion is hereby abridged and service of this Notice of Motion and Motion Record is hereby validated so that this Motion is properly returnable on May 31 2024 and further service thereof is hereby dispensed with.
3. **THIS COURT ORDERS** that the activities and proposed activities of the Receiver, as set out in the Third Report, are hereby approved.
4. **THIS COURT ORDERS** that the Receiver's Statement of Receipts and Disbursements for the period from April 4 to May 23, 2024 is hereby approved.
5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the Fee Affidavits, are hereby approved, together with the additional fees and disbursements of the Receiver and its counsel through to the filing of the Receiver's Discharge Certificate as contemplated in paragraph 10 hereof.
6. **THIS COURT ORDERS** the Aurora Hotel Group Inc. ("AHG") to forthwith pay to the Receiver the balance of the amounts owing pursuant to the Order of the Honourable Justice Mirza dated March 8, 2024, and the Order of the Honourable Justice Mandhane dated April 12, 2024, being the sum of \$20,224.
7. **THIS COURT ORDERS**, in the alternative to paragraph 5 hereof, the Secured Creditor shall, upon request by the Receiver, forthwith advance funds to the Receiver in an amount sufficient to fund completion of the Receiver's post receivership obligations and complete the Administrative Matters as defined in the Third Report (the "Funding").
8. **THIS COURT ORDERS** that this Order shall become effective on June 7, 2024 (the "Effective Date").
9. **THIS COURT ORDERS** that, upon the Effective Date of this Order, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of

all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Ernst & Young Inc. in its capacity as Receiver, including the Receiver's Charge and Receiver's Borrowing Charge as defined in the Order of Justice Tzimas dated December 7, 2023.

10. **THIS COURT ORDERS AND DECLARES** that upon the Effective Date of this Order, Ernst & Young Inc. shall be released and discharged from any and all liability that Ernst & Young Inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Ernst & Young Inc. while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, Ernst & Young Inc. shall be released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

11. **THIS COURT ORDERS** that subject to receipt of the Funding, and after completing the Administrative Matters, as defined in the Third Report, including paying the Receiver's and the Receiver's counsel's fees, the Receiver shall file a certificate, in the form attached hereto as Schedule "A" certifying that it has completed the Administrative Matters, thereby terminating the Receiver's Charge and Receiver's Borrowing Charge as defined in the Order of Justice Tzimas dated December 7, 2023.

GLOBAL RESOLUTION

12. **THIS COURT APPROVES** the Global Resolution of the litigation as described and set forth in the Affidavit of Jay Khanna, and as set out in the documents of the Global Resolution listed in Schedule "B" hereto, and hereby declares that the Global Resolution shall be concluded and deemed effective on the Effective Date.

13. **THIS COURT ORDERS** that the Global Settlement between the shareholders of the Debtor as described in the Third Report shall take effect as of the Effective Date.

14. **THIS COURT ORDERS** there shall be no costs to these motions.

Hon. R.K. Agarwal

Schedule "A"

Court File No. CV-23-00004340-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

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

B E T W E E N:

1000688136 ONTARIO INC.

Applicant

- and -

20 CALDARI DEVELOPMENT INC.

Respondent

RECEIVER'S DISCHARGE CERTIFICATE**RECITALS**

A. Pursuant to an Order of the Honourable Justice Tzimis of the Ontario Superior Court of Justice (the "**Court**") dated December 7, 2023, Ernst & Young Inc. was appointed as the receiver (the "**Receiver**") without security, of all of the assets, undertakings, and properties of the Respondent (the "**Debtor**").

B. Pursuant to an Order of the Honourable Justice Agarwal of the Court dated May 31, 2024 (the "**Discharge Order**"), Ernst & Young Inc. was discharged as Receiver of the assets, undertakings and properties of the Debtor to be effective seven days after the date on which the Receiver's funding requirements are met and the Court authorized the Receiver to file a certificate confirming that the Receiver has completed the "Administrative Matters" as defined in its Third Report dated May 24, 2024 (the "**Report**") provided, however, that notwithstanding its discharge: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver

shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Ernst & Young Inc in its capacity as Receiver.

THE RECEIVER CERTIFIES that the Receiver has completed the Administrative Matters as set out in the Report, and a copy of the Receiver's Final Statement of Receipts and Disbursements is attached hereto as Schedule "A".

**ERNST & YOUNG INC. in its capacity as
Court Appointed Receiver and Manager of 20
Caldari Development Inc.**

Per: _____

Name: Allen Yao

Title: Senior Vice President

1000688136 ONTARIO INC.
Applicant

-and-

20 CALDARI DEVELOPMENT INC.
Respondent

Court File No CV-23-00004340-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
BRAMPTON

RECEIVER'S DISCHARGE CERTIFICATE

DICKINSON WRIGHT LLP

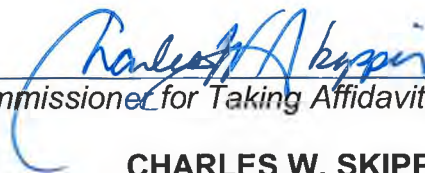
Barristers & Solicitors
199 Bay Street
Suite 2200, Box 447
Commerce Court Postal Station
Toronto, ON M5L 1G4

LISA S. CORNE

Email: lcorne@dickinsonwright.com

Lawyers for Ernst & Yong Inc., Court-Appointed Receiver

This is **Exhibit "C"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

ASSIGNMENT OF DEBT AND SECURITY AGREEMENT

THIS ASSIGNMENT OF DEBT AND SECURITY AGREEMENT (this "Agreement") is made as of the 11th day of March 2024.

AMONGST:

CANADIAN WESTERN BANK
(the "Assignor")

- and -

1000688136 ONTARIO INC.
(the "Assignee")

RECITALS:

- A. 20 Caldari Development Inc. (the "**Borrower**") is indebted to the Assignor with respect to a certain credit facility or loan made available by the Assignor to the Borrower pursuant to and under the terms of the commitment letter dated August 26, 2021 and accepted September 8, 2021 (the "**Original Credit Agreement**"), as amended pursuant to and under the terms of the amending agreement dated March 31, 2023, a promissory note dated on or about October 9, 2021 and an application and agreement letter of credit/guarantee dated November 9, 2021 (collectively, and together with the Original Credit Agreement, the "**Credit Agreement**");
- B. the indebtedness of the Borrower for principal, interest and fees (including, without limitation, any and all legal and other professional fees and any other fees of any kind relating to the Transaction, as defined below) pursuant to the Credit Agreement as at the completion of the Transaction is set out in **Schedule "A"** to this Agreement (the "**Indebtedness**");
- C. the Borrower provided security for the Indebtedness, including amongst other things, the documents described on **Schedule "B"** to this Agreement and listed in **Schedule "D"** to this Agreement (collectively, the "**Security**", and together with the Credit Agreement, the "**Documents**");
- D. the Indebtedness is jointly and severally guaranteed by Akash Aurora, Nakul Aurora and Jay Khanna (the "**Personal Guarantors**"), and Aurora Hotel Group Inc., J.I.S Contract Furniture Inc. and 2107307 Ontario Inc. (the "**Corporate Guarantors**") (collectively, the "**Guarantors**") pursuant to separate written guarantees each respectively dated November 9, 2021 (collectively, the "**Guarantees**");

- E. the Security includes a general security agreement dated November 9, 2021, granted by the Borrower in favour of the Assignor, and general security agreements each dated November 9, 2021, granted by each of the Guarantors in favour of the Assignor (collectively, the "GSAs");
- F. the Guarantors also assigned and postponed any claims that they may have against the Borrower in favour of the Assignor pursuant to separate written assignment and postponement of creditor's claims each respectively dated November 9, 2021 (collectively, the "Assignments and Postponements");
- G. the Assignor has made written demand on the Borrower for repayment of the Indebtedness (the "Borrower Demand Letter"), which was accompanied by a Notice of Intention to Enforce Security prepared pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
- H. the Assignor has made written demands on the Guarantors pursuant to the respective Guarantees for repayment of the Indebtedness (together with the Borrower Demand Letter, the "Demand Letters");
- I. the Borrower and the Guarantors have failed to make payment in accordance with the Demand Letters;
- J. Ernst & Young Inc. was appointed as receiver and manager (the "Receiver") of all the assets, undertakings and properties of the Borrower (the "Property") pursuant to the Order of Justice Tzimas dated December 7, 2023 (the "Receivership Order");
- K. Pursuant to paragraph 9 of the Receivership Order, among other things, all rights and remedies against the Borrower or affecting the Property are stayed and suspended except with the written consent of the Receiver or leave of the court;
- L. the Assignee is prepared to pay the amounts owed by the Borrower to the Assignor provided that the Assignee receives an assignment of the Indebtedness and the Documents, and the Receiver is given notice of the assignment; and
- M. the Assignor and the Assignee have agreed upon terms and conditions of the assignment of the Indebtedness and the Documents (the "Transaction"), the terms and conditions of which Transaction are set out in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the payment to the Assignor of the Purchase Price (as defined in Section 6 of this Agreement) and for other good and valuable consideration received, the sufficiency of which is hereby acknowledged, and intending to be legally bound by this Agreement, the parties agree as follows:

- 1. subject to the terms and conditions of this Agreement, the Assignor hereby irrevocably assigns, transfers and sets over unto the Assignee, its successors and

- assigns, all its right, title and interest, at law or in equity, if any, in and to the Indebtedness and the Documents;
2. the Assignee agrees and covenants to and in favour of the Assignor that the assignment of the Indebtedness and the Documents and the rights granted to the Assignee in the Indebtedness and the Documents herein provided for is without recourse as against the Assignor;
 3. subject to the terms and conditions of this Agreement, the Assignee shall, from the date hereof, have and hold the Indebtedness and the Documents and all monies arising in respect thereof and to accrue thereon together with the interest and costs properly eligible thereon and the Property of the Borrower thereby secured, mortgaged, charged and assigned to the use of the Assignee, its successors and assigns, absolutely, but subject always to the terms and provisions contained herein;
 4. the Assignor has delivered the documents and records to the Assignee as set forth in the Index to the Record Book attached as Schedule D;
 5. the Assignee hereby acknowledges and agrees that the Assignor may only be able to deliver photocopies of the Documents to the Assignee, but upon request of the Assignee will use best efforts to locate and deliver any originals of the documents to the Assignee;
 6. in consideration of the closing of the Transaction on the terms contained in this Agreement, the Assignee shall pay the amounts of Eight Million Eight Hundred Forty Nine Thousand Six Hundred and Three Dollars and Sixty One Cents (**\$8,849,603.61**) (the "**Purchase Price**") in trust to legal counsel for the Assignor, Dickinson Wright LLP (the "**Assignor's Counsel**"), in accordance with the wire instructions set out in **Schedule "C"** to this Agreement which sums shall not be refunded to the Assignee, in full or in part; and
 7. as the quantum of the Indebtedness fluctuates on a daily basis, the Purchase Price is only valid until 4:00 p.m. (Toronto time) on Monday, March 11, 2024. Accordingly, in the event that the Purchase Price and fully-executed copies of this Agreement are not received by the Assignor's Counsel by 4:00 p.m. (Toronto time) on March 11, 2024, the time to complete the Transaction will be extended by one business day with the Purchase Price being increased by the applicable per diem plus the applicable additional legal fees of the Assignor's Counsel (failing which, if the Transaction has still not been completed, this Agreement shall be deemed to be null and void and of no further force and effect);
 8. the Assignee and Assignor shall each be responsible for their own legal and professional fees in connection with this Agreement;
 9. the Assignee shall each be responsible for effecting any and all required registrations in respect of the Transaction, and the Assignor hereby consents to the Assignee or its counsel proceeding with the relevant transfers, registrations

and/or filings required to give effect to this Agreement, provided that such steps are undertaken exclusively at the sole cost of the Assignee. The parties to this Agreement shall, during the first 30 calendar days from the date of this Agreement, take all reasonable steps necessary to execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such further instruments, transfers and other documents to give effect to this Agreement and the assignment contemplated herein, provided that such steps are undertaken exclusively at the sole cost of the Assignee;

10. upon receipt by the Assignor of a fully executed copy of this Agreement, and the Purchase Price, all in accordance with the date and time as set out in paragraph 6, the Assignor shall deliver to the Assignee an executed copy of the acknowledgement and direction set out in Schedule "E";
11. the Assignor represents, warrants and covenants with the Assignee that the Assignor is not a non-resident of Canada under the *Income Tax Act (Canada)*;
12. the Assignor represents and warrants that it has not assigned, postponed, released, or discharged any of the Indebtedness or the Documents;
13. ~~Except as expressly set out in this Agreement, the Assignor makes no representations or warranties with respect to the validity, enforceability, perfection, attachment, priority or any other matter regarding any of the Security or Documents;~~
14. The Assignee acknowledges that it has inspected the Security and accepts the Security and all registrations and documents relating thereto on an "as is" basis, in their present state and condition and is relying solely on its own inspection and judgment regarding the Security in entering into this Agreement;
15. notwithstanding any provision hereof or of the Documents, the Assignee acknowledges and agrees that it will pursue any claims related to the Indebtedness or the Documents in its own name and not in the name of the Assignor;
16. the Assignor and Assignee acknowledge that the receiver has been given written notice of the Transaction
17. the Assignee hereby agrees to indemnify the Assignor, and its officers, directors, employees and agents, and hold them harmless from any claim or complaint, and any loss or damage of any kind whatsoever advanced against the Assignor arising from its assignment of the Indebtedness and Documents to the Assignee, including without limitation any costs, expenses, suits, or actions which may be incurred or asserted against the Assignor ;
18. each of the parties hereto acknowledges and declares that: (a) it has had an adequate opportunity to read and consider this Agreement and to obtain such advice in regard to it as it considers advisable, including, without limitation,

independent legal advice; (b) it fully understands the nature and effect of this Agreement; and (c) this Agreement has been duly executed voluntarily;

19. this Agreement can only be modified or amended by written agreement executed by the parties hereto;
20. this Agreement may be executed in one or more counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument and execution and delivery of this Agreement may be made and evidenced by electronic transmission;
21. this Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties hereto irrevocably submit to the Court in any action or proceeding arising out of or relating to this Agreement that involves the Assignor, and irrevocably agree that all such actions and proceedings may be heard and determined in the Court, and irrevocably waives, to the fullest extent possible, the defence of an inconvenient forum.
22. this Agreement binds and enures to the benefit of the parties' respective successors and assigns; and
23. any notice, demand or other communication required or permitted to be given to any party hereunder shall be given in writing and addressed as follows:

in the case of the Assignor:

Canadian Western Bank
2000 Argentia Road
Mississauga, ON L5N 1P7

Attention: Tyson Hartwell

with a copy to:

Dickinson Wright LLP
Lawyers
199 Bay Street, Suite 2200
Toronto, ON M5L 1G4

Attention: Lisa S. Corne
Email: Lcorne@dickinson-wright.com

in the case of the Assignee:

1000688136 Ontario Inc.
c/o Rago & Garofalo
30 Jane Street
Toronto, ON M6S 3Z3

with copy to:

Fogler, Rubinoff LLP
Lawyers
77 King Street West, Suite 3000
Toronto, ON M5K 1G8

Attention: Charles Skipper/Vern W. DaRe
Email: cskipper@foglers.com / vdare@foglers.com

Any such notice shall be deemed to be sufficiently given if personally delivered, sent by prepaid courier, or sent by email transmission, and in each case shall be deemed to have been received by the other party five (5) business days after being sent by courier, or on the same day on which it was delivered if sent by email transmission and such day is a business day, and, if not, on the next following business day.

[Signature Page Follows]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first written above.

CANADIAN WESTERN BANK

By: Tyson Hartwell Dean Chan
Name: Tyson Hartwell Dean Chan
Title: AVP, SAMU VP, SAMU

*I have authority to **bind** the corporation.*

1000688136 ONTARIO INC.

By: _____
Name:
Title:

*I have authority to **bind** the corporation.*

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first written above.

CANADIAN WESTERN BANK

By: _____

Name:

Title:

I have authority to bind the corporation.

1000688136 ONTARIO INC.

By: _____

Name: Ricardo Sousa

Title: President

I have authority to bind the corporation.

SCHEDULE "A"

Account #:	101013932108	8,789,125.07
Per diem		29,422.92
Legal Fees		88,275.38
Deduction of 1% interest account		(57,219.76)
		\$8,849,603.61

SCHEDULE "B"

the Security includes a general security agreement dated November 9, 2021, granted by the Borrower in favour of the Assignor, and general security agreements each dated November 9, 2021, granted by each of the Guarantors in favour of the Assignor (collectively, the "**GSA**s");

the Guarantors also assigned and postponed any claims that they may have against the Borrower in favour of the Assignor pursuant to separate written assignment and postponement of creditor's claims each respectively dated November 9, 2021 (collectively, the "**Assignments and Postponements**");

SCHEDULE "C"

FOR WIRES ORIGINATING IN CAD

Bank Name (Beneficiary's Bank):	ROYAL BANK OF CANADA
SWIFT Routing Number: (For Beneficiary's Bank)	ROYCCAT2
Bank Location (Complete Address):	Main Branch – Toronto 200 Bay Street, Main Fl., Toronto, ON M5J2J5
Bank Location (Country):	Canada
Beneficiary's Bank Account Number:	000021056951 (Currency is CAD)
Optional Routing Info (Sort Code):	“//CC000300002”
Beneficiary:	DICKINSON WRIGHT LLP In Trust 199 BAY STREET SUITE 2200 COMMERCE COURT WEST, TORONTO ON M5L1G4

Notes:

Beneficiary's account number	12 digits - no dashes or spaces
Royal Bank SWIFT address	ROYCCAT2 is the RBC SWIFT number to wire funds within and outside Canada. RBC does not have individual branch codes for each of our branches, therefore the inclusion of full transit and account number is critical to ensuring efficient receipt and processing of incoming wires.
Sort Code	Nine-digit Royal Bank sort code “//CC000300002”

Formatting questions

When there are questions regarding formatting of payments the Payments & Trade - Wire Payment Helpdesk may be contacted for assistance. Tel: 1-800-ROYAL35 (1-800-769-2535) option #2.

SCHEDULE "D"

RECORD BOOK

52

RE: Credit facilities Established by Canadian Western Bank (the "Lender") In favour of 20 Caldari Development Inc. (the "Borrower") Demand Collateral First Charge/Mortgage registered against property municipally known as 20 Caldari Road, Vaughan, Ontario (Legally described in PIN: 03276-0125 (LT), (the "Property")

CLOSED: November 23, 2021

TAB	DOCUMENT
1.	Commitment Letter
2.	Schwarz Law Partners LLP – Letter of Opinion
3.	Acknowledgement and Direction re electronic registration of Charge/Mortgage
4.	Acknowledgement and Direction re electronic registration of Assignment of Rents
5.	Acknowledgment Re: Standard Charge Terms filed as number 201617
6.	Certificates of By-Law No. 2 for each of the Borrower and Corporate Guarantors
7.	Certificates of Incumbency for each of the Borrower and Corporate Guarantors
8.	Certified Authorizing Resolutions of the Board of Directors for each of the Borrower and Corporate Guarantors
9.	Solicitor's Verification of Identity of Persons Execution Documents
10.	Direction re funds
11.	Funds Re-Direction
12.	Declaration of residency et al. in respect of Borrower
13.	Application and Agreement – Letter of Credit/Guarantee
14.	Assignment and Postponement of Creditor's Claims between Nakul Aurora and 20 Caldari Development Inc.
15.	Assignment and Postponement of Creditor's Claims between Akash Aurora and 20 Caldari Development Inc.
16.	Assignment and Postponement of Creditor's Claims between Aurora Hotel Group Inc. and 20 Caldari Development Inc.

TAB	DOCUMENT
17.	Assignment and Postponement of Creditor's Claims between Jay Khanna and 20 Caldari Development Inc.
18.	Assignment and Postponement of Creditor's Claims between 2107307 Ontario Inc. and 20 Caldari Development Inc.
19.	Assignment and Postponement of Creditor's Claims between J.I.S. Contract Furniture Inc. and 20 Caldari Development Inc.
20.	Assignment of All Risks Insurance & General Liability and Fire Insurance
21.	Assignment of Bank Instrument
22.	Debt Service and Cost Overrun Agreement
23.	Environmental Agreement and Indemnity
24.	Personal Guarantees for each Guarantor
25.	General Security Agreement together with authorizing Resolutions for Borrower and Corporate Guarantors
26.	Corporate Opinions in respect of Borrower and Corporate Guarantors
27.	Estoppel Certificates
28.	Charge/Mortgage Registered - Instrument No. YR3344879
29.	Notice of Assignment of Rents Registered - Instrument No. YR3344880
30.	Executed Mortgage Schedule
31.	Promissory Note given by Borrower in favour of Canadian Western Bank
32.	Insurance Binder
33.	Certificate of Liability Insurance
34.	Chicago Title Insurance Company – Lender's Policy No CL-1050978-CA994
35.	Confirmation of Property Tax Payment
36.	Confirmation of PPSA registrations
37.	Financing Change Statements – PPSA

SCHEDULE "E"

ACKNOWLEDGMENT AND DIRECTION

TO: ALL LAWYERS OF THE FIRM OF FOGLER, RUBINOFF LLP

AND TO: ALL DESIGNEES THEREOF

RE: Assignment of Instrument No. YR3344879 and related Instrument No. YR3344880, being a registered charge in favour of Canadian Western Bank and the related general assignment of rents, from CWB in favour of 1000688136 ONTARIO INC. in accordance with an Assignment of Debt and Security Agreement made as of the 28th day of February, 2024

This will confirm that:

1. The undersigned has reviewed the information set out herein and in the following document:
 - a. Transfer of Charge, in substantially the form attached as Schedule "A";
 - b. Transfer of *Personal Property Security Act* registrations in the form attached as Schedule "B"

(collectively the "Electronic Document")

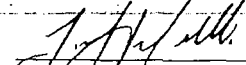
The undersigned acknowledges having been advised by Fogler, Rubinoff LLP that the Property is within the mandatory electronic registration district and that the Electronic Document will be electronically registered, without execution by the undersigned.
2. The undersigned confirms that the information contained herein and in the Electronic Document is accurate and complete.
3. Any Registered User of the Teraview software at the law firm of Fogler, Rubinoff LLP (such user a "Registered User") is authorized and directed to electronically prepare and sign the Electronic Document and to register the Electronic Document, all on the undersigned's behalf as well as any other instruments and/or documents required to complete the above noted transaction.
4. Any Registered User is further authorized and directed to insert, complete, or amend any omitted or incorrect particulars in the Electronic Document which may be required or advisable for the proper registration or other recording of the Electronic Document.
5. The effect of the Electronic Document and this Acknowledgement and Direction have been fully explained to the undersigned and the undersigned understands that the undersigned is a party to and bound by the terms and provisions of the Electronic Document to the same extent as if the undersigned had signed the Electronic Document.
6. The undersigned is in fact the party named in the Electronic Document attached to this Acknowledgement and Direction and I/We have not misrepresented my/our identities to you.
7. In the event of any investigation by the Director of Land Registration appointed under subsection 6(1) of the Registry Act (the "Director") regarding suspected fraudulent or unlawful activity or registration in connection with the document attached to this Acknowledgement and Direction, the undersigned hereby irrevocably consents to you releasing to

- 8. This Acknowledgment and Direction may be executed in any number of counterparts including by DocuSign. A photocopy or facsimile or emailed copy of this executed Acknowledgment and Direction may be relied upon to the same extent as if it were an original executed version.

And this shall be your good and sufficient and irrevocable authority for doing so.

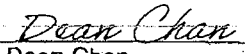
DATED as of the 28th day of February, 2024

CANADIAN WESTERN BANK

Per: 
Name: Tyson Hartwell
Title: AVP, SAMU

I have authority to bind the bank.

CANADIAN WESTERN BANK

Per: 
Name: Dean Chan
Title: VP, SAMU

I have authority to bind the bank.

LRO # 65 Transfer Of Charge

In preparation on 2024 02 27 at 16:44

This document has not been submitted and may be incomplete.

yyyy mm dd Page 1 of 1

Properties	
PIN	03276 - 0125 LT
Description	PCL 1-1 SEC 65M2681; LT 1 PL 65M2681; S/T LT552714, LT586315; S/T LT546620, LT546628 VAUGHAN
Address	20 CALDARI RD VAUGHAN

Source Instruments		
Registration No	Date	Type of Instrument
YR3344879	2021 11 23	Charge/Mortgage

Transferor(s)

This transfer of charge affects all lands that the charge is against which are outstanding.

Name CANADIAN WESTERN BANK
Acting as a company
Address for Service Suite 101
2000 Argente Road
Mississauga
Plaza 1
Ontario L5N 1P7

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

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

Transferee(s)	Capacity	Share
Name	1000688136 ONTARIO INC.	
Address for Service	Acting as a company 1000688136 Ontario Inc. c/o Rago & Garofalo 30 Jane Street Toronto, ON M6S 3Z3 with copy to: Fogler, Rubloff LLP Lawyers 77 King Street West, Suite 3000 Toronto, ON M5K 1G8 Attention: Charles Skipper Email: cskipper@foglers.com	

Statements

The chargee transfers the selected charge for \$ _____

Schedule: For the same consideration, the Transferor transfers and assigns its right, title and interest in notice of assignment of rents no. YR3344880 to the Transferee. The Transferor transfers and assigns the said charge and assignment of rents to the Transferee without any representation, warranty, or condition of any kind whatsoever and on a without recourse basis.

File Number
Transferee Client File Number : 224432

PROVINCE OF ON - PERSONAL PROPERTY REGISTRY
DRAFT REPORT ON REGISTRATION
----- REGISTRATION DRAFT -----

Amendment Details: ADDED SEC PARTY 1000688136
ONTARIO INC.(C/O RAGO &
GAROFALO, 30 JANE STREET)
REMOVED SECURED PARTY
CANADIAN WESTERN BANK(2000
ARGENTIA ROAD, SUITE 101, PLAZA 1)

Order Number: 31412906
Client Reference: 224432 [Edit](#)
Registration Type: Secured Party Transfer (Lien)
Orig Registration #: 778471695
Service Province: ON
Term (years): 5
Amount of Lien: N/A
Expiry Date: 2026-11-24
Maturity Date:
Requester: Rebecca Feldman
Caution Filing:

Debtors:

20 Caldari Development Inc.
20 Caldari Road
Caledon, ON, L4K4N8,

Secured Parties:

Assignor(s):

Canadian Western Bank
2000 Argentia Road, Suite 101,
Plaza 1
Mississauga, ON, L5N1W1, CA

Assignee(s):

1000688136 Ontario Inc.
C/O Rago & Garofalo, 30 Jane
Street
Toronto, ON, M6S 3Z3, CA

General Collateral

**Collateral
Classifications:**

- | | |
|---|---|
| <input type="checkbox"/> Consumer Goods | <input checked="" type="checkbox"/> Inventory |
| <input checked="" type="checkbox"/> Equipment | <input checked="" type="checkbox"/> Accounts |
| <input checked="" type="checkbox"/> Other | <input checked="" type="checkbox"/> MV Included |

Current Collateral:

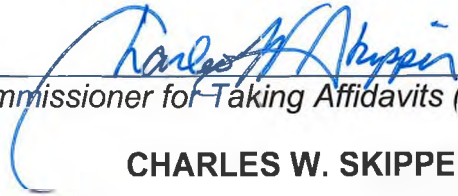
GENERAL SECURITY AGREEMENT OVER ALL ASSETS.

Registering Agent

Fogler, Rubinoff LLP (Avi Sugar)
77 King St West Ste 3000 TD
Centre
Toronto, ON, M5K 1G8
asugar@foglers.com

END OF REPORT

This is **Exhibit "D"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

Properties

PIN 03276 - 0125 LT
Description PCL 1-1 SEC 65M2681; LT 1 PL 65M2681; S/T LT552714, LT586315 ; S/T
LT546620,LT546628 VAUGHAN
Address 20 CALDARI RD
VAUGHAN

Source Instruments

Registration No.	Date	Type of Instrument
YR3344879	2021 11 23	Charge/Mortgage

Transferor(s)

This transfer of charge affects all lands that the charge is against which are outstanding.

Name CANADIAN WESTERN BANK
Address for Service Suite 101
2000 Argentia Road
Mississauga
Plaza 1
Ontario L5N 1P7

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
This document is not authorized under Power of Attorney by this party.

Transferee(s)	Capacity	Share
---------------	----------	-------

Name	1000688136 ONTARIO INC.
Address for Service	1000688136 Ontario Inc. c/o Rago & Garofalo 30 Jane Street Toronto, ON M6S 3Z3 with copy to: Fogler, Rubinoff LLP Lawyers 77 King Street West, Suite 3000 Toronto, ON M5K 1G8 Attention: Charles Skipper Email: cskipper@foglers.com

Statements

The chargee transfers the selected charge for \$8,849,603.61.

Schedule: For the same consideration, the Transferor transfers and assigns its right, title and interest in notice of assignment of rents no. YR3344880 to the Transferee. The Transferor transfers and assigns the said charge and assignment of rents to the Transferee without any representation, warranty, or condition of any kind whatsoever and on a without recourse basis.

Signed By

Jordan William Evans Kamenetsky 77 King Street West Suite 3000 PO acting for Signed 2024 03 11
Box 95 TD Centre Transferor(s)
Toronto
M5K 1G8

Tel 416-864-9700

Fax 416-941-8852

I have the authority to sign and register the document on behalf of all parties to the document.

Jordan William Evans Kamenetsky 77 King Street West Suite 3000 PO acting for Signed 2024 03 11
Box 95 TD Centre Transferee(s)
Toronto
M5K 1G8

Tel 416-864-9700

Fax 416-941-8852

I have the authority to sign and register the document on behalf of all parties to the document.

Submitted By

63

FOGLER, RUBINOFF LLP
77 King Street West Suite 3000 PO
Box 95 TD Centre
Toronto
M5K 1G8
2024 03 11

Tel 416-864-9700
Fax 416-941-8852

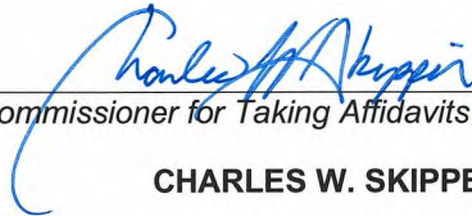
Fees/Taxes/Payment

Statutory Registration Fee	\$69.95
Total Paid	\$69.95

File Number

Transferee Client File Number : 224432

This is **Exhibit "E"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

AMENDMENT TO COMMITMENT LETTER

65

THIS AGREEMENT made effective as of the 1st day of June, 2024.

BETWEEN:

20 CALDARI DEVELOPMENT INC.

(the "**Borrower**")

- and -

**AURORA HOTEL GROUP INC.
J.I.S. CONTRACT FURNITURE INC.
2107307 ONTARIO INC.
JAY KHANNA
NAKUL AURORA
AKASH AURORA**

(collectively, the "**Guarantors**")

- and -

1000688136 ONTARIO INC.

(the "**Bank**")

WHEREAS the Borrower entered into a Commitment Letter dated August 26, 2021 as amended from time to time including by an amending agreement dated March 31, 2023, a promissory note dated on or about October 9, 2021 and an application and agreement letter of credit/guarantee dated November 9, 2021 (collectively the "**Original Commitment Letter**") pursuant to which the Canadian Western Bank (the "**Original Bank**") agreed to extend two loan facilities to the Borrower on the terms set forth therein (the "**Loan Facilities**");

AND WHEREAS the Borrower was unable to perform its obligations under the Original Commitment Letter and as such, the Original Bank made written demand on the Borrower for repayment, which was accompanied by a Notice of Intention to Enforce Security prepared pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;

AND WHEREAS the Bank has made written demands to the Guarantors pursuant to their respective guarantees for repayment of the amounts owing by the Borrower;

AND WHEREAS the Borrower and the Guarantors have failed to make payment in accordance with the written demands;

AND WHEREAS Ernst & Young Inc. was appointed as receiver and manager (the "**Receiver**") of all the assets, undertakings and properties of the Borrower (the "**Property**") pursuant to an Order of Justice Tzimas dated December 7, 2023 (the "**Receivership Order**");

AND WHEREAS after the appointment of the Receiver, the Original Bank assigned to the Bank all of its interest, liabilities, benefits, obligations in and with respect to the Original Commitment Letter and all security pledged thereunder in accordance with the terms of an

Assignment of Debt & Security Agreement dated as of the 11th day of March, 2024 (the "**Assignment of Debt and Security Agreement**") and whereas pursuant to an Order to Continue signed by the Local Registrar on April 24, 2024, the Receivership Order has been continued in the name of the Bank.

66

AND WHEREAS the Bank has accepted the assignment in accordance with the terms of the Assignment of Debt and Security Agreement, pursuant to which the Original Bank assigned the charge registered as Instrument No. YR3344879 (the "**Charge**") on November 23, 2021, to the Bank by Transfer of Charge registered as Instrument No. YR3655690 registered March 11, 2024;

AND WHEREAS the Borrower remains in continuing default under the Charge, and the Bank has agreed to forbear upon the terms and conditions set out herein.

(collectively, the "**Recitals**")

NOW THEREFORE THIS INDENTURE WITNESSES THAT in consideration of \$10.00 now paid by the Borrower to the Bank, and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties agree as follows:

ARTICLE 1 – RECITALS

The parties hereto hereby irrevocably and mutually acknowledge and confirm that the Recitals are true and correct insofar as they relate to them in substance and in fact.

ARTICLE 2 – ACKNOWLEDGMENT

2.1 The Borrower and the Guarantors each acknowledge and agree that as of the day hereof the amount of [NTD – **AMOUNT TO BE UPDATED**] is owing to the Bank as set out on Schedule "A" hereto.

ARTICLE 3– FURTHER COVENANTS OF THE BORROWER AND THE BANK

3.1 The Borrower covenants and agrees that the payment terms of the Loan Facilities shall be amended and extended in accordance with the charge amending agreement attached hereto as **Schedule "B"**, a copy of which shall be registered on title to the Property as hereinafter defined (the "**Mortgage Amending Agreement**").

3.2 The Borrower covenants and agrees to provide the Bank with a certificate of insurance for 20 Caldari Road, Vaughan, ON (the "**Property**"), which certificate shall include the Bank as additional loss payee and additional insured on the insurance policy in accordance with the terms of the Original Commitment Letter.

3.3 The Bank hereby consents and agrees to the Borrower placing a second mortgage on title to the Property in favour of J.I.S. Contract Furniture Inc. (the "**Second Mortgagee**"), in an amount not to exceed \$5,800,000.00, provided that prior to registration of the said second mortgage, the **Second Mortgagee** shall enter into a subordination and standstill agreement, in form and content satisfactory to the Bank in its sole and unfettered discretion.

3.4 Provided that the Borrower complies with all terms of this Agreement and the Mortgage Amending Agreement, the Bank agrees to forbear from further exercising any of its

remedies under the Mortgage or any of the security documentation provided under the Original Commitment Letter as assigned to the Bank. 67

ARTICLE 4- GENERAL

4.1 Entire Agreement

This Agreement, and the Original Commitment Letter constitute the entire agreement between the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no other agreements between the parties in connection with the subject matter hereof except as specifically set forth herein.

4.2 Counterparts and Electronic Execution

This Agreement may be executed by facsimile, electronic mail, and in counterparts, each of which shall be deemed to be an original and all of which, taken together, shall constitute one and the same document.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

DATED as of the day above first written.

68

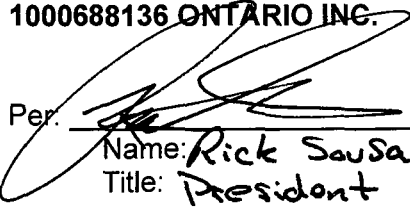
20 CALDARI DEVELOPMENT INC.

DocuSigned by:
Per: Jay Khanna
Name: Jay Khanna
Title: Director

DocuSigned by:
Per: Nakul Aurora
Name: Nakul Aurora
Title: Director

I/We have authority to bind the corporation.

1000688136 ONTARIO INC.

Per: 
Name: Rick Sausa
Title: President

Per: _____
Name:
Title:

I/We have authority to bind the Bank.

GUARANTORS:

AURORA HOTEL GROUP INC.

Per: AKASH AURORA
Name: AKASH AURORA
Title: Director

Per: Ravi Aurora
Name: Ravi Aurora
Title: signing officer

I/We have the authority to bind the Corporation

2107307 ONTARIO INC.

Per: Jay Khanna
Name: Jay Khanna
Title: Director

Per: _____
Name: _____
Title: _____

I/We have the authority to bind the Corporation

DocuSigned by: Ravi Aurora
2D1D34287DA75482
Witness
Ravi Aurora

Print Name

DocuSigned by: Ravi Aurora
2D1D34287DA75482
Witness
Ravi Aurora

Print Name

Witness

Print Name

J.I.S. CONTRACT FURNITURE INC.

Per: Jay Khanna
Name: Jay Khanna
Title: Director

Per: _____
Name: _____
Title: _____

I/We have the authority to bind the Corporation

DocuSigned by: Nakul Aurora
0F172213D6C8983
Witness
Nakul Aurora

DocuSigned by: AKASH AURORA
78D588A3E47347C
Witness
Akash Aurora

DocuSigned by: Jay Khanna
138F00E7F0F244E
Witness
Jay Khanna

GUARANTORS:

AURORA HOTEL GROUP INC.

Per: AKASH AURORA
Name: AKASH AURORA
Title: Director

Per: Ravi Aurora
Name: Ravi Aurora
Title: signing officer

I/We have the authority to bind the Corporation

2107307 ONTARIO INC.

Per: Jay Khanna
Name: Jay Khanna
Title: Director

Per: _____
Name: _____
Title: _____

I/We have the authority to bind the Corporation

J.I.S. CONTRACT FURNITURE INC.

Per: Jay Khanna
Name: Jay Khanna
Title: Director

Per: _____
Name: _____
Title: _____

I/We have the authority to bind the Corporation

Ravi Aurora
Witness
Ravi Aurora

Print Name

Ravi Aurora
Witness
Ravi Aurora

Print Name

Witness

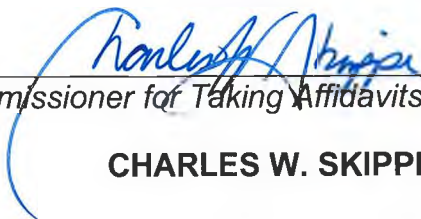
Print Name

Nakul Aurora
Witness
Nakul Aurora

AKASH AURORA
Witness
Akash Aurora

Jay Khanna
Witness
Jay Khanna

This is **Exhibit "F"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

SCHEDULE "B"

MORTGAGE AMENDING AGREEMENT

This amending agreement is made the 1st day of June, 2024.

BETWEEN:

20 CALDARI DEVELOPMENT INC.

(the "Borrower")

- and -

AURORA HOTEL GROUP INC.
J.I.S. CONTRACT FURNITURE INC.
2107307 ONTARIO INC.
JAY KHANNA
NAKUL AURORA
AKASH AURORA

(collectively, the "Guarantors")

- and -

1000688136 ONTARIO INC.

(the "Bank")

WHEREAS the Borrower entered into a Commitment Letter dated August 26, 2021 as amended from time to time including by an amending agreement dated March 31, 2023, a promissory note dated on or about October 9, 2021 and an application and agreement letter of credit/guarantee dated November 9, 2021 (collectively the "**Original Commitment Letter**") pursuant to which the Canadian Western Bank (the "**Original Bank**") agreed to extend two loan facilities to the Borrower on the terms set forth therein (the "**Loan Facilities**");

AND WHEREAS in accordance with the terms of the Original Commitment Letter, the Borrower agreed to provide a first position charge/mortgage in the principal amount of \$13,120,000.00 on the property municipally known as 20 Caldari Road, Concord, ON (the "**Property**"), which charge was registered as Instrument No. YR3344879 (the "**Charge**") on November 23, 2021;

AND WHEREAS the Original Bank transferred the Charge to the Bank, evidence of which was registered as Instrument No. YR3655690 registered March 11, 2024;

AND WHEREAS the Bank and the Borrower desire to change, modify or amend certain provisions contained in the Charge;

NOW THEREFORE, for valuable consideration and the mutual covenants contained herein, the parties hereto agree as follows:

1. The Charge is hereby amended by inserting "2025/06/30" in the "Balance Due Date" section of the provisions of the Charge.
2. The Charge is hereby amended by deleting "16.5% per annum" and inserting "10.70% per annum" from the "Interest Rate" section of the provisions of the Charge.
3. The Charge is hereby amended by inserting "\$84,201.88" in the "Payments" section of the provisions of the Charge.
4. The Charge is hereby amended by inserting "June 1, 2024 of each and every month" in the "Payment Date" section of the provisions of the Charge.
5. The Charge is hereby amended by inserting "July 1, 2024" in the "First Payment Date" section of the provisions of the Charge.
6. The Charge is hereby amended by inserting "2025/06/30" in the "Last Payment Date" section of the provisions of the Charge.
7. The Borrower and the Guarantors acknowledge and agree that the principal amount of \$9,274,225.76 remains outstanding under the Charge as of the date hereof.
8. The Borrower and the Guarantors acknowledge and agree that the monthly payment amount of \$84,201.88 represents an interest only payment in the amount of \$77,285.21 and estimated property taxes of \$6,916.67 (the "Tax Payment").
9. The Borrower hereby authorizes the Bank to make the Tax Payment to the City of Vaughan (the "Municipality") as and when such Tax Payment may be due from time to time. The Borrower further covenants and agrees that in the event that the monthly amount owing to the Municipality on account of the property taxes is greater than the Tax Payment, the Borrower shall be required to make such payments.
10. Upon five (5) days written notice and provided that the Borrower is not in default under the Charge, the Charge shall be open for prepayment without bonus or penalty, in full but not in part, at any time. The Borrower acknowledges that such prepayment must include any and all interest owing and accrued as of the date of prepayment.
11. The parties agree that save as is set out herein, all other terms and conditions contained in the Original Commitment Letter, and the Charge shall remain in full force and effect, unamended and shall not in any way lessen or extinguish the covenants, representations and warranties contained therein, as amended.
12. The benefits conferred by the Original Commitment Letter, and the Charge, each as amended, shall enure to the benefit of, and be correspondingly binding upon, the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns, and may not be assigned by the Borrower.
13. This amendment may be executed: (i) by electronic transmission, including facsimile, scanned or email, and scanned electronic or facsimile signatures shall be treated as

originals for all purposes; and (ii) in counterparts and all counterparts taken together shall constitute an executed copy of this amendment.

This is **Exhibit "G"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

1000688136 Ontario Inc

Customer Name:
 20 CALDARI DEVELOPMENT INC.
 416-362-1700
 20 Caldari Road Concord Ontario Canada L4K 4N8

Mortgage Statement

Statement Date : January 22, 2025

Account Number: YR3344880
 Payment Due Date: 22-Jan-25
 Amount Due * **\$ 151,400.92**

Account Information:

Outstanding Principal \$9,032,603.61
 Interest Rate 10.00%
 Default Interest Rate 10.70%

Explanation of Amount Due

Principal March 1, 2024 \$ 9,032,603.61
 Interest - March, April & May \$ 241,622.15
 Principal As of June 1, 2024 \$ 9,274,225.76
 Interest in Arrears \$ 151,400.92
\$ 9,425,626.66

PER DIEM (daily) Interest Rate after January 22, 2025
\$ 2763.13 per day *
 amounts excludes installments amounts for Property Taxes of \$ 6916.67 per month

Transaction Activity (28/02/2024 to 01/06/2024)			
Date	Description	Charges	Payments
28/02/2024	Assignment of CWB Mortgage	\$ 9,032,603.60	NIL
01/06/2024	Amendment of CWB Mortgage to included interest payments for March, April and May per payment schedule (Past)	\$ 9,274,225.76	NIL
01/06/2024	Amendment of CWB Mortgage amended interest terms @ 10.0% amortized based on the revised Principal amount of \$	\$ 9,274,225.76	
24/06/2024	June Mortgage Payment	\$ 84,201.88	\$ 84,201.88
25/07/2024	Vaughan Taxes Paid	\$ 13,833.34	
25/07/2024	July Mortgage Payment	\$ 84,201.88	\$ 84,201.88
22/08/2024	August Mortgage Payment - DUE	\$ 84,201.88	DUE
03/09/2024	August Mortgage Payment -10 days Notice of Payment arrears communicated		
17/09/2024	Notice of Default and Payment Reminder		
22/09/2024	September Mortgage Payment - DUE	\$ 84,201.88	DUE
22/10/2024	October Mortgage Payment - DUE	\$ 84,201.88	DUE
24/10/2024	4 installments paid @ 84,201.88		\$ 336,807.52
25/10/2024			
23/11/2024	Statement of Account updated for November 23rd 2024	\$ 2,259.10	
18/12/2024	Vaughan Taxes Paid	\$ 13,833.34	
22/12/2024	December Mortgage Payment - DUE	\$ 87,231.92	DUE
30/12/2024	Statement of Account updated for December 30th - 2024 & Late Fees		DUE
10/01/2025	Transfer of Tenants funds -Stone Quartz from AHO		\$ 20,800.00
17/01/2025	Statement of account updated for January 22nd payment notice		
22/01/2025	Statement of account updated with calculations of default interest @ 10.7% on arrears - correction-	\$ 151,400.92	DUE
22/01/2025	Calculation PER DIEM (DAILY) Calculated on Principal and arrear payments	\$ 2,763.13	DUE PER DAY AFTER JANUARY 22, 2025

Part Payments Breakdown	2024						Mortgage Payments	
	June	July	August	September	October	November	December	
Principal	\$ 9,274,226.76	\$ 9,274,226.76	\$ 9,274,226.76	\$ 9,274,226.76	\$ 9,274,226.76	\$ 9,274,226.76	\$ 9,274,226.76	
Interest	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	
Escrow (Taxes)	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	
Fees	TBA	TBA	TBA	TBA	TBA	TBA	TBA	
Total	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	
Paid	PAID	PAID	\$ -	\$ -	\$ 336,807.52	\$ -	\$ -	
Unpaid Amount Carry forward				\$ 84,982.68	\$ 170,662.66	\$ -	\$ 81,942.78	\$ 2,259.10
Late Payment Interest 10.7% on unpaid portion			\$ 750.80	\$ 1,508.29				\$ 770.64
	\$ 84,201.88	\$ 84,201.88	\$ 84,952.68	\$ 170,662.66	\$ -	\$ 81,942.78	\$ 2,259.10	\$ 87,231.92

REC

Paid Payments Breakdown		2025			Mortgage Payments		
		January					
Principal	\$	9,274,228.78					
Interest	\$	77,288.21					
Escrow (Taxes)	\$	6,918.87					
Fees	TBA						
Total	\$	84,201.86					
Paid		-20,600.00					
Unpaid Amount Carry forward	\$	87,231.92					
Late Payment Interest 10.7% on unpaid portion	\$	687.12					
	\$	151,400.92					

Important Messages

*Partial Payments: Any partial payments that you make are not applied to your mortgage, but instead are held in a separate suspense account. If you pay the balance of a partial payment, the funds will then be applied to your mortgage.

WIRE PAYMENT INFORMATION



1000688136 ONTARIO INC.

ACCOUNT NAME: 1000688136 ONTARIO INC
Transit #: 3252
Institution Number: #003
Account #: 1024207
Address: 6240 Dixie Rd, MISSISSAUGA, ON
Telephone: 905-564-5740

DATE: 05/06/17

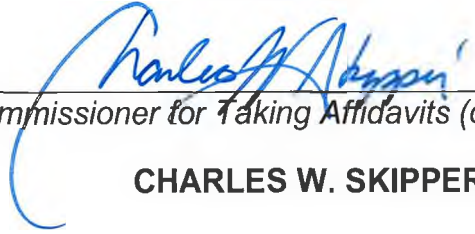
AMOUNT ENCLOSED:

TRANSIT NO.
[0|3|2|5|2|

INST. NO.
[0|0|3|

ACCOUNT NO.
[1|0|2|4|2|0|7|

This is **Exhibit "H"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER



August 26, 2021

20 Caldari Development Inc.
20 Caldari Road
Vaughan, ON L4K 4N8

Attention: Mr. Nakul Aurora and Mr. Jay Khanna

Dear Sirs:

On the basis of the financial statements and other information provided by 20 Caldari Development Inc. (the "Borrower"), and by Nakul Aurora, Akash Aurora, Jay Khanna, Aurora Hotel Group Inc., JIS Contract Furniture Inc. and 2107307 Ontario Inc. (the "Guarantor(s)") in connection with your request for financing, Canadian Western Bank (the "Bank") has authorized the following loan(s) subject to the terms and conditions outlined in this Commitment Letter (the "Agreement").

1. LOAN AMOUNT:

- 1.1. Loan Segment (1): Demand Loan \$8,640,000.
- 1.2. Loan Segment (2): Letter of Credit/Guarantee (L/C) \$2,000.

Collectively referred to as "the Loans".

2. PURPOSE OF LOAN:

Amounts advanced by the Bank are to be used by the Borrower as follows:

- 2.1. Loan Segment (1): To provide term financing over property legally described as PCL 1-1 SEC 65M2681; LT 1 PL 65M2681; S/T LT552714, LT586315; S/T LT546620, LT546628 VAUGHAN, PIN 032760125 and civically known as 20 Caldari Road, Vaughan, ON ("the Project").
- 2.2. Loan Segment (2): Provided in favour of Alectra Hydro (the "Beneficiary").

3. INTEREST RATE:

Loans shall bear interest while outstanding before and after maturity and default at the following rates:

- 3.1. Loan Segment (1): The interest rate payable shall be a fixed annual rate, calculated and compounded monthly, not in advance which, subject to availability of funds, the Bank shall exercise its best efforts to obtain funds on a fixed rate basis acceptable to the Borrower and the Bank for the term selected. The following rates are provided for reference purposes only and are subject to fluctuations up to and including the date of drawdown.

<u>TERM</u>	<u>INTEREST RATE</u>	<u>INITIAL CHOICE OF TERM</u>
1 Year	2.55%	<input checked="" type="checkbox"/>
2 Years	2.95%	<input type="checkbox"/>
3 Years	3.35%	<input type="checkbox"/>

Unless otherwise specified, all interest shall be payable without demand on the dates specified by the Bank and shall be calculated daily, compounded monthly. Overdue interest shall bear interest at the same rate.

Suite 101, Plaza 1, 2000 Argenta Road, Mississauga, ON L5N 1P7
t. 289.996.2688 | f. 833.341.7556
cwb.com

OBSSESSED WITH YOUR SUCCESS™

NA

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4.

ADVANCES:

- 4.1. Loan segment (1): Shall be advanced on a lump sum basis following satisfaction of the Conditions Precedent as set forth in Schedule "C" herein attached.
- 4.2. Loan segment (2): Shall be advanced on a lump sum basis following satisfaction of the Conditions Precedent as set forth in Schedule "C" herein attached.

5.

TERM AND LOAN MATURITY DATE:

- 5.1. Loan Segment (1): The Loan is repayable in full, together with all interest, costs and charges, the earlier of 1 - 3 years (the "Loan Maturity Date") or the date payment is demanded as a result of default by the Borrower.
- 5.2. Loan Segment (2): The Loan is repayable in full, together with all interest, costs and charges, the earlier of 12 months from the date of issuance (the "Loan Maturity Date") or the date payment is demanded as a result of default by the Borrower.

6.

REPAYMENT:

All amounts outstanding under all segments shall be repaid on demand. Unless demanded, the Bank will accept payment as follows:

- 6.1. Loan Segment (1): An interest adjustment shall be payable for the period from the date of advance to the first day of the month following the date of advance and shall be deducted from the amount of the advance. Thereafter, so long as the loan is not in default, the Borrower shall make monthly blended payments of principal and interest each in an amount sufficient to amortize the loan, at the interest rate, over a 25 year period, payable the first day of each month.
- 6.2. Loan Segment (2): If called upon by the Beneficiary.

7.

PREPAYMENT:

- 7.1. Loan Segment (1): The Borrower may prepay the whole, but not part, of the sum unpaid principal balance under the loan(s) at any time, by payment of a prepayment charge equal to the greater of the following:
- (a) three (3) months interest calculated on the unpaid principal balance at the rate provided herein; or
- (b) a prepayment charge equal to the Bank's Unwinding Costs.

8.

AVAILABILITY:

- 8.1. Loan Segment (1): Subject to satisfaction or waiver by the Bank of all conditions, the Loan(s) will be advanced in one lump sum.
- 8.2. Loan Segment (2): Subject to satisfaction or waiver by the Bank of all conditions, the Loan(s) will be advanced in one lump sum.

9.

SECURITY AND SUPPORTING DOCUMENTS:

The attached Schedule "A" forms part of this Agreement.

(NA)

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10. INSURANCE:

The attached Schedule "B" forms part of this Agreement.

10.1. Assignment of all risk (including flood and collapse), fire and theft replacement cost insurance satisfactory to the Bank covering all machinery, equipment, fixtures and building which shall contain the Standard Mortgage Clause approved by the Insurance Bureau of Canada. The policy shall contain comprehensive general Public Liability coverage of not less than \$5,000,000.

11. CONDITIONS PRECEDENT TO DRAWDOWN:

The attached Schedule "C" forms part of this Agreement.

12. GENERAL CONDITIONS/EVENTS OF DEFAULT:

The attached Schedule "D" forms part of this Agreement.

13. REPORTING REQUIREMENTS:

The attached Schedule "E" forms part of this Agreement.

14. STANDARD LOAN TERMS & DEFINITIONS:

The attached Schedule "F" forms part of this Agreement.

15. FEES:

15.1. The Bank acknowledges prior receipt of the sum of \$30,000, representing the non-refundable portion of the full commitment fee (\$58,000). This fee was paid in consideration to the Bank for the completion of the loan application. Upon acceptance of this Agreement by the Borrower, the entire fee shall be deemed to have been fully earned and shall not be refundable under any circumstances. The borrower may have the option to pay the balance of the commitment fee (\$28,000) by way of bank draft or have the amount deducted from the loan advance.

15.2. The Borrower shall pay an annual review fee of \$10,000 each year in conjunction with the annual review (based on the Borrower's fiscal yearend financial statements) to renew outstanding loans.

15.3. The Borrower shall pay a late reporting fee of \$120 per month, or portion thereof, shall apply for the late provision of annual financial statements/reporting after expiry of the 120 period.

15.4. Renewal Fee - The Borrower will pay a renewal fee of 0.10%% of the principal sum outstanding to renew the loan for an extended term of 1 - 5 year(s).

15.5. The Borrower shall pay an L/C fee of 2% upon issuance as well as for each subsequent renewal, paid annually.

16. INTEREST AND FEES:

The Bank has underwritten the Loan to the Borrower on the basis that the interest rate and fees provided for in this letter will be paid to the Bank over the period from the date of acceptance of this letter to the Loan Maturity Date and that the Loan will be fully repaid by the Loan Maturity Date. The Borrower acknowledges to the Bank that unless the Loan Maturity Date has been extended by agreement between the Borrower and the Bank by the Loan Maturity Date, then the Bank is entitled to be compensated for:

- (i) loss of ability to earn additional fee income on the Loan principal after the Loan Maturity Date;
- (ii) loss of opportunity to reinvest the Loan funds at then current market rates after the Loan Maturity Date; and
- (iii) the increased risk to the Bank of the Loan being outstanding after the Loan Maturity Date;

NA

17. PARTIAL DISCHARGES:

17.1. Shall not be permitted.

18. COSTS:

The cost of all appraisals and environmental reports, the legal costs of the Bank on a solicitor-client basis, costs of the Bank's insurance consultant and all other reasonable out-of-pocket expenses incurred in the approval and making of the Loan and the preparation, execution, delivery and registration of the Security and Supporting Documents (including the cost of delivering copies of any documents required by law to be given to the Borrower or any other party) or in the collection of any amount owing under the terms of the Loan shall be for the account of the Borrower and may be debited to advances to be made under the terms of the Loan. Until paid, all such costs and expenses shall bear interest at the rate described in Section 3 of this Agreement.

19. ASSIGNMENT BY BORROWER:

The Borrower shall not assign or encumber its rights and obligations under the Loan(s), this Agreement or the whole or any part of any advance to be made hereunder, without the prior written consent of the Bank.

20. BANK'S COUNSEL:

Legal work and documentation to be performed at the Borrower's expense through the Bank's counsel:

TBD

21. MATERIAL CHANGE:

Acceptance of this Agreement by the Borrower provides full and sufficient acknowledgement that if, in the opinion of the Bank, any material adverse change in risk occurs, including without limiting the generality of the foregoing, any material adverse change in the financial condition of the Borrower, any obligation by the Bank to advance all or any portion of the loan may be withdrawn or cancelled at the sole discretion of the Bank, acting in a commercially reasonable manner.

22. NON-MERGER:

The terms and conditions set out herein shall not be superseded by nor merge in and shall survive the execution, delivery and/or registration of any instruments of security or evidences of indebtedness granted by the Borrower(s) and/or any Guarantor(s) hereafter, and the advancement of any funds by the Bank. In the event of a conflict between the security documents and the terms of this letter, the terms of the security documents shall govern.

24. ACCOUNTING CHANGES:

In the event that any Accounting Change (as defined below) shall occur and such change results in a change in the method of calculation of financial covenants, standards or terms in the Commitment Letter, then the Borrower and the Bank agree to enter into negotiations in order to amend such provisions of the Commitment Letter so as to reflect equitably such Accounting Changes with the desired result that the criteria for evaluating the Borrower's financial condition shall be substantially the same after such Accounting Changes as if such Accounting Changes had not been made. Until such time as an amendment shall have been executed and delivered by the Borrower(s) to the Bank all financial covenants, standards and terms in this Agreement shall continue to be calculated or construed as if such Accounting Changes had not occurred.

Accounting Changes refers to changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Canadian Institute of Chartered Accountants, and all events including changes resulting from implementation of the International Financial Reporting Standards to the extent required by the Canadian Accounting Standards Board.

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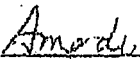
ACCEPTANCE:

To become effective, this Agreement must be accepted in writing by the Borrower and all Guarantor(s).

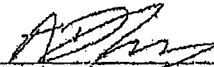
If you are in agreement with the above terms and conditions (which includes by reference, all of those terms and conditions set forth in all of the attached Schedules), please sign and return the enclosed copy of this letter. The Borrower may have the option to pay the balance of the commitment fee by way of bank draft or have it deducted from the loan advance. This Agreement will expire if not accepted by September 8, 2021.

The foregoing Agreement is offered in good faith and is to be held in strict confidence.

Yours truly,
CANADIAN WESTERN BANK



Anil Modi
Senior Manager, Business Development



Annel D'Lima
AVP Commercial Accounts

NA

ACKNOWLEDGEMENT:

The Borrower(s) certifies that all information provided to the Bank is true and hereby accept the terms and conditions set forth in the above Agreement (including all Schedules attached thereto).

BORROWER(S): 20 CALDARI DEVELOPMENT INC.

Signed: _____

Signed: _____

Accepted: September 8, 2021
Date

We/I acknowledge receiving advice of the Agreement described above and agree our/my guarantee is binding even if the Bank changes or waives compliance with the terms of this Agreement.

CORPORATE GUARANTOR(S):

Signed: _____
Aurora Hotel Group Inc.

Accepted: September 8, 2021
Date

Signed: _____
JIS Contract Furniture Inc.

Accepted: September 8, 2021
Date

Signed: _____
2107007 Ontario Inc.

Accepted: September 8, 2021
Date

PERSONAL GUARANTOR(S):

Signed: _____
Jay Khanna

Accepted: September 8, 2021
Date

Signed: _____
Nakul Aurora

Accepted: September 8, 2021
Date

Signed: _____
Akash Aurora

Accepted: September 8, 2021
Date

(Handwritten initials)

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SCHEDULE "A" - TERM LOANS/MORTGAGES

SECURITY

All security documentation described herein must be prepared, executed and registered, as required by the Bank, prior to drawdown of any funds. The types of security, supporting resolutions and agreements to be provided by the Borrower to the Bank will be in form and content satisfactory to the Bank and/or its solicitors, and without restating the generality of the foregoing, will include:

1. Loan Agreement executed by the Borrower and Guarantor(s);
2. General Security Agreement registered in first position providing a perfected security interest in all of the Borrower's present and after acquired personal property;
3. Demand Collateral Mortgage First Charge in the amount of \$13,120,000 on real property described in Section 2 and owned by the Borrower(s). The mortgage document shall contain a "Due on Sale" clause, a Re-advancement clause, as well as a clause addressing the appointment of a Receiver Manager of the property in the event of default. Notwithstanding the registration amount noted above this is not a commitment to finance;
4. Assignment of Rents and Leases, with Estoppels;
5. Full Liability Guarantee(s) in favour of the Bank guaranteeing all indebtedness of the Borrower to the Bank to be provided by Jay Khanna;
6. Full Liability Guarantee(s) in favour of the Bank guaranteeing all indebtedness of the Borrower to the Bank to be provided by Nakul Aurora;
7. Full Liability Guarantee(s) in favour of the Bank guaranteeing all indebtedness of the Borrower to the Bank to be provided by Akash Aurora;
8. Full Liability Guarantee(s) in favour of the Bank guaranteeing all indebtedness of the Borrower to the Bank to be provided by Aurora Hotel Group Inc., supported by first position GSA;
9. Full Liability Guarantee(s) in favour of the Bank guaranteeing all indebtedness of the Borrower to the Bank to be provided by JIS Contract Furniture Inc., supported by first position GSA;
10. Full Liability Guarantee(s) in favour of the Bank guaranteeing all indebtedness of the Borrower to the Bank to be provided by 2107307 Ontario Inc., supported by first position GSA;
11. Assignment and Postponement of Creditor's Claim provided by Jay Khanna;
12. Assignment and Postponement of Creditor's Claim provided by Nakul Aurora;
13. Assignment and Postponement of Creditor's Claim provided by Akash Aurora;
14. Assignment and Postponement of Creditor's Claim provided by Aurora Hotel Group Inc.;
15. Assignment and Postponement of Creditor's Claim provided by JIS Contract Furniture Inc.;
16. Assignment and Postponement of Creditor's Claim provided by 2107307 Ontario Inc.;
17. Debt Service Agreement executed by all Guarantor(s);
18. Priority and Standstill Agreement with all subordinated creditors as required;
19. Letter of Credit Agreement;
20. Assignment of Bank Instrument (\$2,000 GIC securing L/C);

- 046 Creditor Life Insurance/Waiver covering the life of principals(s)/guarantors in the Borrower(s);
22. Unconditional and Unlimited Environmental Agreement and Indemnity (Form 1164) executed by the Borrower and Guarantor(s);
 23. Assignment of all risk Casualty and Liability Insurance as set out under "Insurance", of the Agreement;
 24. Solicitor's Letter of Opinion;
 25. such of the following supporting documents as may be required by the Bank's solicitors:
 - (i) satisfactory Real Property Report/Surveyor's Certificate with respect to the mortgaged property previously described in Section 2;
 - (ii) satisfactory Zoning or Building Memorandum, or Letter from applicable Zoning official (Compliance Certificate), from the applicable municipal authority;
 - (iii) Tax Certificate showing all property taxes and charges paid or a holdback sufficient to pay taxes when due;
 - (iv) standard form documents relating to authorization of the borrowing and operation of the loan account;
 - (v) Statutory Declaration from the Borrower(s) or the Officer or an officer of the Borrower as to residency, title, use of premises, actions or claims and such other matters as Canadian Western Bank's counsel may advise;
 26. such additional security instruments, assurances and supporting documents (including legal opinion of the Borrower's solicitor) as the Bank may deem necessary or advisable for the purpose of obtaining and perfecting the foregoing security.

The Borrower(s) and Guarantor(s) acknowledge and agree(s) to give the Bank other reasonable documents, assurances, information and covenants as the solicitors for the Bank may reasonably require with regard to the loan or the security documents to be given hereunder.

047

SCHEDULE "B" - TERM LOANS/MORTGAGES

INSURANCE

1. All policies must show every Borrower as a named insured.
2. All policies covering physical loss or damage (that is, property, builders risk and boiler and machinery insurance) must be on a full replacement cost basis and:
 - (a) provide coverage for all risks of physical loss or damage, including earthquake, flood, sewer back-up and collapse;
 - (b) include insurance on the foundation and all parts below ground level;
 - (c) provide in case of destruction:
 - (i) that reconstruction will not be limited to "on the same or an adjacent site";
 - (ii) coverage for increased costs of reconstruction through by-law and code changes and demolition and debris removal for damaged and undamaged property and resultant loss of income;
 - (d) either contain a stated amount co-insurance clause or not be subject to co-insurance.
3. The Bank is to be shown both as mortgagee and loss payee under all policies covering physical loss or damage. Loss is to be payable using this wording:

"CANADIAN WESTERN BANK, Plaza 1, Suite 101, 2000 Argentia Road, Mississauga, ON L5N 1P7 as first mortgagee and loss payee."

NA

048

SCHEDULE "C" - TERM LOANS/MORTGAGES

CONDITIONS PRECEDENT TO DRAWDOWN

The following conditions must be fulfilled prior to the Bank having any obligations to make any drawdown:

1. the Bank shall be satisfied with the business assets and financial condition of the Borrower and Guarantor(s) and all security documentation and supporting agreements and documents must be completed in a form satisfactory to the Bank and its solicitors, and must be executed and registered as appropriate, and the Bank shall have received a solicitor's letter of opinion with respect to same;
2. the Bank shall be provided with an appraisal of the subject lands confirming a market value of not less than \$13,120,000 (using the Income Approach and Direct Comparison methods of valuation). Such appraisal shall be prepared by an appraiser approved by the Bank and shall be used for lending purposes. The appraisal is to be addressed to the Bank and shall be at the cost of the Borrower;
3. appraiser is to issue a reliance for the most recent appraisal if it is not addressed to the Bank;
4. the Borrower(s) shall cause to be conducted environmental assessments, audit and other inspections with respect to the mortgaged property and the business of the Borrower(s) and the obligation of the Bank to advance funds hereunder shall be subject to the Bank receiving reports prepared by a Bank approved Environmental Consultant, satisfactory to the Bank in its sole discretion and subject to the Bank being satisfied in its sole discretion that there are no environmental matters that are adverse to the value of the mortgage property or the business of the Borrower(s);
5. environmental consultant is to issue a reliance letter if the environmental assessment is not addressed to the Bank;
6. finalized April 20, 2021 Pinchin Groundwater Sampling and Verification Soil Sampling Program report. If the report is not addressed to the bank, a reliance letter is to be obtained;
7. satisfactory review of a building condition assessment completed by an engineer which addresses the structural condition of the building, current condition of the roof, estimated remaining economic life of the property (minimum of 35 years) and a maintenance program outlining work to be completed over the next 10 years, as well as the level of deferred maintenance, if any;
8. the engineer is to issue a reliance letter for the building condition report if it is not addressed to the Bank;
9. satisfactory review by the Bank of the Borrower's financial statements and credit reports;
10. re-instated accountant prepared December 31, 2020 yearend financial statements for 20 Caldari Development Inc. (accurately reflecting property value and shareholder loans);
11. satisfactory review of financial projections for a minimum of 3 years provided by the Borrower;
12. satisfactory review by the Bank of the financial statements for the corporate guarantors;
13. the Borrower shall provide a property tax receipt confirming payment of all taxes including the current year;
14. satisfactory review by the Bank's solicitor of all leases and addendums/amendments to leases. The Bank's solicitor is also to provide Estoppel Certificates;
15. final executed copy of Stone Quartz Inc. lease/amending agreement;
16. satisfactory review of the rent roll for the property;
17. current account receivables, payables, and inventory listing for Aurora Hotel Group Inc., including a separate list for holdbacks;

NA

- 049 organizational chart to be provided by the Borrower/Guarantor(s);
19. receipt and satisfactory review by the Bank and the Bank's solicitor of the shareholder and partnership agreements, including any joint venture/beneficial owner agreement;
 20. satisfaction of all conditions precedent under the Aurora Hotel Group Inc. Agreement;
 21. the Bank shall be satisfied as to the zoning of the Project and the availability of all municipal and regulatory permits and approvals required for the operation of the Project;
 22. any participation by way of equity, shareholders' loan, or other cash injection required under the terms of this agreement must be in place;
 23. any other information that the Bank may reasonably require;
 24. the Bank will require two (2) full business days prior written notice of disbursement.

GENERAL CONDITIONS

The Borrower agrees:

1. no Event of Default has occurred and is continuing;
2. the Loan Maturity Date has not occurred;
3. the conditions of this Agreement and of all previous advances have been satisfied or waived;
4. the loan shall be advanced by October 31, 2021 unless otherwise extended by the Bank;
5. to maintain (on a combined basis with Aurora Hotel Group Inc.) a "Cash Flow Coverage Ratio" of not less than 1.30x at all times;
6. to maintain (on a combined basis with Aurora Hotel Group Inc.) a "Current Ratio" of not less than 1.20x;
7. to maintain (on a combined basis with Aurora Hotel Group Inc.) a "Debt to Tangible Net Worth" no greater than 4.00x. Aurora Hotel Group Inc. will be subject to a stand alone "Debt to Tangible Net Worth" covenant of no greater than 2.50x;
8. if at any fiscal year end the Borrower fails to meet the Cash Flow Coverage Ratio covenant the Borrower and Guarantor(s) agree, upon the Bank's request, to make a lump-sum prepayment on the Loan within 60 days sufficient that pro-forma Cash Flow Coverage Ratio is met;
9. not to pay shareholders, officers or directors of the Borrower, whether by way of salary, dividend, bonus, management or director fees, loan, repayment of loan or other form payment withdrawal that would cause breach in the "Cash Flow Coverage Ratio" before and after, in any fiscal year;
10. not to invest in, lend to, guarantee or otherwise provide for, on a direct or indirect or contingent basis, the payment of any monies or performance of any obligations by third party except as provided herein;
11. not to incur commitments for Capital Expenditures or lease obligations in any one fiscal year of the Borrower, which would cause a breach in any of the aforementioned covenants before and after, which commitments shall not be cumulative from year to year unless previously approved in writing by the Bank;
12. not to incur any additional long term debt or issue guarantees other than in the normal course of business;
13. no other loans may be secured against the Project, except the Subordinate Mortgages satisfactory to the Bank and, at the Borrower's option, a mortgage to secure Borrower's Equity contributed by the Guarantor or other affiliate of the Borrower, provided such mortgage is fully subordinated to the Security and supporting documents in accordance with a Priority and Standstill Agreement;
14. the Bank's opinions, approvals and decisions are in its sole discretion and are not subject to judicial review as to their reasonableness;
15. the Borrower shall remain the sole registered and beneficial owner of the Project until the Loan has been repaid in full, unless otherwise approved by the Bank;
16. to give the Bank 30 days prior notice in writing of any intended change in the ownership of its shares or any its subsidiaries;
17. not to change its name or merge, amalgamate or consolidate with any other corporation;
18. not to grant, create, assume or suffer to exist any mortgage charge, lien, pledge, security interest, including a Purchase Money Security Interest (PMSI), or other encumbrance affecting any of its properties, assets or other rights other than a Normal Course Lien;

- 051 not to sell, transfer, convey, lease or otherwise dispose of any part of its property or assets, without the prior written consent of the Bank, except in the ordinary course of business;
20. to file on a timely basis, all material tax returns which are or will be required to be filed, to pay or make provision for payment of all material taxes (including interest and penalties) and other potential Priority Claims which are or will become due and payable and to provide adequate reserves for the payment of any tax, the payment of which is being contested;
 21. to comply with all applicable environmental laws and regulations; to advise the Bank promptly of any breach of any environmental regulations or licenses or any control orders, work orders, stop orders, action requests or violation notices received concerning any of the Borrower's property; to comply with any such requests or notices, to diligently clean up any spills; and to hold the Bank harmless for any costs or expenses which the Bank incurs for any environmental related liabilities existing now or in the future with respect to the Borrower's property;
 22. The Borrower and Aurora Hotel Group agree to maintain their operating accounts with the bank through which all banking activity of the Borrower and Corporate Guarantor will be transacted from the secured properties;
 23. Confirmation / undertaking from all parties involved that the lease with Corporate Guarantor (Aurora Hotel Group) shall be in effect at least until the expiry of the credit facilities extended to the Borrower;
 24. to provide the Bank and its agents, nominees, and consultants with the right to enter the premises of the Borrower from time to time, and to carry out such environmental reviews as the Bank in its sole discretion deems advisable and in that connection to make good faith enquiries with government agencies and to examine the records, books, assets, affairs and business operations of the Borrower.
 25. to maintain adequate insurance on the property and acknowledges that failure to do so will hereby authorize the Bank to purchase insurance to protect the Bank's interest in the project to the value of the outstanding loan/mortgage. The Borrower authorizes the Bank to add the cost of said insurance to the loan/mortgage balance.

EVENTS OF DEFAULT:

1. The full amount of the indebtedness and liability of the Borrower then outstanding, together with accrued interest and any other charges then owing by the Borrower to the Bank shall, at the option of the Bank, forthwith be accelerated and be due and payable, and upon being declared to be due and payable, the securities shall immediately become enforceable and the Bank may proceed to realize and enforce the same upon the occurrence and during the continuance of any of the following events or circumstances (which events or circumstances are herein referred to as the "Events of Default"):
 - (a) the Borrower or any Guarantor fails to make due, whether on demand or at a fixed payment date, by acceleration or otherwise any payment of interest, principal, fees, commissions or other amounts payable to the Bank;
 - (b) there is a breach by the Borrower of any other term or condition contained in this Agreement or in any other agreement to which the Borrower and the Bank are parties and the Borrower has not corrected such breach within 15 days of notice having been provided to the Borrower;
 - (c) any default occurs under the terms of any security to be provided in accordance with this Agreement or under any other credit, loan or security agreement to which the Borrower are party and the Borrower have not corrected such breach within 15 days of notice having been provided to the Borrower;
 - (d) any bankruptcy, re-organization, compromise, arrangement, insolvency or liquidation proceedings or other analogous proceedings are instituted by or against the Borrower and, if instituted against the Borrower are allowed against or consented to by the Borrower or are not dismissed or stayed within 60 days after such institution;

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- 052 (e) a receiver is appointed over any property of the Borrower or any judgement or order or any process of any court becomes enforceable against the Borrower or any property or any creditor takes possession of any property of the Borrower;
- (f) any adverse change occurs in the financial condition of the Borrower or any Guarantor;
- (g) any adverse change occurs in the environmental condition of:
 - (i) the Borrower(s), or either of them, or any Guarantor of the Borrower, or
 - (iii) any property, equipment, or business activities of the Borrower or any Guarantor of the Borrower.

MISCELLANEOUS CONDITIONS:

1. The rights and remedies of the Bank pursuant to this Agreement and the securities taken pursuant hereto are cumulative and not alternative, and not in substitution for any other rights, remedies, or power of the Bank,
2. Any failure or delay by the Bank to exercise, or exercise fully, its rights and remedies pursuant to this Agreement and the securities taken pursuant hereto shall not be construed as a waiver of such rights and remedies.
3. In the absence of a formal Loan Agreement being entered into, this Agreement shall continue in full force and effect and shall not merge in any securities provided by the Borrower to the Bank.
4. the Bank reserves the sole and absolute right to syndicate part or all of the loan facility contemplated herein, with various syndication partners with whom the Bank syndicates loans from time to time, on terms and conditions satisfactory to the Bank;
5. This Agreement and the security documentation to be provided by the Borrower pursuant hereto shall be construed in accordance with and governed by the laws of the Province of Ontario.

NA

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SCHEDULE "E" - TERM LOANS/MORTGAGES

REPORTING REQUIREMENTS

The Borrower agrees to provide the undernoted information to the Bank:

1. an Officers Compliance Certificate form 1636 annually (within 120 days of year end), certifying that all lending conditions and requirements are being complied with;
2. Review Engagement, annual financial statements of the Borrower and Corporate Guarantor(s) prepared by a firm of qualified professional accountants within 120 days of the borrower's fiscal year-end, together with annual business plan including proforma balance sheets with profit and loss and cash flow statements as well as capital expenditure forecasts for the current fiscal year, showing purpose and source of financing;
3. Quarterly, internal financial statements of the Borrower and Aurora Hotel Group (Corporate Guarantor), inclusive of at least an income statement and balance sheet within 45 days of quarter end;
4. Annually, summary of maintenance expenditures incurred at the property;
5. project rent roll on an annual basis;
6. provisions of any new lease agreements;
7. annual updated personal net worth statements of the Personal Guarantors on the Canadian Western Bank forms duly completed and signed;
8. confirmation of Payable Status form 1054 on an annual basis;
9. any further information, data, financial reports and records, accounting or banking statements, certificates, evidence of insurance and other assurances which the Bank may from time to time require in its sole discretion, acting reasonably.

NA



SCHEDULE "F" - TERM LOANS/MORTGAGES

SCHEDULE - STANDARD LOAN TERMS

ARTICLE I - GENERAL

- 1.1. **Interest Rate.** You will pay interest on each Loan at nominal rates per year at the rate specified in this Agreement.
- 1.2. **Floating rate of interest.** Each floating rate of interest provided for under this Agreement will change automatically, without notice, whenever the Bank's Prime Rate or the U.S. Base Rate, as the case may be, changes.
- 1.3. **Payment of Interest.** Interest is calculated on the daily balance of the Loan at the end of each day. Interest is due once a month, unless the Agreement states otherwise. Unless you have made other arrangements with us, we will automatically debit your Operating Account for interest amounts owing. If your Operating Account is in overdraft and you do not deposit to the account an amount equal to the monthly interest payment, the effect is that we will be charging interest on overdue interest (which is known as compounding). Unpaid interest continues to compound whether or not we have demanded payment from you or started a legal action, or got judgment, against you.
- 1.4. **Fees.** You will pay the Bank's fees for the Loans as outlined in the Agreement. You will also reimburse us for all reasonable fees (including legal fees on a solicitor and his own client basis) and out-of-pocket expenses incurred in registering any security, and in enforcing our rights under this Agreement or any security. We will automatically debit your Operating Account for fee amounts owing.
- 1.5. **Our rights re demand Loans.** We believe that the banker-customer relationship is based on mutual trust and respect. It is important for us to know all the relevant information (whether good or bad) about your business. Canadian Western Bank is itself a business. Managing risks and monitoring our customers' ability to repay is critical to us. We can only continue to lend when we feel that we are likely to be repaid. As a result, if you do something that jeopardizes that relationship, or if we no longer feel that you are likely to repay all amounts borrowed, we may have to act. We may decide to act, for example, because of something you have done, information we receive about your business, or charges to the economy that affect your business. Some of the actions that we may decide to take include requiring you to give us more financial information, negotiating a change in the interest rate or fees, or asking you to get further accounting assistance, put more cash into the business, provide more security, or produce a satisfactory business plan. It is important to us that your business succeeds. We may demand immediate repayment of any outstanding amounts under any demand Loan. We may also, at any time and for any cause, cancel the unused portion of any demand Loan.
- 1.6. **Payments.** If any payment is due on a day other than a Business Day, then the payment is due on the next Business Day.
- 1.7. **Applying money received.** If you have not made payments as required by this Agreement, or if you have failed to satisfy any term of this Agreement (or any other agreement you have that relates to this Agreement), or at any time before default but after we have given you appropriate notice, we may decide how to apply any money that we receive. This means that we may choose which Loan to apply the money against, or what mix of principal, interest, fees and overdue amounts within any Loan will be paid.
- 1.8. **Information requirements.** We may from time to time reasonably require you to provide further information about your business. We may require information from you to be in a form acceptable to us.
- 1.9. **Insurance.** You will keep all our business assets and property insured (to the full insurable value) against loss or damage by fire and all other risks usual for property such as yours (plus for any other risks we may reasonably require). If we request, those policies will include a loss payee clause (and if you are giving us mortgage security, a Standard Mortgage Clause). As further security, you assign all insurance proceeds to us. If we ask, you will give us either the policies themselves or adequate evidence of their existence. If your insurance coverage for any reason stops, we may (but do not have to) insure the property. We will automatically debit your Operating Account for this amount. In the event there are no funds on deposit, we may add the insurance cost to your Loan. Finally, you will notify us immediately of any loss or damage to the property.
- 1.10. **Environmental Matters.** You will carry on your business, and maintain your assets and property, in accordance with all applicable environmental laws and regulations. If (a) there is any release, deposit, discharge or disposal of pollutants of any sort (collectively, a "Discharge") in connection with either your business or your property, and we pay any fines or for any clean-up, or (b) we suffer any loss or damage as a result of any Discharge, you will reimburse the Bank, its directors, officers, employees and agents for any and all losses, damages, fines, costs and other amounts (including amounts spent preparing any necessary environmental assessment or other reports, or defending any lawsuits) that result. If we ask, you will defend any lawsuits, investigations or prosecutions brought against the Bank or any of its directors, officers, employees and agents in connection with any Discharge. Your obligation to us under this section continues even after all Loans have been repaid and this Agreement has terminated.
- 1.11. **Consent to release information.** We may from time to time give any loan or other information about you to, or receive such information from, (a) any financial institution, credit reporting agency, rating agency or credit bureau, (b) any person, firm or corporation with whom you may have or propose to have financial dealings, and (c) any person, firm or corporation in connection with any dealings you have or propose to have with us. You agree that we may use that information to establish and maintain your relationship with us and offer any services as permitted by law, including services and products offered by our subsidiaries when it is considered that this may be suitable to you.
- 1.12. **Proof of debt.** This Agreement provides the proof, between the Bank and you, of the loans made available to you. There may be times when the type of loan you have requires you to sign additional documents. Throughout the time that we provide you loans under this Agreement, our loan accounting records will provide complete proof of all terms and conditions of your loan (such as principal loan balances, interest calculations, and payment dates).
- 1.13. **Revisions of this Agreement.** This Agreement will remain in effect for your Loans for as long as they remain unchanged. If there are no changes to the Loans this Agreement will continue to apply, and you will not need to sign anything further. If there are any changes, we will provide you with either an amending agreement, or a new replacement Letter, for you to sign.
- 1.14. **Confidentiality.** The terms of this Agreement are confidential between you and the Bank. You therefore agree not to disclose the contents of this Agreement to anyone except your professional advisors and where required by law.

(NA)

1.15. **035** conditions. You may use the Loans granted to you under this Agreement only if:

- (a) we have received properly signed copies of all documentation that we may require in connection with the operation of your accounts and your ability to borrow and give security;
- (b) all the required security has been received and registered to our satisfaction;
- (c) any special provisions or conditions set forth in the Agreement have been complied with; and
- (d) if applicable, you have given us the required number of days notice for a drawing under a Loan.

1.16. **Notices.** We may give you any notice in person or by telephone, or by letter that is sent either by fax or by mail.

1.17. **Non-Revolving Loans.** The following terms apply to each Non-Revolving Loan:

(a) **Non-revolving Loans.** Unless otherwise stated in the Agreement, any principal payment made permanently reduces the available Loan Amount. Any payment we receive is applied first to overdue interest, then to current interest owing, then to overdue principal, then to any fees and charges owing, and finally to current principal.

(b) **Floating Rate Non-Revolving Loans.** Floating Rate Loans may have either (i) blended payments or (ii) payments of fixed principal amounts, plus interest as described below:

(i) **Blended payments.** If you have a Floating Rate Loan that has blended payments, the amount of your monthly payment is fixed for the term of the loan, but the interest rate varies with changes in the Prime Rate or U.S. Base Rate (as the case may be). If the Prime Rate or U.S. Base Rate during any month is lower than what the rate was at the outset, you may end up paying off the loan before the scheduled end date. If, however, the Prime Rate or U.S. Base Rate is higher than what it was at the outset, the amount of principal that is paid off is reduced. As a result, you may end up still owing principal at the end of the term because of these changes in the Prime Rate or U.S. Base Rate. We will advise you from time to time of any changes in the blended payment necessary to maintain the original amortization period, should we choose to do so.

(ii) **Payments of fixed principal plus interest.** If you have a Floating Rate Loan that has regular principal payments, plus interest, the principal payment amount of your Loan is due on the payment date specified in the Agreement. Although the principal payment amount is fixed, your interest payment will usually be different each month, for at least one and possibly more reasons, namely: the reducing principal balance of your loan, the number of days in the month, and changes to the Prime Rate or U.S. Base Rate (as the case may be).

(c) **Demand of Fixed Rate Term.** If you have a Fixed Rate Term Loan and we make demand for payment, you will owe us (i) all outstanding principal, (ii) interest, (iii) any other amount due under this Agreement, and (iv) a prepayment charge. The prepayment charge is equal to the greater of three (3) months interest calculated on the unpaid balance at the rate authorized or the Bank's Unwinding Costs.

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ARTICLE 2 - DEFINITIONS

2.1. Definitions. In this Agreement, the following terms have the following meanings:

"**Agreement**" means the letter agreement between you and Canadian Western Bank to which this Schedule and any other Schedules are attached,

"**Business Day**" means any day (other than a Saturday or a Sunday) that the CWB Branch/Center is open for business,

"**Cash Collateral Account**" means funds on deposit held by the Bank in an interest bearing account pending satisfaction of certain terms and/or conditions,

"**Cash Flow Coverage Ratio**" means for any fiscal year the ratio of X to Y where:

X =
 Net profit after tax
 + amortization/depreciation
 + all interest expenses
 + all taxes
 = EBITDA

Y =
 All interest paid or accrued during the trailing fiscal year + the Borrower's remaining principal payment obligations for the trailing fiscal year under the CWB credit facility and any other document or agreement including without limitation:

- o in respect of any indebtedness for borrowed money as classified in the balance sheet of the Borrower and in accordance with generally accepted accounting principles; and
- o in respect of any capital leases in accordance with generally accepted accounting principles entered into by the Borrower.

"**Customer Automated Funds Transfer (CAFT)**" is a WEB based service that provides non-personal customers the ability to make multiple electronic transactions for purposes of direct deposit for payroll or direct payment of accounts payable,

"**CWB Branch/Center**" means the Canadian Western Bank branch or banking center noted on the first page of this Agreement, as changed from time to time by agreement between the parties,

"**Demand Non-Revolving Loan**" means an installment loan that is payable upon demand. Such a Loan may be either at a fixed or a floating rate of interest,

"**Fixed Rate Loan**" means any loan drawn down, converted or extended under a Loan at an interest rate which was fixed for a term, instead of referenced to a floating rate such as the Prime Rate or U.S. Base Rate, at the time of such drawdown, conversion or extension,

"**Intangibles**" means assets of the business that have no value in themselves but represent value. They include such things as copyright, goodwill, patents and trademarks; franchises, licenses, leases, research and development costs, and deferred development costs,

"**Lock-Up Reserve**" means the amount of the Loan that is funded into a Cash Collateral Account pending build-up of the Project in accordance with the Loan authorization,

"**Letter of Credit**" or "**L/C**" means a documentary or stand-by Letter of Credit, a Letter of Guarantee, or a similar instrument in form and substance satisfactory to us,

"**Lien**" includes a mortgage, charge, lien, security interest or encumbrance of any sort on an asset, and includes conditional sales contracts, title retention agreements, capital leases and capital leases,

"**Loan**" means any loan segment referred to in the Agreement and if there are two or more segments, "Loan" includes reference to each segment,

"**Loan Amount**" of any Loan means the amount specified in the Agreement and if there are two or more segments, "Loan Amount" includes reference to each segment,

"**Loan Maturity Date**" means the date the loan is to be repaid or extended by the further term, at the option of the Bank,

"**Mandatory Capital Expenditures**" means net capital expenditures incurred by you not financed by long term debt. Net capital expenditures means all capitalized fixed asset purchases less fixed asset sales,

"**Normal Course Lien**" means a Lien that (a) arises by operation of law or in the ordinary course of business as a result of owning any such asset (but does not include a Lien given to another creditor or in accounts debits owed to that Lien) and (b) taken together with all other Normal Course Liens, does not materially affect the value of the asset or its use in the business,

"**Operating Account**" means the account that you normally use for the day-to-day cash needs of your business, and may be either or both of a Canadian dollar and a U.S. dollar account,

"**Postponed Debt**" means any debt owed by you that has been formally postponed to the Bank,

"**Prime Rate**" means the variable reference rate of interest per year declared by the Bank from time to time to be its Prime rate for Canadian dollar loans made by the Bank in Canada,

"**Principal Sum**" means the loan balance outstanding,

"**Priority Claims**" means priorities that are created when a borrower does not remit monies due for Income Tax, Workers Compensation, Canada Pension Plan, Employment Insurance, GST, Provincial Sales Tax, wage claims including unpaid holiday entitlement, unpaid utility bills and arrears of rent for business premises. These are considered to be deemed trust and rank in priority to all security interests,

"**Purchase Money Lien**" means a Lien incurred in the ordinary course of business only to secure the purchase price of an asset, or to secure debt used only to finance the purchase of the asset,

"**Shareholders' Equity**" means paid-in capital, retained earnings and attributed or contributed surplus,

"**Standard Overdraft Rate**" means the variable reference interest rate per year declared by the Bank from time to time to be its standard overdraft rate on overdrafts in Canadian or U.S. dollar accounts maintained with the Bank in Canada,

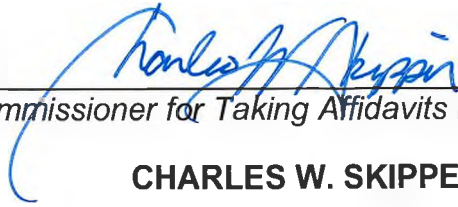
"**Tangible Net Worth**" means the total Shareholders' Equity, minus (a) amounts due from/investments in related parties, and the value of all intangibles, plus (b) all postponed debt,

"**Unwinding Costs**" means the costs the Bank incurs when a fixed rate loan is paid out early. The unwinding costs are based on an interest rate differential between the loan rate and the bid side yield for Government of Canada securities with the same maturity as the loan, for the remaining term of the loan at the time of repayment,

"**U.S. Base Rate**" means the variable reference rate of interest per year as declared by the Bank from time to time to be its base rate for U.S. dollar loans made by the Bank in Canada,

NA

This is **Exhibit "I"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

Properties

PIN 03276 - 0125 LT *Interest/Estate* Fee Simple
Description PCL 1-1 SEC 65M2681; LT 1 PL 65M2681; S/T LT552714, LT586315; S/T
 LT546620,LT546628 VAUGHAN
Address 20 CALDARI RD
 VAUGHAN

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 20 CALDARI DEVELOPMENT INC.

Address for Service

I, Aurora, Nakul, have the authority to bind the corporation.

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

Chargee(s)*Capacity**Share*

Name CANADIAN WESTERN BANK
Address for Service Suite 101
 2000 Argentia Road
 Mississauga
 Plaza 1
 Ontario L5N 1P7

Statements

Schedule: See Schedules

Provisions

Principal \$13,120,000.00 *Currency* CDN
Calculation Period
Balance Due Date
Interest Rate 16.5% per annum
Payments
Interest Adjustment Date
Payment Date
First Payment Date
Last Payment Date
Standard Charge Terms 201617
Insurance Amount Full insurable value
Guarantor

Signed By

Evonne Emma Finnegan 1984 Yonge Street acting for Signed 2021 11 10
 Toronto Chargor(s)
 M4Z 1S7

Tel 844-405-7666

Fax 844-405-7667

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

Submitted By

SCHWARZ LAW PARTNERS LLP 1984 Yonge Street 2021 11 23
 Toronto
 M4Z 1S7

Tel 844-405-7666

Fax 844-405-7667

LRO # 65 Charge/Mortgage

Received as YR3344879 on 2021 11 23 at 13:51

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

yyyy mm dd Page 2 of 16

Fees/Taxes/Payment

Statutory Registration Fee	\$66.30
Total Paid	\$66.30

MORTGAGE

TO: Canadian Western Bank
 Suite 101, 2000 Angerla Road, Plaza 1, Mississauga, Ontario
 ("CWB", "us", "we", "our", or "Mortgagee")

20 Caldari Development Inc.
 20 Caldari Road
 Vaughan, Ontario

(the "Mortgagor", "you" or "your")

This agreement (as it may be supplemented, renewed, extended or amended from time to time, this "Mortgage") is required because CWB is lending money to help you meet your business needs (or, CWB is lending money to help another business meet its needs and you are guaranteeing the repayment of that loan) and CWB needs security in your property if we are not repaid. You are or will be the registered owner of the property set out in Schedule "A" including all buildings and improvements (the "Lands"). In this Mortgage, you are granting us an interest in and charge against the Lands that will be registered on title to the Lands. In exchange for CWB lending money to you or for your benefit, you agree to the terms of this Mortgage as follows:

1. Your obligation to pay - You will pay us the sum of \$13,120,000.00 in Canadian Dollars (the "Principal Sum") ON DEMAND plus interest on the Principal Sum or such amount that is advanced plus interest and charges and any amount remaining unpaid, at the rate of SIXTEEN PERCENT (16%) per annum or such other interest rate agreed between us in writing (the "Interest Rate"), until the Principal Sum and interest are paid in full. Your obligation to pay the Principal Sum and the Interest Rate will continue to apply for as long as the Principal Sum remains unpaid, even if the Principal Sum has not been paid in full when CWB's loan matures, if we require the Principal Sum to be paid or in full or if we receive a judgement in respect of this Mortgage.
2. Interest and Arrears All overdue interest shall be treated as a part of the Principal Sum and shall bear compound interest at the Interest Rate, and all interest and compound interest shall be a charge upon the Lands. If any of the money secured by this Mortgage is not paid when due, you will pay interest on such outstanding amount for as long as it remains unpaid.
3. Revolving Advances - You acknowledge and agree that this Mortgage may be held by us as security for loans that may revolve or may be repaid and readvanced from time to time up to the Principal Sum. Upon signing this Mortgage:
 - (a) this Mortgage shall be a continuous charge against the Lands even though the balance owing under this Mortgage may fluctuate and may be reduced to a nil balance and may be repaid and readvanced from time to time;
 - (b) this Mortgage shall be security for payment of the ultimate balance of the money advanced by us to you and any other sums payable and secured under this Mortgage;
 - (c) this Mortgage shall remain valid security for any subsequent advance or readvance by us to you as if it had been made when this Mortgage is signed;

- (d) nothing in this Mortgage requires us to advance any unadvanced portion of the Principal Sum and we may suspend or cancel revolving loans at any time; and
- (e) any partial or full payment made by you to us shall not be deemed to be a redemption or cancellation of any revolving loan or this Mortgage.

4. Your agreement with us – You agree that this Mortgage is additional and continuing collateral security for your performance of all of your outstanding promises and obligations of any kind owed to us under the terms of a loan agreement, guarantee, letter of credit, letter of guarantee, promissory note or any other evidence of your obligations owed to us ("Our Agreement"). You agree to observe and perform your obligations under Our Agreement. The terms of Our Agreement are not superseded by nor merged in this Mortgage, and the provisions of Our Agreement are incorporated into this Mortgage by reference and shall remain in full force and effect until you fully perform all of your obligations in Our Agreement. A breach or default under Our Agreement shall constitute a breach or default under this Mortgage, and vice versa.

5. Covenants - You covenant and agree that:

- (a) you have good title to the Lands except for registered encumbrances, liens and interests, if any;
- (b) you have the right to mortgage the Lands;
- (c) on default we shall have quiet possession of the Lands free from all encumbrances except as permitted in this Mortgage;
- (d) you will sign further declarations or pledges of the Lands as may be required; and
- (e) you have not and will not encumber the Lands except as mentioned in this Mortgage

6. Assignment of Rents and Leases – If all or any portion of the Lands is now or in the future becomes subject to any lease, agreement to lease, tenancy, quota, right of use or occupation or license (collectively, "Leases") you transfer and assign to us all Leases, together with all rents and other monies payable under them (collectively, "Rents") that are now or in the future will become due and payable to you, as lessor, under all existing and future Leases and under every existing and future guarantees, if any, of the obligations any present or future tenant, user, occupier or licensee of all or any portion of the Lands, together with the benefit of all rights, benefits or advantages in the Leases and the authority to demand, collect, sue for, distraint for, recover, receive and give receipts for the Rents and to enforce payment of the Leases and the Rents in your name. We note, however, that, until there is a default under this Mortgage, you may receive, collect and enjoy the Rents only as they become due and payable and not in advance.

7. Taxes You shall pay as they become due all taxes, rates, assessments, levies, liens, local improvement charges and penalties payable in respect of the Lands or this Mortgage (all of which is referred to as "annual taxes"). We may deduct from any advance an amount sufficient to pay any annual taxes which have become due and payable, and are unpaid at the date of such advance. You shall send to us all assessment notices, tax bills and other notices affecting your obligation to pay annual taxes as soon as possible after you receive them, plus proof that you have paid such annual taxes.

8. Insurance – You will insure during the term of this Mortgage for both your and our benefit, identifying us as loss payee as our interests may appear, the Lands and every building, structure,

erection, improvement and fixture, including their replacements, and all personal property located on the Lands for at least the full insurable replacement value of such property on a non-reporting completed value basis in Canadian dollars. The insurance including insurance company or policy of insurance must be approved by us and shall cover all risks of direct physical loss with only such exclusions as we may approve and must include insurance against liability imposed for damage, loss or injury to or death of persons and for damage to or loss of property of any person in such amounts as we believe will reasonably protect you against such losses. In addition, you must maintain boiler insurance if any boilers or pressure vessels are installed in the premises and you must obtain insurance covering loss of Rents under any Leases and business interruption insurance where Lands are occupied by you. Insurance coverage must be sufficient to pay the amounts required to be made under this Mortgage for the period of such policies. In addition, we require that:

- (a) such insurance policies shall either be without co-insurance or have a stated or stipulated amount co-insurance clause for an amount equal to or less than the policy limit;
- (b) you will upon request provide us, at your expense, with a certificate of a competent appraiser or other competent person selected by us as to the sufficiency of any insurance, including the type or amount of insurance;
- (c) you will not allow any policy of insurance to be invalidated, and must assign, transfer and deliver to us any policy, and you irrevocably assign proceeds of insurance to us. If you neglect to keep any part of the Lands insured, or to deliver any policy, or to produce to us at least fifteen (15) days before termination of insurance coverage evidence, to our reasonable satisfaction, or if we receive notice of the intended cancellation of any policy, we may insure the Lands; provided however that we shall not be required to insure the Lands or, if we insure the Lands, to insure other than for our benefit alone, or to arrange to pay the premiums on any policy, or to arrange to remedy any defect in any policy or failure of any insurance company to pay for any loss; and
- (d) if any loss or damage occurs, you must do all necessary things to enable us to receive payment of the insurance monies. Any insurance monies received may, at our option, be applied in rebuilding, reinstating or repairing the Lands or be paid to you or any other person that is the owner of the Lands, or be paid partly in one way and partly in another, or may be applied, in our sole discretion, to pay the Principal Sum, interest or other amounts owed to us under this Mortgage, whether due or not then due, notwithstanding any law, equity or statute to the contrary.

9. Waste - You will not permit any act of waste on the Lands or do anything, which lessens the value of the Lands in our opinion.

10. Hazardous Materials You represent and warrant to us that, to the best of your knowledge after due and diligent inquiry, no regulated, hazardous or toxic substances are being stored on the Lands or any adjacent property nor have any such substances been stored or used on the Lands or any adjacent property prior to your ownership, possession or control of the Lands. You agree to provide written notice to us immediately upon you becoming aware that the Lands or any adjacent property is being or has been contaminated with regulated, hazardous or toxic substances. You will not cause nor permit any activities on the Lands which directly or indirectly could result in the Lands being contaminated with regulated, hazardous or toxic substances. For the purposes of this Mortgage, the term "regulated, hazardous or toxic substances" means any substance, defined or designated as hazardous or toxic wastes, hazardous

or toxic material, a hazardous, toxic or radioactive substance or other similar term, by any applicable federal, provincial, state or local statute, regulation or ordinance now or hereafter in effect, or any substance or materials, the use or disposition of which is regulated by any such statute, regulation or ordinance.

You shall promptly comply with all statutes, regulations and ordinances, and with all orders, decrees or judgments of governmental authorities or courts having jurisdiction, relating to the use, collection, storage, treatment, control, removal or cleanup of regulated, hazardous or toxic substances in, on, or under the Lands or in, on or under any adjacent property that becomes contaminated with regulated, hazardous or toxic substances as a result of construction, operations or other activities on, or the contamination of, the Lands or incorporated in any improvements (as defined below). We may, but shall not be obliged to, enter upon the Lands, take actions and incur costs and expenses to ensure your performance of your compliance obligations described in this paragraph as we deem advisable and you shall reimburse us on demand for the full amount of all costs and expenses incurred by us in connection with such compliance activities.

With respect to regulated, hazardous or toxic substances, you agree to be liable for and to indemnify us, our officers, directors, employees, agents and its shareholders and agree 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:

- (a) the costs of defending and/or counterclaiming or claiming over against third parties in respect of any action or matter; and
- (b) any cost, liability or damage arising out of a settlement of any action entered into by us with or without your consent;

which at any time may be paid, incurred or asserted against any of them as a direct or indirect result of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Lands or into or upon any land, the atmosphere, or any watercourse, body of water or wetland, of any regulated, hazardous or toxic substances. The indemnification set out in this paragraph shall survive the payment and satisfaction of your indebtedness and liability to us pursuant to this Mortgage.

11. Improvements - All erections, buildings, fences, machinery, equipment, plant and improvements fixed or otherwise, now or later put on the Lands (the "Improvements" and, together with the Lands, the "Property") are and shall immediately when placed on the Lands become fixtures and form a part of the Lands and be secured by this Mortgage. You will at all times and at your own expense sufficiently repair, maintain, and keep the Property in good and substantial order and repair all improvements.

12. Alterations or Additions - You will not make or allow any material change, alteration or addition to the Property nor change the present use of the Lands during the term of this Mortgage or Our Agreement without our prior written consent, which shall not be unreasonably withheld. You shall not do anything where any policy of insurance on the Lands may be vitiated and you shall not use or permit any part of the Lands to be used in any way contrary to the regulations and requirements of the municipal, provincial or other governmental authority having jurisdiction over the Lands.

13. Covenants Regarding Construction - If you construct or cause to be constructed, any buildings, roads, utility services or improvements of any kind (the "Project") in, to or on any part of the Lands, you agree:

- (a) to carry on construction of the Project continuously, diligently and in a good and workman like manner and in accordance with applicable laws until completed in such a manner that, at all times, in our reasonable opinion, construction can be completed by such date as may be set out in Our Agreement;
- (b) to devote your full efforts and energy to the development and construction of the Project, not to abandon or delay completion of the Project for 15 days or more consecutively during the term of this Mortgage, except for reasons beyond your control, or depart from the plans and specifications for the Project; and
- (c) to correct promptly all defects in the construction of the Project as reported to us by our consultants.

14. No Builders' Liens – To preserve our security interests in the Lands and this Mortgage throughout the term of this Mortgage, you will not allow anyone to register any debt or lien of any kind on title to the Lands, which could rank prior to our security interests under this Mortgage; provided that the registration shall not be deemed to be a breach of this Mortgage if you would like to, in good faith, dispute such debt or lien and you, if we so require, give security to our satisfaction for the due payment of the amount claimed, together with possible costs, in case it is proven to be a valid lien. Upon the registration of any debt or lien against the Lands, or if any buildings being erected on the Lands remaining unfinished or without any work being done on them for a period of 10 days, the principal and interest secured by this Mortgage shall, at our option, become due and payable.

15. Performance by Us - We may at our option, at any time, pay any taxes, rates, liens, charges, encumbrances and other claims in order to maintain the title to all of the Lands and to make or keep this Mortgage a charge and encumbrance on the Lands; make arrangements for inspecting, obtaining reports of the value, state and condition of the Lands; if there is a default under this Mortgage, take care of leasing, collecting the rents of, insuring rents, insuring the Lands or improving and managing generally the Lands; and collect all monies payable under this Mortgage. If you refuse or neglect to perform any obligation under this Mortgage at the time at which you should in our sole opinion, we may, at your expense, arrange for the performance of such obligation and may enter upon the Lands for that purpose.

16. Fees and Disbursements – You will pay for all costs, fees and expenses we pay or for which we become liable in preparing, registering, maintaining or enforcing this Mortgage, including all legal costs as between solicitor and his own client on a full indemnity basis, which costs shall be treated as a part of the Principal Sum, shall bear interest at the Interest Rate, be a charge upon the Lands and shall be payable on demand. If you do not pay these fees and disbursements, we may in addition to all other rights and remedies exercise the power of sale expressed in this Mortgage.

17. Default – We can demand the performance of your obligations under this Mortgage or Our Agreement at any time and, if we so demand, the full amount of the Principal Sum, interest and any other monies secured by this Mortgage then owing by you to us shall, at our option, immediately become due and payable (even if the term of this Mortgage may not have expired) and upon being declared to be due and payable, this Mortgage shall immediately become enforceable and we may proceed to enforce it without any further requirement of notifying you of our enforcement steps.

18. Enforcement - If we choose to enforce this Mortgage:

- (a) all of the monies secured by this Mortgage shall at our option become due and payable and to all intents and purposes as if the time for payment of all of the secured monies had fully come and expired;
- (b) we may enter into possession of the Lands and whether in or out of possession collect the rents and profits of the Lands, and make any demise or lease of any part of the Lands on such terms, periods and at such rent as we think proper; and that the power of sale in this Mortgage which we may exercise may be exercised either before or after, and subject to any demise or lease we make;
- (c) It shall be lawful for, and you grant full power, right and licence to us to enter, seize and distrain upon the Lands and by distress recover as rent reserved as in the case of demise of the Lands, as much of the monies from time to time be or remaining in arrears and unpaid, together with all costs, charges and expenses attending such levy or distress, as in like cases of distress for rent;
- (d) we may without notice to you, lease, sell and convey any part of the Lands with on such terms of cash, credit or otherwise and either by public auction or by private contract as we deem necessary in our sole discretion and in the event of a sale we shall not be accountable for or charged with any monies until actually received. Notwithstanding the power to sell and our other powers in this Mortgage, we shall have and be entitled to the right of foreclosure of the equity of redemption in the Lands as fully as if the power of sale and other powers in this Mortgage had not been contained in this Mortgage;
- (e) we may appoint a receiver and/or a manager of the Lands and/or a receiver of the rents, profits and incomes of the Lands, or may apply to any Court of competent jurisdiction in any action, cause or proceedings brought or commenced under this mortgage by reason of the default by you, for the appointment of said manager and/or receiver.

19. Receiver, Receiver/Manager – We may in writing appoint any person to be a receiver of all or any part of or interest in the Property and/or any revenues, rents and profits coming from the Property. We may remove any appointed receiver and appoint a replacement. The term "Receiver" as used in this Mortgage shall include a receiver; a manager; or a receiver and a manager. The following provisions shall apply to this paragraph:

- (a) an appointed Receiver is your agent and you shall be solely responsible for the acts or defaults and for the remuneration and expenses of the Receiver. We shall not be responsible for any misconduct or negligence by any Receiver and may, from time to time, fix the remuneration of every Receiver and be at liberty to direct the payment for the Receiver from proceeds collected;
- (b) nothing contained in this Mortgage and nothing done by us or by a Receiver shall render us a mortgagee in possession or responsible as such;
- (c) all monies received by the Receiver, after providing for payment and charges ranking prior to this Mortgage and for all costs, charges and expenses of or incidental to the exercise of any of the powers of the Receiver in this Mortgage, shall be applied towards the monies owing pursuant to this Mortgage;

- (d) the Receiver shall have power to:
- (i) take possession of the Lands, the Property, rents and profits, and any property charged by this Mortgage and any additional or collateral security granted by you to us and to take any proceedings, be they legal or otherwise, in your name or otherwise;
 - (ii) carry on the business which you are or were conducting on the Lands;
 - (iii) to sell or lease or release all or any portion of the Lands and the Property and for this purpose to execute contracts in your name which said contracts shall be binding upon you;
 - (iv) to make any arrangement or compromise which it shall think expedient;
 - (v) to the extent permitted by law carry on any development or improvement related to the Lands, and for such purpose borrow money either secured or unsecured;
 - (vi) to apply the net proceeds of any sale or lease set out in this Mortgage, subject to the claims of all secured and unsecured creditors (if any) ranking in priority to this Mortgage, in payment in the following order of priority:
 - A. any costs, charges, expenses and legal fees (on a solicitor and own client basis) incurred in taking, recovering or keeping possession of the Lands or the Property or by reason of non-payment of the monies hereby secured;
 - B. in payment of any costs, charges, expenses and legal fees (on a solicitor and own client, full indemnity basis) of and incidental to the appointment of the Receiver and the exercise by it of all or any of the powers aforesaid including its reasonable remuneration and all outgoings properly payable by it;
 - C. in payment of any monies borrowed by the Receiver whether secured or unsecured for the purpose of the exercise by it of all or any of its powers as set out in this Mortgage;
 - D. in payment of interest to us as mentioned in this Mortgage;
 - E. toward payment to us of the Principal Sum or so much of it that remains unpaid;
 - F. in payment of other monies owing under this Mortgage or secured by this Mortgage; and
 - G. any surplus, if any, shall be paid to you;
- (e) the Receiver may, at our option in writing, be vested with all or any of our powers and discretions in this Mortgage;

- (f) the rights and powers granted in this paragraph are supplemental to and not in substitution for any other rights which we may have from time to time;
- (g) If this Mortgage becomes enforceable, you hereby irrevocably appoint us and any appointed Receiver to be your attorney, in your name and on your behalf to execute and perform any actions or things which you ought to execute and perform under this Mortgage and in the exercise of any of the powers held by us and any Receiver under this Mortgage.

20. Power of Attorney In order to give effect to the powers granted in this Mortgage, including the power to collect rents and profits, the power to lease, demise or sell the Lands or any part thereof and the power to enter into any contracts with respect to all or any part of the Lands, you irrevocably constitute and appoint us your attorney upon the following terms and conditions:

- (a) the power of attorney may be exercised by us if we demand under this Mortgage or Our Agreement;
- (b) If a Receiver is appointed, then we may, at our discretion, delegate the exercise of the power of attorney granted herein, and in so doing, constitute and appoint the Receiver as our attorney for any purpose under this Mortgage;
- (c) In any exercise of the power of sale and power of attorney provided in this Mortgage, the person exercising the powers shall be at liberty to convey title subject to such liens and encumbrances as we deem fit, with all proceeds from the sale being distributed as follows:
 - (i) firstly, in payment of all solicitor and his own clients costs and disbursements incurred with respect to the sale or otherwise;
 - (ii) secondly, in payment of any fees and disbursements owing to the Receiver or our agent;
 - (iii) thirdly, in payment of any or all amounts outstanding to us, including the Principal Sum and interest outstanding under this Mortgage;
 - (iv) fourthly, in payment of any amounts claimed to be owing by the holder of any lien or encumbrance registered subsequent to this Mortgage, which, pursuant to the terms and conditions of the agreement for sale, are required to be discharged; it being understood that we shall not be bound to inquire into the validity of any lien or encumbrance; and
 - (v) lastly, the balance, if any, to be paid into an interest bearing trust account to be maintained by us or our solicitors; the balance to be releasable only upon our agreement with you or pursuant to an order of a court of competent jurisdiction.
- (d) You agree that you will not claim or assert any legal or equitable set off in any foreclosure action which may be commenced by us. Any such claim must be brought in a separate action and no such claim shall affect our recourse as against any part of the Lands.

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21. Cross-Default - If a default occurs under any document, security, instrument, assurance or agreement, other than this Mortgage, now or in the future granted to us as additional security for your payment or performance of obligations under this Mortgage or Our Agreement, a default shall be deemed to have occurred under this Mortgage.

22. Due on Sale If you, without our prior written consent, directly or indirectly sell, convey, transfer or dispose of any part of the Lands, or grant any option or right of first refusal to purchase any part of the Lands, a default shall be deemed to have occurred under this Mortgage.

23. Change of Control - If you are a corporation and there is a direct or indirect transaction or dealing which affects your share structure or share ownership and which results in a change in control or ownership in your share capital, either legal or beneficial, without our prior written consent, except for any transfer to existing shareholders or the estate of existing shareholders, a default shall be deemed to have occurred under this Mortgage.

24. Amendments - In our sole discretion, we may release any part of the Lands or any obligation in this Mortgage and without releasing any other part of the Lands or any of the other obligations in this Mortgage, may by extension or other agreement from time to time change or agree with you to change any terms of this Mortgage, and no such change shall affect any of your other obligations under this Mortgage.

25. Renewal or Extension - If we agree to renew or extend the term of this Mortgage, such renewal or extension does not need to be registered against the title to the Lands.

26. Non-Waiver - The permitting of or the acquiescence in the non-performance or non-observance of or the extension of time for the performance of any of the obligations in this Mortgage expressed or implied, or the acceptance by us of any payment after any default shall not constitute a waiver of or cure any continuing or subsequent default, and shall not justify any default or delay on any other occasion.

27. Non-Merger - The taking of a judgment or judgments on any of the obligations in this Mortgage shall not affect our right to interest at the interest rate and that such judgment shall provide that interest on the judgment shall be computed at the same rate and in the same manner as provided in this Mortgage until the judgment has been fully paid and satisfied. The exercise of one of our rights or remedies in this Mortgage shall not affect, delay or prejudice any other rights or remedies in this Mortgage and will not act as a waiver of those rights and remedies. Any or all of our rights or remedies in this Mortgage may be exercised concurrently or successively. If any portion of the Principal Sum is not advanced to you on the date of this Mortgage, we may advance that unpaid portion in any sums at any future date or dates. The amounts of those advances when paid to you, shall be secured by this Mortgage and shall be repayable and be treated as if it has been advanced on the date of this Mortgage. Neither the execution nor registration of this Mortgage nor the advance of part of the Principal Sum shall bind us to advance the whole of the Principal Sum or any unadvanced portion of the Principal Sum. Nevertheless the Mortgage and charge on the Lands made by this Mortgage shall take effect upon signing of this Mortgage. The expenses from the valuation of the Lands, examination of the title and costs of the preparation, execution and registration of this Mortgage as well as any present or future security taken as collateral to the Lands shall be a charge on the Lands and be secured by this Mortgage even in the event of the Principal Sum or any part of the Principal Sum not being advanced, and those expenses shall be payable as soon as possible with interest at the interest rate and without demand therefor.

28. Expropriation - If any part of the Lands is condemned under any power of eminent domain or is acquired by expropriation for any public use or quasi public use, the damages, proceeds, consideration and award for such acquisition, to the extent amounts are owed by you to us under this Mortgage, are assigned by you to us and shall be paid immediately to us or our successors and assigns.

29. Prior Encumbrance Clause If you default in the performance of the obligations in any prior mortgage, agreement for sale, charge or encumbrance (the "Prior Charge") registered on title to the Lands then such default shall constitute a default under this Mortgage. We shall be at liberty in case of such default, but shall not be obligated, to pay any arrears or other sums payable under the said Prior Charge, or pay off all or any portion of the principal and/or interest secured by the Prior Charge. Any amounts so paid by us shall be added to the Principal Sum, bear interest at the Interest Rate, be a charge upon the Lands, and, unless repaid to us upon demand, be recoverable from you in the same manner as if such sum had been originally advanced and secured by this Mortgage. For the purposes of tendering any arrears or other sums payable to a holder of a Prior Charge, you irrevocably appoint us your agent for such purpose and irrevocably direct us to tender such monies upon the holder of a Prior Charge, in your name and on your behalf, and in this regard you hereby assign to us, its equity of redemption, if any, with respect to the Prior Charge together with any statutory right of redemption given to you at law. It is the intention of the parties that we shall have the same rights and powers as you under and pursuant to the terms of the Prior Charge so that we will be able to take whatever steps are necessary to bring the Prior Charge into good standing once a default has occurred under the Prior Charge. Nothing in this Mortgage shall create an obligation upon us to cure any default on your behalf. You covenant and agree that you shall not permit or allow any lien, charge, encumbrance or mortgage to be registered against the Lands excepting for this Mortgage.

30. Discharge - Any discharge of this Mortgage shall be prepared by our solicitor and we shall have a reasonable time after receipt of payment in full of all monies secured by this Mortgage to prepare, execute and deliver such discharge.

31. Interpretation In this Mortgage and any renewals or extensions thereof or except as otherwise provided, or unless the context otherwise requires:

- (a) the subdivisions in this Mortgage are called, in descending order, "sections", "subsections", "paragraphs", "subparagraphs", "clauses", and "subclauses", and all references in this Mortgage to designated subdivisions are to the designated subdivisions of this Mortgage;
- (b) the words "hereto", "hereof", "herein" and "hereunder" and other words of similar import refer to this Mortgage as a whole and not to any particular section or other subdivision;
- (c) the headings and subheadings inserted in this Mortgage are designed for convenience only and do not form a part of this Mortgage nor are they intended to interpret, define or limit the scope, extent or intent of this Mortgage or any provision of this Mortgage;
- (d) the word "including" or "includes" or other variation thereof, when following any general statement, term or matter, shall not be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto but rather

shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;

- (e) all references to currency or money herein are deemed to mean lawful money of Canada;
- (f) any reference to a statute shall include and shall be deemed to be a reference to such statute and to the regulations made pursuant that statute, with all amendments made that statute and in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding the statute so referred to or the regulations made pursuant to that statute;
- (g) any reference to an entity shall include and shall be deemed to be a reference to an entity that is a successor to such entity;
- (h) for the purpose of defining "the date of the Mortgage" with respect to any statutory right of prepayment, pursuant to the *Interest Act* of Canada or otherwise, the date of this Mortgage will be conclusively deemed to be the latest of the date of the first advance hereunder, the date interest commences running or the date of signing;
- (i) where this Mortgage is executed by more than one party, all covenants and agreements herein contained shall be construed and taken as against such executing parties as joint and several;
- (j) the heirs, executors, administrators, successors and permitted assigns of any party executing this Mortgage are jointly and severally bound by the obligations and terms in this Mortgage;
- (k) the obligations and terms in this Mortgage and our rights, remedies and powers in this Mortgage shall be in addition to and not in substitution those granted or implied by equity, any law or any statute whatsoever;
- (l) wherever the singular, the masculine or the neuter is used, the same shall be construed as meaning the plural or feminine or a body politic or corporate where the context or the parties to this Mortgage so require, and where a party is more than one person, all covenants shall be deemed to be joint and several.

32. Other clauses that apply to this Mortgage

Any notice to be delivered under this Mortgage will be in writing and may be validly served by personal delivery, by prepaid registered mail at your last known address or at the address of any of your directors or officers or, by email to you or any of your directors or officers at an email address maintained or owned by you and used by your directors or officers. In the case of mail, such notice will be deemed to be received by you on the third business day following the date of mailing.

We may grant extensions of time or other indulgences to you that are not strictly consistent with the terms of this Mortgage. We may also obtain additional security or release security we hold. We may settle or release your obligations or otherwise deal with you or any other security or credit facilities we hold. None of these things affects your liability to us, or our right to hold the Lands or enforce our rights against it, until we have been paid in full.

This Mortgage will enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

If a portion of this Mortgage is invalid, then this Mortgage will be interpreted as if the invalid portion had not been a part of it.

This Mortgage will be governed by the laws of the Province of Ontario. You irrevocably agree and attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario, provided that nothing in this Mortgage shall prevent us from proceeding, at our choice, to commence a lawsuit or proceeding against you in the courts of any other court of competent jurisdiction. In accordance with the laws of the Province of Ontario, we note the additional terms and conditions:

- (a) You agree with CWB that in accordance with subsection 7(3) of the *Land Registration Reform Act* (Ontario), the terms deemed to be included in a charge by subsection 7(1) of that act are expressly excluded from this Mortgage.

33. Collateral Obligations - You further covenant with us that this Mortgage is granted by you as continuing collateral security for the payment of all of your indebtedness owing to us together with interest, costs and other expenses, at all times, until paid in full. For the purposes of this Mortgage, indebtedness means all debts, liabilities and obligations, present and future, direct or indirect (including guarantees granted by you in favour of us) absolute or contingent, matured or not, of you to us, whether arising from Our Agreement or any agreement or dealings between us and you, or from any agreement or dealings with any another person by which we may be or become in any manner your creditor and whether you are bound alone or with another person as principal or surety.

34. Charging Clause AND for better securing to the mortgagee the repayment in manner set out above of the principal sum and interest (and other amounts hereby secured), the mortgagor hereby mortgages to the mortgagee all its estate and interest in the Lands.

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The Mortgagor has executed this Mortgage on 9th ~~October~~ ^{November}, 2021.

20 CALDARI DEVELOPMENT INC.

Per: 

Name: Nakul Aurora

Title: President

I have authority to bind the Corporation

SCHEDULE "A"

Legal Description

PIN: 03276-0125 (LT)

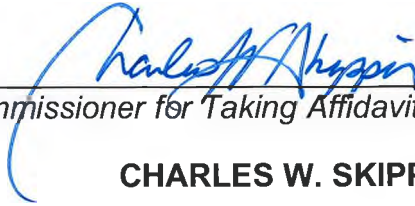
**PARCEL 1-1, SECTION 65M2681; LOT 1, PLAN 65M2681; SUBJECT TO LT552714, LT586315;
SUBJECT TO LT546620, LT546628, CITY OF VAUGHAN, THE REGIONAL MUNICIPALITY OF YORK.**

(a) Permitted Encumbrances

None

This is **Exhibit "J"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.

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Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER



THIS GENERAL SECURITY AGREEMENT DATED

BRANCH ADDRESS:

1. DEFINITIONS

The following definitions shall apply herein:

- (a) "Act" means the Personal Property Security Act of the Province/Territory of Ontario in effect on the date hereof;
- (b) "Accessions", "Account", "Chattel Paper", "Consumer Goods", "Document of Title", "Equipment", "Financing Change Statement", "Financing Statement", "Goods", "Instrument", "Intangible", "Inventory", "Money", "Purchase Money Security Interest", "Security", "Securities Account" and "Security Entitlement" shall have the meanings ascribed to them in the Act and shall be deemed to include both the singular and plural of such terms. All other capitalized words or terms used herein, unless otherwise defined herein, shall have the meanings ascribed to them in the Act and the Regulations passed pursuant thereto;
- (c) "Agreement", "herein", and similar expressions refer to the whole of this Security Agreement and not to any particular section or other portion thereof and extend to and include every instrument which amends or supplements this Agreement;
- (d) "Bank" means **CANADIAN WESTERN BANK**;
- (e) "Collateral" means all present and after-acquired personal property and Real Property of the Debtor of whatever kind and wherever situate, including, without limiting the generality of the foregoing, those specific items, if any, described on the attached Schedule "A", and all other related, attached collateral schedules and all documents, writings, papers, books of account and records relating to the foregoing and all rights and interests therein, but shall not include:
- (i) the last day of any term of years reserved by any lease, verbal or written, or any agreement therefor now or hereafter held by the Debtor, it being the intention that the Debtor shall stand possessed of the reversion remaining in respect of any leasehold interest forming part of the Collateral upon trust to assign and dispose thereof as the Bank may after default direct;
 - (ii) Consumer Goods, or
 - (iii) those specific items, if any, described on the attached Schedule "B";
- (f) "Debtor" means 20-Caldari Development Inc. having a registered office at 20 Caldari Road, Vaughan Ontario L4K 4N8
-
- (g) "Default" means the happening of any one or more of the events or conditions described in section 7 and such term shall be deemed to include each, any, or all such events or conditions, whether any such event is voluntary or involuntary or is effected by operation of law or pursuant to or in compliance with any judgement, decree or order of any Court or any order, rule or regulation of any administrative or governmental body;

- 0718 "Indebtedness" means and includes any and all obligations, indebtedness and liability of the Debtor to the Bank, (including but not limited to principal, interest and all costs on a full indemnity basis) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wherever and however incurred, together with any ultimate unpaid balance thereof, whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and whether the Debtor is bound alone or with another or others and whether as principal or surety;
- (j) "Permitted Encumbrances" means those specific security interests, if any, whether by way of mortgage, lien, claim, charge or otherwise, listed on Schedule "A" or hereafter approved in writing by the Bank prior to their creation or assumption;
 - (k) "Proceeds" shall have the meaning ascribed to it in the Act and shall be interpreted to include bank accounts, cash, trade-ins, Equipment, notes, Chattel Paper, Goods, contractual rights, Accounts and any other personal property or obligation received when Collateral or Proceeds thereof are sold, exchanged, collected or otherwise disposed of;
 - (l) "Real Property" means all of the Debtor's right, title and interest in and to all its presently owned or held and after acquired or held real, immovable and leasehold property and all interests therein, and all easements, right-of-way, privileges, benefits, licenses, improvements and rights whether connected therewith or appurtenant thereto or separately owned or held, including all structures, plant and other fixtures;
 - (m) "Receiver" means any one or more persons (whether officers of the Bank or not), firms or corporations appointed pursuant to subsection 9(f) and shall be deemed to include a receiver, manager, receiver-manager, or receiver and manager;
 - (n) "Security interest" means the security interest and the floating charge granted by the Debtor to the Bank pursuant to this Agreement; and
 - (o) "Specifically Described Collateral" means those items, if any, described in Schedule "A" which comprise part of the Collateral.

2. GRANT OF SECURITY INTEREST

For value received (the receipt and sufficiency of which is hereby acknowledged):

- (a) the Debtor hereby grants, assigns, conveys, mortgages, pledges and charges, as and by way of a specific mortgage, pledge and charge and grants a continuing Security Interest to and in favor of the Bank in the Collateral (other than Real Property); and
- (b) the Debtor hereby charges the Real Property as and by way of a floating charge.

3. INDEBTEDNESS SECURED

The Security Interest secures payment and satisfaction of the Indebtedness; provided however, that if the Security Interest in the Collateral is not sufficient to satisfy the Indebtedness of the Debtor in full, the debtor agrees that the Debtor shall continue to be liable for any Indebtedness remaining outstanding and the Bank shall be entitled to pursue full payment and satisfaction thereof.

4. ATTACHMENT OF SECURITY INTEREST

The Security Interest shall attach to the Collateral at the earliest possible moment in accordance with the Act, there being no intention on the part of the Debtor and the Bank that it attach at any later time.

5.07 REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

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

- (a) the Debtor, if a natural person, is of legal age and, if a corporation, is duly organized, existing and in good standing under the laws of its Incorporating jurisdiction and of each other jurisdiction in which the nature of its activities make such necessary;
- (b) the Debtor has the right, power and authority to enter into this Agreement and to grant the Security Interest;
- (c) the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate action and are not in contravention of any instrument by which the Debtor has been incorporated or continued, any instrument amending any such instrument, any internal regulation of the Debtor, any law, or any indenture, agreement or undertaking to which the Debtor is a party or by which it is bound;
- (d) the Debtor has not previously carried on business, does not currently carry on business, and shall not, without the prior written consent of the Bank, in the future carry on business under any name other than the name set forth in paragraph 1(f);
- (e) the Collateral is genuine and is legally and beneficially owned by the Debtor free of all security interests except for the Security Interest and the Permitted Encumbrances;
- (f) the description of the Specifically Described Collateral, whether contained herein or provided elsewhere the Debtor to the Bank, is complete and accurate and all serial numbers affixed or ascribed to any of the Collateral have been provided to the Bank;
- (g) each Chattel Paper, Intangible and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same ("Account Debtor"), the amount represented by the Debtor to the Bank from time to time as owing by each Account Debtor shall be the correct amount owing unconditionally by such Account Debtor, and no Account Debtor shall have any defence, set-off, claim or counterclaim against the Debtor which can be asserted against the Bank, whether in any proceedings to enforce the Collateral or otherwise;
- (h) the locations specified in the attached Schedule "C" as to business operations and records are accurate and complete and, except for Goods in transit to such locations and inventory on lease or consignment, all Collateral shall be situated at one of such locations;
- (i) all financial statements, certificates and other information concerning the Debtor's financial condition or otherwise from time to time furnished by the Debtor to the Bank are and shall be in all respects complete, correct and fair representations of the affairs of the Debtor stated in accordance with generally accepted accounting principles applied on a consistent basis;
- (j) there has not been and shall not be a material adverse change in the Debtor's position, financial or otherwise, from that indicated by the financial statements which have been delivered to the Bank;
- (k) there are no actions, suits or proceedings pending or, to the knowledge of the Debtor, threatened against the Debtor except as have been disclosed in writing to and approved by the Bank; and
- (l) none of the Collateral is or shall be Consumer Goods.

6. COVENANTS OF THE DEBTOR

The Debtor covenants:

- (a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein and to keep the Collateral free from all security interests except for the Security Interest and the Permitted Encumbrances;
- (b) except as expressly permitted herein, not to sell, exchange, transfer, assign, destroy, lease or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Bank;
- (c) except as expressly permitted herein, not to move the Collateral from its current location, as indicated on Schedule "C", without the prior written consent of the Bank;
- (d) to assemble and deliver the Collateral to the Bank at such location as the Bank may direct;
- (e) to notify the Bank promptly in writing of:
 - (i) any change in the information contained in this Agreement including any information relating to the Debtor (including its name), the Debtor's business, the Collateral, or the locations of the Collateral or the records of the Debtor, so that the Bank shall be constantly advised of all places where the Debtor conducts its business, maintains the Collateral and maintains its records,
 - (ii) the details of any significant acquisition of Collateral (including serial numbers where required under the Act in connection with registration or as otherwise requested by the Bank), and for the purposes of this Agreement "significant" shall mean any item or items the value of which exceeds in the aggregate \$5,000,
 - (iii) the removal of any of the Collateral to any jurisdiction in which any registration of, or in respect of, this Agreement may not be effective to protect the Security Interest, and in the case of such removal to provide the Bank with a written certificate stating the time of removal, what is being removed and the intended new locality of such Collateral, and to assist the Bank in effecting such further registrations as may be required by the Bank to protect its Security Interest; provided however that this provision shall not be construed as a waiver of any prohibition against removal or relocation of Collateral contained elsewhere in this Agreement, nor shall it be construed as permission to do so,
 - (iv) the details of any claims or litigation affecting the Debtor or the Collateral,
 - (v) any loss or damage to the Collateral,
 - (vi) any Default by an Account Debtor in payment or other performance of its obligations with respect to any Collateral, and
 - (vii) the return to or repossession by the Debtor of any Collateral;
- (f) to keep all of its property, including the Collateral, in good order, condition and repair and not to use the Collateral in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance having jurisdiction over the same;

- 001 to execute, acknowledge and deliver such further agreements and documents supplemental hereto (including financing statements, further schedules to this Agreement, assignments and transfers) and to do all acts, matters and things as may be requested by the Bank in order to give effect to this Agreement and to perfect the Security Interest, including but not limited to any of the same which may be required to correct or amplify the description of any Collateral or for any other purpose not inconsistent with the terms of this Agreement;
- (h) to pay all costs and expenses on a full indemnity basis (including legal fees as between a solicitor and his own client) incidental to:
 - (i) the preparation, execution and filing of this Agreement,
 - (ii) maintaining, protecting and defending the Collateral, the Security Interest, and all of the Bank's rights and interest arising pursuant to this Agreement, and
 - (iii) the exercise of any rights or remedies of the Bank pursuant to this Agreement, including but not limited to the costs of the appointment of a Receiver and all expenditures incurred by such Receiver, the cost of any sale proceedings (whether the same prove abortive or not), and all costs of inspection, and all other costs and expenses incurred by the Bank in connection with or arising out of, directly or indirectly, this Agreement, all without limitation. All such costs and expenses shall be payable by the Debtor immediately upon demand from the Bank and until paid shall bear interest from the date incurred by the Bank at the highest rate of interest then chargeable by the Bank to the Debtor on any of the indebtedness. The amount of all such costs and expenses shall be added to the indebtedness and shall be secured by this Agreement;
 - (i) to punctually pay and discharge all taxes, rates, levies, assessments and other charges of every nature which might result in any lien, encumbrance, right of distress, forfeiture or termination or sale, or any other remedy being enforced against the Collateral and to provide to the Bank satisfactory evidence of such payment and discharge;
 - (j) to maintain its corporate existence, and to diligently preserve all its rights, licenses, powers, privileges, franchises and goodwill;
 - (k) to observe and perform all of its obligations and comply with all conditions under leases, licenses and other agreements to which it is a party or pursuant to which any of the Collateral is held;
 - (l) to carry on and conduct its business in an efficient and proper manner so as to preserve and protect the Collateral and income therefrom;
 - (m) to keep, in accordance with generally accepted accounting principles consistently applied, proper books of account and records of all transaction in relation to its business and the Collateral;
 - (n) to observe and conform to all valid requirements of law and of any governmental or municipal authority relating to the Collateral or the carrying on by the Debtor of its business;
 - (o) at all reasonable times, to allow the Bank access to its premises in order to view the state and condition of its property and to inspect its books and records and make extracts therefrom;
 - (p) to insure the Collateral for such periods, in such amounts, on such terms, with such insurers and against such loss or damage by fire and other such risks as the Bank reasonably directs, with loss payable to the Bank and the Debtor as insureds, as their respective interests may appear, to pay all premiums therefor, to deliver evidence of the same on request, and to do all acts necessary to obtain payment to the Bank of any insurance proceeds;

- 082) to prevent the Collateral from being or becoming an Accession or a fixture to other property not covered by this Agreement or other security granted by the Debtor in favor of the Bank;
- (r) to deliver to the Bank from time to time promptly upon request:
 - (i) any Documents of Title, Instruments, Securities, Security Entitlements, Securities Account and Chattel Paper constituting the Collateral,
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral,
 - (iii) all financial statements prepared by or for the Debtor regarding its business, or, where the Debtor is an individual, all tax returns and such personal financial statements as the Bank may request,
 - (iv) all policies and certificates of insurance relating to the Collateral, and
 - (v) such further information concerning the Collateral, the Debtor and the Debtor's business and affairs as the Bank may request;
 - (s) not to change the present use of the Collateral; and
 - (t) to comply with all other requirements of the Bank, whether in the nature of positive or negative covenants, as may be communicated by the Bank to the Debtor from time to time, including but not limited to those additional covenants, terms and conditions, if any, contained on the attached Schedule "D".

7. EVENTS OF DEFAULT

The following constitute Default:

- (a) non-payment when due, whether by acceleration or otherwise, of any principal or interest forming part of the indebtedness;
- (b) failure of the Debtor to perform or observe any obligation, covenant, term, provision or condition contained in this Agreement or any other agreement, security instrument or other document made by the Debtor with or in favor of the Bank or any other person, firm or corporation;
- (c) the death of or declaration of incompetency by a Court of competent jurisdiction with respect to the Debtor, if an individual;
- (d) the Debtor becomes insolvent or makes a voluntary assignment or proposal in bankruptcy or otherwise acknowledges its insolvency, a bankruptcy petition is filed or presented against the Debtor, the making of an authorized assignment for the benefit of the creditors of the Debtor, the appointment of a receiver, receiver-manager, receiver and manager or trustee for the Debtor or any assets of the Debtor, or the institution by or against the Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act, Companies Creditors Arrangement Act or similar legislation in any jurisdiction;
- (e) any act, matter or thing being done toward, or the commencement of any action or proceeding for, terminating the corporate existence of the Debtor, or if the Debtor is a partnership, the existence of the partnership, whether by way of winding-up, surrender of charter or otherwise;
- (f) any encumbrance or security interest affecting the Collateral becomes enforceable;

- 083 the Debtor ceases or threatens to cease to carry on its business or makes or proposes to make a bulk sale of its assets or any sale of the Collateral other than as expressly permitted herein;
- (h) any execution or other process of any Court becomes enforceable against the Debtor or a distress or analogous process is levied upon the assets of the Debtor or any part thereof (whether or not forming part of the Collateral);
 - (i) the Debtor permits any amount which has been admitted as due by it or is not disputed to be due by it and which forms, or is capable of being made, a charge upon the Collateral in priority to, or pari passu with, the charge created by this Agreement to remain unpaid for 30 days after proceedings have been taken to enforce the same;
 - (j) the Debtor allows any amount outstanding from it to the Crown pursuant to any federal, provincial or territorial statute to remain unpaid for 30 days or more;
 - (k) a corporate dispute occurs within the Debtor, if a corporation, (whether between or among its shareholders, directors, officers, employees or otherwise) which may hamper the business operations of the Debtor or otherwise adversely affect, in the sole opinion of the Bank, the Debtor's business assets or the Collateral;
 - (l) any representation or warranty furnished by or on behalf of the Debtor pursuant to or in connection with this Agreement (regardless of the form thereof or whether contained herein or elsewhere), whether as an inducement to the Bank to extend any credit to or to enter into this or any other agreement with the Debtor or otherwise proves to have been false or misleading as of the day made in any material respect or to have omitted any substantial contingent or unliquidated liability or claim against the Debtor;
 - (m) there is any material adverse change in any of the facts disclosed to the Bank, in the Debtor's position (financial or otherwise), or in the nature and value of the Collateral; or
 - (n) the Bank considers or deems, in its sole opinion, that the Security Interest and the Collateral are not sufficient security in relation to the extent of the Indebtedness.

For the purposes of Section 198.1 of the Land Title Act (British Columbia), the floating charge created by this Security Agreement over Real Property shall become a fixed charge thereon upon the earlier of:

- (a) the occurrence of an event described in clause 7(d), (e), (f), (g), or (h); or
- (b) the Bank taking any action pursuant to clause 9 to enforce and realize on the Security Interests created by this Security Agreement.

8. ACCELERATION/DEFAULT

- (a) In the event of Default the Bank, in its sole discretion, may declare all or any part of the Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind. The provisions of this clause shall not in any way affect any rights of the Bank with respect to any Indebtedness which may now or hereafter be payable on demand.
- (b) In the event of early payout, in whole or in part, the Debtor shall pay the Bank a prepayment charge equal to the greater of three months interest on the amount of the prepayment calculated at the rate of interest payable on the loan or the Bank's unwinding costs consisting of the interest rate differential calculated by the Bank based on the difference between the interest rate on the loan being prepaid and the bid side yield on Government of Canada securities for a comparable term. Notwithstanding the foregoing, the terms of any early payout provisions and prepayment charges agreed upon in a commitment letter signed by the Debtor and the Bank shall take precedence over the early payout and prepayment charges provided for in this subsection.

9. ⁰⁸⁴ REMEDIES

Upon Default the Bank shall have the following rights and powers, which the Bank may exercise immediately:

- (a) to enter upon the premises of the Debtor or any other premises where the Collateral may be situated and to take possession of all or any part of the Collateral, by any method permitted by law, to the exclusion of all others, including the Debtor, its directors, officers, agents and employees, and the Debtor hereby waives and releases the Bank and any Receiver from all claims in connection therewith or arising therefrom;
- (b) to remove all or any part of the Collateral to such place as the Bank deems advisable;
- (c) to preserve and maintain the Collateral and to do all such acts incidental thereto as the Bank considers advisable, including but not limited to making replacements and additions to the Collateral;
- (d) to collect, demand, sue on, enforce, recover and receive Collateral and give receipts and discharges therefor, and may do any such act and take any proceedings related thereto in the name of the Debtor or otherwise as the Bank considers appropriate;
- (e) to sell, lease, or otherwise dispose of the Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as the Bank deems reasonable (including without limitation, by deferred payment) all in the Bank's absolute discretion and without the concurrence of the Debtor; provided however, that the Bank shall not be required to do so and it shall be lawful for the Bank to use and possess the Collateral for any and all purposes and in any manner the Bank sees fit, all without hindrance or interruption by the Debtor or any other person or persons, provided however that none of the foregoing shall prejudice the Bank's right to pursue the Debtor for recovery in full of the amount of the indebtedness, including the amount of any deficiency owing after the application of the proceeds of realization (and to the extent permitted by laws, the Debtor waives its rights to the protection afforded by any rule of law or legislation respecting such deficiency);
- (f) to appoint by instrument in writing, with or without bond, or by application to any Court of competent jurisdiction, a Receiver of the Collateral and to remove any Receiver so appointed and appoint another or others in his stead. Any such Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor and not of the Bank and the Bank shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his agents, servants or employees. Subject to the provisions of the instrument appointing him, any such Receiver shall have the power to take possession of the Collateral, to preserve the Collateral or its value, to carry on or concur in carrying on all or any part of the business of the Debtor and to sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of the Collateral (including disposition by way of deferred payment). To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others including the Debtor, enter upon, use and occupy all premises owned or occupied by the Debtor where Collateral may be situated, to employ and discharge such employees, agents or professional advisors as the Receiver deems advisable, to enter into such compromises, arrangements or settlements as the Receiver deems advisable, to borrow or otherwise raise money on the security of the Collateral and to issue Receiver's certificates and do all such other acts as the Receiver deems advisable in connection with any of the powers referred to herein. Except as may be otherwise directed by the Bank, all monies received from time to time by the Receiver in carrying out his appointment shall be received in trust for and paid over to the Bank. In addition, every Receiver may, in the discretion of the Bank, be vested with all or any of the rights and powers of the Bank under the Act or any other applicable legislation or under this Agreement or any other agreement;

- 085 to rescind or vary any contract for sale, lease or other disposition that the Debtor or the Bank may have entered into and to resell, release or redispense of the Collateral;
- (h) to deliver to any purchasers of the Collateral good and sufficient conveyances or deeds for the same free and clear of any claim by the Debtor. For such purposes, the purchaser or lessee receiving any disposition of the Collateral need not inquire whether Default under this Agreement has actually occurred but may as to this and all other matters rely upon a statutory declaration of an officer of the Bank, which declaration shall be conclusive evidence as between the Debtor and such purchaser or lessee, and any such disposition shall not be affected by any irregularity of any nature or kind relating to the enforcement of this Agreement or the exercise of the rights and remedies of the Bank;
 - (i) to exercise any of the powers and rights given to a Receiver pursuant to this Agreement;
 - (j) to provide written notice to the Debtor that all the powers, functions, rights and privileges of the directors and officers of the Debtor with respect to the Collateral, business and undertaking of the Debtor have or shall cease as of the date notified therein, except to the extent specifically continued at any time by the Bank in writing; and
 - (k) to take the benefit of or to exercise any other right, proceeding or remedy authorized or permitted at law or in equity, whether as a secured party pursuant to the Act as the same is in force from time to time or otherwise.

All rights and remedies of the Bank are cumulative and may be exercised at any time and from time to time independently or in combination. No delay or omission by the Bank in exercising any right or remedy shall operate as a waiver thereof or of any other right or remedy, and no singular partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Provided always that the Bank shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, maintain, lease or otherwise dispose of the Collateral, or to institute any proceedings for such purposes. The Bank shall have no obligation to take any steps to preserve rights against other parties, shall have no obligation to exercise any of the rights and remedies available to it on Default and shall not be liable or accountable for not exercising any such rights and remedies.

The Bank may waive any Default but no such waiver shall be effective unless made in writing and signed by an authorized officer of the Bank. Any such waiver shall not extend to, or be taken in any manner whatsoever to affect, any subsequent Default or the rights resulting therefrom.

By its acceptance of this Agreement, the Bank acknowledges that it shall not, except in the case of the bankruptcy of the Debtor, enforce this Security Agreement against any personal property of the Debtor used solely for the personal or household use and enjoyment of the Debtor or the Debtor's immediate family.

10. BANK MAY REMEDY DEFAULT

The Bank shall have the right, but shall not be obliged to, remedy any default of the Debtor and all sums thereby expended by the Bank shall be payable immediately by the Debtor, together with interest thereon at the highest rate of interest then chargeable by the Bank to the Debtor on any portion of the indebtedness. All such sums shall be added to the indebtedness and shall be secured by this Agreement. In no case shall the exercise of the Bank's rights pursuant to this Section 10 be deemed to relieve the Debtor from such Default or be deemed a waiver of such Default or of any other prior or subsequent Default.

11. USE OF COLLATERAL

Subject to compliance with the Debtor's covenants contained herein and to the following provisions of this Section 11, until Default the Debtor may:

- (a) In the case of Equipment, dispose of the same for the purpose of immediately replacing it by other Equipment of a similar nature or of a more useful or convenient character and of at least equal value;
- (b) In the case of Inventory and Money, dispose of the same in the ordinary course of the business of the Debtor and for the sole purpose of carrying on the same; and
- (c) otherwise possess, collect, use, enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not expressly or impliedly prohibited herein or otherwise inconsistent with the provisions of this Agreement.

Notwithstanding the foregoing:

- (a) before or after Default the Bank may notify all or any Account Debtors and may direct such Account Debtors to make all payments owed in respect of the Collateral directly to the Bank; and
- (b) the Debtor agrees that any payments on or other Proceeds of Collateral received by the Debtor, whether before or after Default, shall be received and held by the Debtor in trust for the Bank and shall be turned over to the Bank upon request.

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

12. APPROPRIATION OF PAYMENTS

All payments made at any time in respect of the Indebtedness and all Proceeds realized from any Securities held therefor may be applied (and reapplied from time to time notwithstanding any previous application) in such manner as the Bank sees fit or, at the option of the Bank, may be held unappropriated in a collateral account or released to the Debtor all without prejudice to the rights of the Bank hereunder, including the Bank's right to collect from the Debtor the amount of any deficiency remaining after application of all such payments and Proceeds.

13. POWER OF ATTORNEY AND AUTHORIZATION TO FILE

The Debtor hereby authorizes the Bank to file such Financing Statements and other documents and do such acts, matters and things (including completing and adding schedules to this Agreement identifying Collateral or location) as the Bank from time to time deems appropriate to perfect, continue and realize upon the Security Interest and to protect and preserve the Collateral. In addition, for valuable consideration, the Debtor hereby irrevocably appoints the Bank and its officers from time to time, or any one or more of them, to be the true and lawful attorney of the Debtor, with full power of substitution, in the name of and on behalf of the Debtor to execute and to do all deeds, transfers, conveyances, assignments, assurances, and other things which the Debtor ought to execute and do under the covenants and provisions contained in this Agreement and generally to use the name of the Debtor in the exercise of all or any of the rights, remedies and powers of the Bank.

14.8 MISCELLANEOUS

- (a) The Bank may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, comprise, settle, grant releases and discharges and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other securities as the Bank sees fit, all without prejudice to the liability of the Debtor to the Bank or to the Bank's rights in respect thereof. In addition, the Bank may demand, collect, and sue on the Collateral in either the Debtor's or the Bank's name, all at the Bank's option, and may endorse the Debtor's name on any and all cheques, commercial paper and other Instruments pertaining to or constituting the Collateral.
- (b) Neither the execution or registration of this Agreement, nor the advance or readvance of part of the monies hereby intended to be secured, shall bind the Bank to advance or readvance the said monies or any unadvanced part thereof. The advance or readvance of the said monies or any part thereof from time to time shall be in the sole discretion of the Bank.
- (c) The Debtor hereby waives protest of any Instrument constituting Collateral at any time held by the Bank on which the Debtor is in any way liable and, except as expressly prohibited by law, waives notice of any other action taken by the Bank.
- (d) Without limiting any other right of the Bank, whenever the indebtedness is due and payable or the Bank has the right to declare it to be due and payable (whether or not it has been so declared), the Bank may, in its sole discretion, set off against the indebtedness any and all monies then owed to the Debtor by the Bank in any capacity, whether or not due, and the Bank shall be deemed to have exercised such right to set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on the Bank's records subsequent thereto.
- (e) In any action brought by an assignee of this Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against such assignee any claim or defence which the Debtor now has or may hereafter have against the Bank.

15. NOTICE

In addition to the notice provisions contained in the Act, whenever the Debtor or the Bank is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given only if delivered, transmitted by facsimile, or sent by prepaid registered mail addressed to the party for whom it is intended at the Branch Address, in the case of the bank, and at the Debtor Address, in the case of the Debtor, as set out herein or as changed pursuant hereto. Either party may notify the other of any change in such party's address to be used for the purposes hereof. All such communications shall, in the case of delivery or facsimile, be deemed received on the date of delivery and, if mailed as aforesaid, shall be deemed received on the third business day following the date of posting. In the case of a disruption in postal service all such communications shall be delivered or transmitted by facsimile.

16. INTERPRETATION

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province/Territory of Ontario.

008 This Agreement and the security afforded by it is in addition to and not in substitution for any other security now or hereafter held by the Bank and is intended to be a continuing security agreement and shall remain in full force and effect until released in writing by the Bank. The Bank shall have no obligation to provide such release unless and until the full amount of the indebtedness has been paid in full.

- (c) If any provision of this Agreement is held invalid, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Agreement shall remain in full force and effect and this Agreement shall be enforced to the fullest extent permitted by law.
- (d) The Debtor hereby waives the benefit of all statutory, common law and equitable rights, benefits and provisions which in any way limit or restrict the Bank's rights and remedies, to the extent that such waiver is not expressly prohibited by law. The Debtor acknowledges and agrees that the Bank shall have the right to recover the full amount of the indebtedness by all lawful means, including the right to seek recovery of any deficiency remaining after the sale of the Collateral, including any sale thereof to the Bank.
- (e) The headings of the sections of this Agreement are inserted for convenience of reference only and shall not affect or limit the construction or interpretation of this Agreement.
- (f) All schedules, whether attached hereto on the date hereof or subsequently attached pursuant to the provisions of this Agreement, form part of this Agreement. With the exception of any schedules which may be added hereafter by the Bank without the concurrence of the Debtor pursuant to the provisions of this Agreement, no modification, variation or amendment of this Agreement shall be made except by a written agreement executed by the Debtor and the Bank.
- (g) When the context so requires, words importing the singular number shall be read to include the plural and vice versa, and words importing gender shall be read with all grammatical changes necessary to reflect the identity of the parties.
- (h) This Agreement shall enure to the benefit of the Bank, its successors and assigns and shall be binding upon the Debtor, its personal representatives, administrators, successors and permitted assigns.
- (i) Time shall be in all respects of the essence of this Agreement.

17. RECEIPT OF DOCUMENTS

- (a) The Debtor hereby acknowledges receiving a copy of this Agreement.
- (b) The Debtor hereby waives its right to receive a copy of any Financing Statement, Financing Change Statement or verification statement which may be filed by or issued to the Bank pursuant to the Act.

IN WITNESS WHEREOF the Debtor has executed this Agreement as of the date first stated above, by his/her hand or by authorized signing officers if the debtor is not an individual.

20 CALDARI DEVELOPMENT INC.

Name: Nakul Aurora



*Corporate Seal
If Applicable*

Title: President

Signature:

INDIVIDUAL DEBTOR

Witness

Name: _____

Name: _____

Signature: _____

Signature: _____

DEBTOR ADDRESS:

(Chief Executive Office, if Corporation, or residence if individual)

SCHEDULE "A"

1. SPECIFICALLY DESCRIBED COLLATERAL

(a) Serial Number Goods

Make, Model, Year of Manufacture, Serial Number

(b) Other

2. PURCHASE MONEY SECURITY INTERESTS

3. PERMITTED ENCUMBRANCES

NONE.

091

Form 1100 (11/15)

130

SCHEDULE "B"

PERSONAL PROPERTY NOT INCLUDED IN COLLATERAL

NONE

SCHEDULE "C"

Form 1109 (1/1/17)

092

131

1. LOCATIONS OF DEBTOR'S BUSINESS OPERATIONS

(a) Chief Executive Office

(b) Other Locations:

2. LOCATIONS OF RECORDS RELATING TO COLLATERAL

20 Calder Road, Vaughan, Ontario L4K 4N8

3. LOCATIONS OF COLLATERAL

20 Calder Road, Vaughan, Ontario L4K 4N8

093

SCHEDULE "D"
ADDITIONAL COVENANTS, TERMS AND CONDITIONS

132

094

133

Dated:
November 9th / 2021

FROM:
JAY KHANNA

TO:
CANADIAN WESTERN BANK

GENERAL SECURITY AGREEMENT

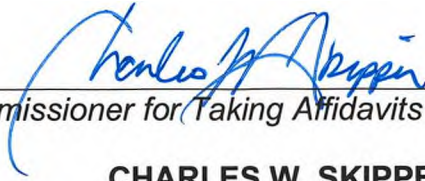
Dated: ~~October~~ ^{November 9th}, 2021

FROM:
20 CALDARI DEVELOPMENT INC.

TO:
CANADIAN WESTERN BANK

GENERAL SECURITY AGREEMENT

This is **Exhibit "K"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER



March 31, 2023

20 Caldari Development Inc.
 20 Caldari Road
 Vaughan, Ontario
 L4K 4N8

Attention: Akash Aurora, Ravi Aurora, Nakul Aurora, Jay Khanna

Re: First Amendment to the Commitment Letter (Original Agreement) dated August 26, 2021 from Canadian Western Bank (the "Bank") to 20 Caldari Development Inc. (the "Borrower")

The Bank has authorized the following amendments to the Original Agreement:

1. **Interest Rate:**

Section 3 of the Original Agreement shall be amended by replacing with the following:

3.1 Loan Segment (1): Interest to float at a rate of 3.00% per annum above the Bank's Prime Lending Rate ("Prime"), effective as at March 15, 2023. As of the date of this amendment, Prime is 6.70% per annum.

Unless otherwise specified, all interest shall be payable without demand on the dates specified by the Bank and shall be calculated daily, compounded monthly. Overdue interest shall bear interest at the same rate.

2. **Repayment:**

Section 6 of the Original Agreement shall be amended by replacing with the following:

6.1 Loan Segment (1): To reduce by equal blended monthly payments. Payments are based on an amortization of approximately 284 months. The Loan shall be fully repaid on or before June 30, 2023.

6.2 Loan Segment (2): The Loan shall be fully repaid on or before June 30, 2023.

For any DNR loan advanced on a floating rate basis with blended monthly payments the Bank will have the discretion to vary the amount of the required monthly instalments each calendar quarter to reflect changes in Prime.

3. **Fee:**

The Borrower will pay to the Bank \$10,000 at the time of acceptance of this amendment agreement. Such sum will be the property of the Bank as consideration for its time, effort and expense incurred in the review of documents and financial statements, and the Borrower acknowledges and agrees that determination of such costs is not feasible and the aforementioned sum represents a reasonable estimate thereof.

Suite 3000, 10303 Jasper Avenue, Edmonton, AB T5J 3X6
 t. 780.423.8888 | F. 780.423.8897
 cwb.com

4191 Security:

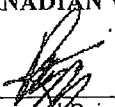
Schedule "A" of the Original Agreement shall be amended by adding the following:

14. Demand Note in the amount outstanding of Loan Segment (1).

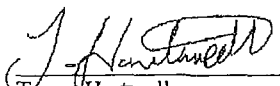
5. Continuation of Original Agreement:

The Borrower and the Guarantors hereby acknowledge and confirm that except as expressly amended herein, the Original Agreement and all of the terms and conditions therein shall continue to be in full force with respect to the loan.

Yours truly,
CANADIAN WESTERN BANK



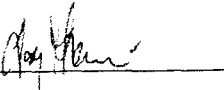
Raymond Pai
Manager Credit, Special Asset Management



Tyson Hartwell
A.V.P., Special Asset Management

~~102~~ **Borrower:** 20 Caldari Development Inc.

Signed 

Signed 

Accepted 04/05/2023
Date

GUARANTORS:

We/I acknowledge receiving advice of the Agreement described above and agree our/my guarantee is binding even if the Bank changes or waives compliance with the terms of this Agreement.

Aurora Hotel Group Inc.

Signed 

Accepted 04/05/2023
Date

J.I.S Contract Furniture Inc.

Signed 

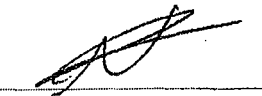
Accepted 04/05/2023
Date

2107307 Ontario Inc.

Signed 

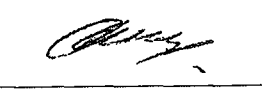
Accepted 04/05/2023
Date

Nakul Aurora

Signed 

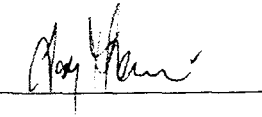
Accepted 04/05/2023
Date

Akash Aurora

Signed 

Accepted 04/05/2023
Date

Jay Khanna

Signed 

Accepted 04/05/2023
Date

This is **Exhibit "L"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

From: Skipper, Charles W.
Sent: Wednesday, February 26, 2025 11:44 AM
To: Gatto, Mary
Subject: FW: 1000688136 Ontario Inc. Mortgage with Respect to 20 Caldari Road
Attachments: Letter to 20 Caldari Development Inc. and 20 Caldari Road - January 31, 2025 - 4929-1771-1637 1.pdf; Mortgage Statement - Jan 22, 2025 - 4897-1024-8725 1.pdf; Statement of Taxes - December 24, 2024 - 4902-3689-6021 1.pdf; Notice of Intention to Enforce Security & Schedule A (Consent and Waiver) - 4923-5311-8997 1.pdf

From: Skipper, Charles W.
Sent: Friday, January 31, 2025 4:33 PM
To: Moses, Rachel <rmoses@foglers.com>; Kamenetsky, Jordan <jkamenetsky@foglers.com>
Cc: Marino, James <jmarino@foglers.com>
Subject: FW: 1000688136 Ontario Inc. Mortgage with Respect to 20 Caldari Road

Rachel / Jordan:

To quote *Macbeth*, "the deed is done".

I think I have some work for Mukul coming up.

If you see anything that causes you concern, by all means let me know.

Thanks for lending me your ears. (*Julius Caesar*)

C.

From: Gatto, Mary <mgatto@foglers.com>
Sent: Friday, January 31, 2025 4:25 PM
To: akash@aurora-group.ca; nick@aurora-group.ca; ravi@aurora-group.ca; Jay Khanna <jay.khanna@st-damase.com>
Cc: Rahul Shastri <rshastri@ksllp.ca>; Skipper, Charles W. <cskipper@foglers.com>; Marino, James <jmarino@foglers.com>
Subject: 1000688136 Ontario Inc. Mortgage with Respect to 20 Caldari Road

Good afternoon. Please see attached, which is sent on behalf of Charles W. Skipper.



Mary Gatto
Assistant to Charles W. Skipper and Shane Gould
Fogler, Rubinoff LLP
Lawyers
Scotia Plaza
40 King Street West, Suite 2400
P.O. Box #215
Toronto, ON M5H 3Y2
Direct: 416.850.0006
Main: 416.864.9700
Fax: 416.941.8852
Email: mgatto@foglers.com
foglers.com

Lawyer: Charles W. Skipper
Direct Dial: 416.941.8821
E-mail: cskipper@foglers.com

Legal Assistant: Mary Gatto
Direct Dial: 416.864.9700 x249
E-mail: mgatto@foglers.com

January 31, 2025

Our File No. 235148

VIA EMAIL

20 Caldari Development Inc.
20 Caldari Road
Vaughan, ON L4K 4N8

Attention: Akash Aurora, Nakul Aurora, Ravi Aurora, and Jay Khanna

Dear Sirs:

**Re: 1000688136 Ontario Inc. Mortgage with Respect to 20 Caldari Road,
Vaughan, Ontario, L4K 4N8 (the "Property") – Notice of Defaults**

We act as solicitors for 1000688136 Ontario Inc.

We refer to the following security documentation as assigned and transferred by Canadian Western Bank ("**CWB**") to 1000688136 Ontario Inc. (the "**Mortgagee**") registered as per Instrument No. YR3655690:

1. Commitment Letter dated August 26, 2021 among 20 Caldari Development Inc. (the "**Borrower**"), as borrower, and Nakul Aurora, Akash Aurora, Jay Khanna, Aurora Hotel Group Inc., JIS Contract Furniture Inc., and 2107307 Ontario Inc., as guarantors (the "**Commitment**") as amended by an Amendment to Commitment letter dated June 1, 2024;
2. General Security Agreement granted by the Borrower registered on November 24, 2021, as assigned to the Mortgagee on March 11, 2024 by an Assignment of Debt and Security Agreement;
3. Charge/Mortgage in the principal amount of \$13,120,000 granted by the Borrower and registered as Instrument No. YR3344879 on November 23, 2021, on title to the Property, as transferred to the Mortgagee by Instrument No. YR3655690 on March 11, 2024, and as amended by Mortgage

Amending Agreement registered as Instrument No. YR3685546 on June 7, 2024 (the "**Mortgage**"); and

4. Notice of Assignment of Rents-General granted by the Borrower registered as Instrument No. YR3344880 on November 23, 2021, on title to the Property.

A. Payment Default

The Borrower is in default of monthly mortgage payments due December 22, 2024 of \$84,201.88 and January 22, 2024 of 84,201.88, together with late payment and other charges, totaling **\$151,400.92**, in accordance with the Mortgage Statement dated January 22, 2025 enclosed with this letter.

Per diem interest accumulates on principal and arrears interest after January 22, 2025 in the amount of \$2,763.13.

As of the date of this letter, and Notice of Default, the total amount in default is **\$173,505.96**.

B. Reporting Requirements Default

As per the Agreement the Borrower and the Aurora Hotel Group (Corporate Guarantor) is in default of the Agreement dated August 26, 2021 as follows:

The Borrower acknowledges, confirms, and agrees that the Bank and the Borrower have agreed upon at least the following reporting Covenants and Conditions:

1. *Review Engagement, annual financial statements of the Borrower and Guarantor(s) prepared by a firm of qualified professional accountants within 120 days of the borrower's fiscal year-end, together with annual business plan including proforma balance sheets with profit and loss and cash flow statements as well as capital expenditure forecasts for the current fiscal year, showing purpose and source of financing;*
2. *Quarterly, internal financial statements of the Borrower and the Aurora Hotel Group inclusive of at least an income statement and balance sheet within 45 days of quarter end;*

The Borrower and the Aurora Hotel Group missed the dates for the quarterly submissions (for period ended June 31, 2024 and September 30, 2024) and both remain outstanding as per the date of this letter. Please provide this information immediately.

The Borrower is noted in breach of the above reporting covenants with an expectation of compliance going forward. This advice does not imply a waiver of default.

C. Property Taxes Default

The Mortgagee has been remitting property tax payments for 2024 to the City of Vaughan of **\$6,916.67** with each monthly payment received from the Borrower. With the default of mortgage payments, property tax payments to the City of Vaughan have not been made and are in arrears. As there were significant prior tax arrears, the City of Vaughan applies property tax payments to the oldest arrears first.

Accumulated property tax arrears and penalty interest to the City of Vaughan have increased significantly in 2024.

For 2022, 2023, 2024, the total property tax arrears are **\$207,946.48**. We enclose a statement of taxes from the City of Vaughan dated December 24, 2024, and further note that penalty interest on the tax arrears is being levied by the City of Vaughan at 1.25% per month, which is 15% per annum.

Failure to remit and pay property taxes is a further default of the Borrower pursuant to, *inter alia*, section 7 of the Mortgage and clause 6(i) of the General Security Agreement.

D. Construction Lien on Title Default

A construction lien was registered as Instrument No. YR3729300 on October 16, 2024 by Evans Industrial Installations Ltd. in the amount of \$40,329.87, such construction lien being a default under, *inter alia*, section 5(e) of the Mortgage and clause 7(f) of the General Security Agreement.

E. Enforcement of Security

By reason of the above unremedied and recurring acts of Default, the Mortgagee requires and demands that all of the indebtedness of the Borrower under the terms of the security be immediately due and payable.


Pursuant to the Commitment, you are indebted to the Mortgagee in the principal amount of CAD **\$9,425,626.68** as at January 22, 2025, plus interest accruing thereon at a per diem rate of \$2,763.13, and enforcement costs and other costs and expenses.

On behalf of the Mortgagee, we hereby make formal demand for payment by you of the indebtedness owing by you to the Mortgagee in your capacity as Borrower under the Commitment in the principal amount of **\$9,425,626.68** as at January 22, 2025, together with all interest accrued thereon, plus costs, solicitors' fees and expenses which may be incurred by the Mortgagee in connection with the recovery of the indebtedness owing by you to it. Interest will continue to accrue until payment is received.

We enclose a Notice of Intention to Enforce Security delivered pursuant to Section 244 of the *Bankruptcy and Insolvency Act*. Please acknowledge your receipt of this letter and the enclosure by signing the acknowledgment and consent enclosed and return the same to the undersigned.

Yours truly,

FOGLER, RUBINOFF LLP



Charles W. Skipper
Partner
CWS/mg 235148

Encl. Notice of Intention to Enforce Security dated January 31, 2025

cc. Rahul Shastri (VIA EMAIL)

1000688136 Ontario Inc

Customer Name:
 20 CALDARI DEVELOPMENT INC.
 416-362-1700
 20 Caldari Road Concord Ontario Canada L4K 4N8

Account Information:
 Outstanding Principal \$9,032,603.61
 Interest Rate 10.00%
 Default Interest Rate 10.70%
Explanation of Amount Due

Principal March 1, 2024 \$ 8,032,603.61
 Interest -March, April & May \$ 241,822.15
 Principal As of June 1, 2024 \$ 9,274,225.76
 Interest in In Arrears \$ 151,400.92
 \$ 9,425,626.68

Mortgage Statement

Statement Date : January 22, 2025

Account Number YR3344880
 Payment Due Date: 22-Jan-25
 Amount Due * \$ 151,400.92

PER DIEM (daily) Interest Rate after January 22, 2025
\$ 2763.13 per day *
 amounts excludes installments amounts for Property Taxes of \$ 6916.67 per month

Transaction Activity (28/02/2024 to 01/06/2024)

Date	Description	Charges	Payments
28/02/2024	Assignment of CWB Mortgage	\$ 9,032,603.60	NIL
01/08/2024	Amendment of CWB Mortgage to Included Interest payments for March, April and May per payment schedule (Past)	\$ 9,274,225.76	NIL
01/06/2024	Amendment of CWB Mortgage amended interest terms @ 10.0% amortized based on the revised Principal amount of \$	\$ 9,274,225.76	
24/06/2024	June Mortgage Payment	\$ 84,201.88	\$ 84,201.88
25/07/2024	Vaughan Taxes Paid	\$ 13,833.34	
25/07/2024	July Mortgage Payment	\$ 84,201.88	\$ 84,201.88
22/08/2024	August Mortgage Payment -DUE	\$ 84,201.88	DUE
03/09/2024	August Mortgage Payment -10 days Notice of Payment arrears communicated		
17/09/2024	Notice of Default and Payment Reminder		
22/09/2024	September Mortgage Payment -DUE	\$ 84,201.88	DUE
22/10/2024	October Mortgage Payment -DUE	\$ 84,201.88	DUE
24/10/2024	4 Installments paid @ 84,201.88		\$ 336,807.52
26/10/2024			
23/11/2024	Statement of Account updated for November 23rd 2024	\$ 2,259.10	
19/12/2024	Vaughan Taxes Paid	\$ 13,833.34	
22/12/2024	December Mortgage Payment -DUE	\$ 87,231.92	DUE
30/12/2024	Statement of Account updated for December 30th - 2024 & Late Fees		DUE
10/01/2025	Transfer of Tenants funds -Stone Quartz from AHO		\$ 20,900.00
17/01/2025	Statement of Account updated for January 22nd payment notice		
22/01/2025	Statement of account updated with calculations of default interest @ 10.7% on arrears -correction-	\$ 151,400.92	DUE
22/01/2025	Calculation PER DIEM (DAILY) Calculated on Principal and arrear payments	\$ 2,763.13	DUE PER DAY AFTER JANUARY 22, 2025

Payment Breakdown

	2024				Mortgage Payments			
	June	July	August	September	October	November	December	
Principal	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	
Interest	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	
Escrow (Taxes)	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	
Fees	TBA	TBA	TBA	TBA	TBA	TBA	TBA	
Total	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	
Paid	PAID	PAID	\$ -	\$ -	\$ -	\$ -	\$ -	
Unpaid Amount Carry forward				\$ 84,952.68	\$ 170,662.86	\$ 81,942.78	\$ 2,259.10	
Late Payment Interest 10.7% on unpaid portion			\$ 750.80	\$ 1,508.28			\$ 770.64	
	\$ 84,201.88	\$ 84,201.88	\$ 84,952.68	\$ 170,662.86	\$ 81,942.78	\$ 2,259.10	\$ 87,231.92	

Past Payments Breakdown		2025			Mortgage Payments		
		January					
Principal	\$	9,274,225.78					
Interest	\$	77,285.21					
Escrow (Taxes)	\$	6,918.87					
Fees	TBA						
Total	\$	84,201.86					
Paid		-20,600.00					
Unpaid Amount Carry forward	\$	87,231.92					
Late Payment Interest 10.7% on unpaid portion	\$	687.12					
	\$	151,400.92					

Important Messages
 *Partial Payments: Any partial payments that you make are not applied to your mortgage, but instead are held in a separate suspense account. If you pay the balance of a partial payment, the funds will then be applied to your mortgage.

WIRE PAYMENT INFORMATION



1000688136 ONTARIO INC.

ACCOUNT NAME: 1000688136 ONTARIO INC
Transit #: 3252
Institution Number: #003
Account #: 1024207
Address: 6240 Dixie Rd, MISSISSAUGA, ON
Telephone: 905-564-5740

TRANSIT NO.
[0|3|2|5|2]

INST. NO.
[0|0|3]

DATE: 10/06/07

AMOUNT ENCLOSED:

ACCOUNT NO.
[1|0|2|4|2|0|7]



City of Vaughan
 Financial Services | Property Tax
 2141 Major Mackenzie Dr., Vaughan, ON L6A 1T1
 Telephone: 905-832-2281 | Toll free: 1-844-832-2112
 Fax: 905-832-8566
 vaughan.ca/PropertyTax

STATEMENT OF TAXES

148

20 CALDARI DEVELOPMENT INC.
 20 CALDARI RD
 UNIT 2
 VAUGHAN ON L4K 4N8

Issue Date: December 24, 2024
 Customer No: R6FV6KTY
 Roll No: 1928 000 232 61900 0000
 Location: 20 CALDARI RD
 Legal Dscr: PL 65M2681 LT 1
 Agent:
 Fee: \$23.00

The information contained on the notice is based on the account activity as of the Issue Date indicated above. Payments and other transactions processed after this date are not reflected. The City has no authority to waive or alter late payment charges.

Tax Levy Information							
Tax Year	Interim	Annual	Supplementaries	Appeals	Apportionment	Cap/Clawback	Total
2024		\$77,821.69					\$77,821.69

Summary of Taxes Owning				Future Due Instalments	
Tax Year	Tax/Charges	Penalty/Interest	Total Overdue	Due Date	Amount
2024	\$77,889.69		\$77,889.69		
2023	\$76,541.81		\$76,541.81		
2022	\$53,514.98		\$53,514.98		
2021 & Prior					
Total	\$207,946.48	\$0.00	\$207,946.48		

Current Account Balance		\$207,946.48
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Late payment charges are applied to overdue taxes at 1.25% the day after due date and the first day of each month.

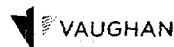
If you require additional information staff is available to assist you from 8:30 a.m. to 4:30 p.m. Monday to Friday. Please contact the Property Tax Department at 905-832-2281 or Toll free at 1-844-832-2112.

Tax Roll Number
 1928 000 232 61900 0000
 20 CALDARI DEVELOPMENT INC.

Remittance Portion

Overdue Amount
\$207,946.48

Make cheque payable to City of Vaughan and return this portion with payment to:
 TAX DEPARTMENT,
 2141 MAJOR MACKENZIE DRIVE
 VAUGHAN, ONTARIO L6A 1T1
 Also, payable online or at most banks



Amount paid

\$

NOTICE OF INTENTION TO ENFORCE SECURITY

Subsection 244(1) of the
Bankruptcy and Insolvency Act (Canada)

TO: 20 Caldari Development Inc., an insolvent person (the "**Debtor**")

TAKE NOTE THAT:

1. 1000688136 Ontario Inc. (the "**Creditor**"), a secured creditor, intends to enforce its security on the insolvent person's property described below:

All of the Debtor's present and after-acquired personal property (other than consumer goods) and real property of whatever kind and wherever situate.

2. The security that is to be enforced is in the form of:
- a. a Commitment Letter dated August 26, 2021 the Debtor, as borrower, and Nakul Aurora, Akash Aurora, Jay Khanna, Aurora Hotel Group Inc., JIS Contract Furniture Inc., and 2107307 Ontario Inc., as guarantors (the "**Commitment**") as amended by an Amendment to Commitment letter dated June 1, 2024;
 - b. a General Security Agreement granted by the Debtor registered on November 24, 2021, as assigned to the Mortgagee on March 11, 2024 by an Assignment of Debt and Security Agreement;
 - c. a Charge/Mortgage in the principal amount of \$13,120,000 granted by the Debtor and registered as Instrument No. YR3344879 on November 23, 2021, on title to the Property, as transferred to the Mortgagee by Instrument No. YR3655690 on March 11, 2024, and as amended by Mortgage Amending Agreement registered as Instrument No. YR3685546 on June 7, 2024 (the "**Mortgage**"); and
 - d. a Notice of Assignment of Rents-General granted by the Debtor registered as Instrument No. YR3344880 on November 23, 2021, on title to the Property (collectively, the "**Security**")
3. As of January 22, 2025, the total amount of indebtedness secured by the Security is CAD **\$9,425,626.68**, plus interest accruing thereon at a per diem rate of \$2,763.13, and enforcement costs and other costs and expenses.
4. The Creditor will not have the right to enforce the Security until after the expiry of the ten-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement, by executing the consent and waiver attached hereto as Schedule A and providing a copy to the undersigned.

DATED at Toronto, Ontario this 31st day of January, 2025

FOGLER RUBINOFF LLP

Per:


Charles W. Skipper

**SCHEDULE A
CONSENT AND WAIVER**

TO: 1000688136 ONTARIO INC. (THE "CREDITOR")

TAKE NOTE THAT:


1. The undersigned hereby acknowledges receipt of a Notice of Intention to Enforce Security dated January 31, 2025 pursuant to Section 244 of the Bankruptcy and Insolvency Act (Canada) with respect to the assets of the undersigned, waives its right to the ten-day notice period and to redeem the collateral, and consents to the immediate enforcement of the security held by the Creditor.
2. The undersigned hereby acknowledges its inability to make payment of the amount of its liabilities to the Creditor, and hereby consents to the immediate enforcement of the Security granted by it to the Creditor by any means deemed appropriate, including the appointment either privately or by application to the court at the option of the Creditor, of an interim receiver, receiver, or receiver and manager of its property, assets, and undertakings.
3. The undersigned hereby acknowledges and confirms that it has sought the advice and recommendations of its professional advisors to the extent it deems appropriate in connection with the execution of this Consent and Waiver and is executing this Consent and Waiver freely, voluntarily, and without any duress.

DATED at Toronto, Ontario, this ____ day of _____, 2025

20 CALDARI DEVELOPMENT INC.

Per _____

This is **Exhibit "M"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)
CHARLES W. SKIPPER



City of Vaughan
 Financial Services | Property Tax
 2141 Major Mackenzie Dr., Vaughan, ON L6A 1T1
 Telephone: 905-832-2281 | Toll free: 1-844-832-2112
 Fax: 905-832-8566
 vaughan.ca/PropertyTax

STATEMENT OF TAXES

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20 CALDARI DEVELOPMENT INC.
 20 CALDARI RD
 UNIT 2
 VAUGHAN ON L4K 4N8

Issue Date: December 24, 2024
 Customer No: R6FV6KTY
 Roll No: 1928 000 232 61900 0000
 Location: 20 CALDARI RD
 Legal Dscr: PL 65M2681 LT 1
 Agent:
 Fee: \$23.00

The information contained on the notice is based on the account activity as of the Issue Date indicated above. Payments and other transactions processed after this date are not reflected. The City has no authority to waive or alter late payment charges.

Tax Levy Information							
Tax Year	Interim	Annual	Supplementaries	Appeals	Apportionment	Cap/Clawback	Total
2024		\$77,821.69					\$77,821.69

Summary of Taxes Owning				Future Due Instalments	
Tax Year	Tax/Charges	Penalty/Interest	Total Overdue	Due Date	Amount
2024	\$77,889.69		\$77,889.69		
2023	\$76,541.81		\$76,541.81		
2022	\$53,514.98		\$53,514.98		
2021 & Prior					
Total	\$207,946.48	\$0.00	\$207,946.48		

Late payment charges are applied to overdue taxes at 1.25% the day after due date and the first day of each month.	Current Account Balance	\$207,946.48
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Late payment charges are applied to overdue taxes at 1.25% the day after due date and the first day of each month.

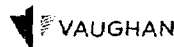
If you require additional information staff is available to assist you from 8:30 a.m. to 4:30 p.m. Monday to Friday. Please contact the Property Tax Department at 905-832-2281 or Toll free at 1-844-832-2112.

Tax Roll Number
 1928 000 232 61900 0000
 20 CALDARI DEVELOPMENT INC.

Remittance Portion

Overdue Amount
 \$207,946.48

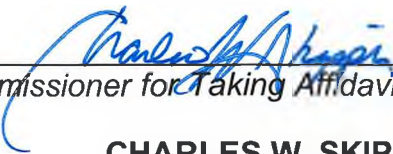
Make cheque payable to City of Vaughan and return this portion with payment to:
 TAX DEPARTMENT,
 2141 MAJOR MACKENZIE DRIVE
 VAUGHAN, ONTARIO L6A 1T1
 Also, payable online or at most banks



Amount paid
 \$

024122402079464831928000232619000000 2

This is **Exhibit "N"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)
CHARLES W. SKIPPER

Properties

PIN 03276 - 0125 LT
Description PCL 1-1 SEC 65M2681; LT 1 PL 65M2681; S/T LT552714, LT586315 ; S/T
LT546620,LT546628 VAUGHAN
Address 20 CALDARI RD
VAUGHAN

Consideration

Consideration \$40,329.87

Claimant(s)

Name EVANS INDUSTRIAL INSTALLATIONS LTD.
Address for Service c/o Derek A. Schmuck
SimpsonWigle LAW LLP
1 Hunter Street East, Suite 200
Hamilton, ON L8N 3W1

I, Troy Evans, am the agent of the lien claimant and have informed myself of the facts stated in the claim for lien and believe them to be true.

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

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

Statements

Name and Address of Owner Countertop Solutions Inc., 20 Regina Road, Vaughan, ON, L4L 8L6 and Quartz Solutions, 20 Caldari Road, Concord, ON, L4K 4N8. Name and address of person to whom lien claimant supplied services or materials Aurora Holdings Ontario Inc., 61 Beckenridge Drive, Markham, Ontario, L3S 2V3. Time within which services or materials were supplied from 2024/06/15 to 2024/09/10 Short description of services or materials that have been supplied Disassemble and relocate three CNC Routers to new locations, supply transports and forklifts. Contract price or subcontract price \$50,329.87 (including H.S.T.) Amount claimed as owing in respect of services or materials that have been supplied \$40,329.87 (including H.S.T.)

The lien claimant claims a lien against the interest of every person identified as an owner of the premises described in said PIN to this lien

Signed By

Kristi-Lynn Irene Gibson 1 Hunter St. E., Suite 200 acting for Signed 2024 10 28
Hamilton Applicant(s)
L8N 3W1

Tel 905-528-8411

Fax 905-528-9008

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

Submitted By

SIMPSON WIGLE LAW LLP 1 Hunter St. E., Suite 200 2024 10 28
Hamilton
L8N 3W1

Tel 905-528-8411

Fax 905-528-9008

Fees/Taxes/Payment

Statutory Registration Fee \$69.95

Total Paid \$69.95

File Number

Claimant Client File Number : MAT90273 DAS/KG

This is **Exhibit "O"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.

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Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

NOTICE OF ATTORNMENT OF RENTS

TO: STONE QUARTZ INC. ("Tenant")
20 CALDARI ROAD, Unit 2

RE: 1000688136 Ontario Inc. (the "**Mortgagee**") mortgage loan (the "**Mortgage**") to
20 Caldari Development Inc. on 20 Caldari Road, Vaughan, Ontario and
Assignment of Rents

AND: Lease between the Tenant and the Landlord (the "**Lease**"), dated November 9,
2020, for the premises at 20 Caldari Road, Vaughan, Ontario (the "**Property**")

TAKE NOTICE that under a certain Mortgage as amended from time to time made by
20 Caldari Development Inc., as Mortgagor, and 1000688136 Ontario Inc., as
Mortgagee, the said Mortgagor did grant the Mortgage unto the Mortgagee of the lands
municipally known as 20 Caldari Development Inc., Unit 2, Toronto, Ontario, to secure
the sum of Nine Million, Four Hundred and Twenty Five Thousand (\$9,425,626.68) with
interest as set out therein.

AND FURTHER TAKE NOTICE that the said Mortgagor(s) did grant unto the Mortgagee
an Assignment of Rents and Leases with respect to the above-noted property,
registered as Instrument YR3344880 on the Property.

AND FURTHER TAKE NOTICE that the instalments of principal and interest secured by
the said Mortgage are in arrears and the undersigned, therefore demands that you pay
to it all rent due and owing with respect to the Property and the Lease including all
arrears and payments which shall hereinafter become due by you pursuant to the terms
of the Lease.

AND the undersigned hereby notifies you NOT TO PAY to 20 Caldari Development Inc.
or its agents or anyone claiming under them ANY PORTION OF THE RENT now due or
which may become due on account of your tenancy, and the Mortgagee, 1000688136
Ontario Inc., WILL HOLD YOU RESPONSIBLE FOR ANY AND ALL LOSSES, COSTS
OR DAMAGES which it may sustain through your neglect or failure to comply with the
terms of this notice.

Please make all payments of rent payable as follows:

RBC

Account Name: 1000688136 Ontario Inc.
Transit #: 3252
Institution No. 003
Account No. 1024207
Address: 6240 Dixie Rd, Mississauga, ON
Telephone: 905-564-5740


and deliver the same to:

Ricardo Sousa
30 Jane Street
Toronto, ON M5K 1G8
Rick@avenidacarpentry.ca

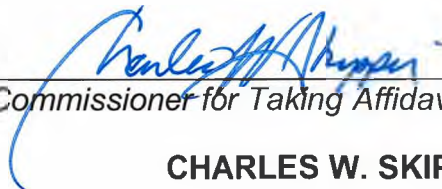
AND FOR SO DOING, this shall be your full and sufficient authority.

DATED this 31st day of January, 2025

FOGLER, RUBINOFF LLP

Per: 
Charles W. Skipper

This is **Exhibit "P"** referred to in the Affidavit of Ricardo Sousa, sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)
CHARLES W. SKIPPER

1000688136 Ontario Inc

Mortgage Statement

Statement Date :February 26, 2025

Customer Name:
 20 CALDARI DEVELOPMENT INC.
 416-362-1700
 20 Caldari Road Concord Ontario Canada L4K 4N8

Account Number YR3344880
 Payment Due Date: 26-Feb-25
 Amount Due * **\$ 9,511,676.03**

Account Information:
 Outstanding Principal \$9,032,603.61
 Interest Rate 10.00%
 Default Interest Rate 10.70%
Explanation of Amount Due

Principal March 1, 2024 \$ 9,032,603.61
 Interest - March, April & May \$ 241,622.15
 Principal As of June 1, 2024 \$ 9,274,225.76
 Principal and Interest as of Feb 26 2025 \$ 9,504,759.36

PER DIEM (daily) Interest Rate after After January 22, 2025
\$ 2,763.13
 amounts excludes installments amounts for Property Taxes of \$ 6916.67 per month

Transaction Activity (28/02/2024 to 01/08/2024)			
Date	Description	Charges	Payments
28/02/2024	Assignment of CWB Mortgage	\$ 9,032,603.60	NIL
01/06/2024	Amendment of CWB Mortgage to Included Interest payments for March, April and May per payment schedule (Past Payments)	\$ 9,274,225.76	NIL
01/06/2024	Amendment of CWB Mortgage amended Interest terms @ 10.0% amortized based on the revised Principal amount of \$	\$ 9,274,225.76	
24/06/2024	June Mortgage Payment	\$ 84,201.88	\$ 84,201.88
25/07/2024	Vaughan Taxes Paid	\$ 13,833.34	
25/07/2024	July Mortgage Payment	\$ 84,201.88	\$ 84,201.88
22/08/2024	August Mortgage Payment -DUE	\$ 84,201.88	DUE
03/09/2024	August Mortgage Payment -10 days Notice of Payment arrears communicated		
17/09/2024	Notice of Default and Payment Reminder		
22/09/2024	September Mortgage Payment - DUE	\$ 84,201.88	DUE
22/10/2024	October Mortgage Payment -DUE	\$ 84,201.88	DUE
24/10/2024	4 installments paid @ 84,201.88		\$ 336,807.52
25/10/2024			
23/11/2024	Statement of Account updated for November 23rd 2024	\$ 2,259.10	
19/12/2024	Vaughan Taxes Paid	\$ 13,833.34	
22/12/2024	December Mortgage Payment -DUE	\$ 87,231.92	DUE
30/12/2024	Statement of Account updated for December 30th - 2024 & Late Fees		DUE
10/01/2025	Transfer of Tenants funds -Stone Quartz from AHG	\$ 20,600.00	\$ 20,600.00
17/01/2025	Statement of Account updated for January 22nd payment notice		
22/01/2025	Statement of account updated with calculations of default interest @ 10.7% on arrears -correction-	\$ 151,400.92	DUE
22/01/2025	Calculation PER DIEM (DAILY) Calculated on Principal and arrear payments	\$ 2,763.13	PER DAY AFTER JANUARY 22, 2025
31/01/2025	Notice of Default & Notice of Intention to Enforce Security		
12/02/2025	Adornment of Rent -Stone Quartz Unit #2	\$ 20,340.00	Utilities paid 445.58\$- Total \$ 20,785.58
02/26/2025	Calculation PER DIEM (DAILY) Calculated on Principal and arrear payments	\$ 99,472.68	36 days @ 2763.13

Past Payments Breakdown	2024						Mortgage Payments	
	June	July	August	September	October	November	December	
Principal	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76
Interest	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21
Escrow (Taxes)	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67
Fees	TBA	TBA	TBA	TBA	TBA	TBA	TBA	TBA
Total	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88
Paid	PAID	PAID	\$ -		-\$ 336,807.52			
Unpaid Amount Carry forward				\$ 84,952.68	\$ 170,662.86	-\$ 81,942.78		\$ 2,259.10
Late Payment Interest 10.7% on unpaid portion			\$ 750.80	\$ 1,508.29				\$ 770.94
	\$ 84,201.88	\$ 84,201.88	\$ 84,952.68	\$ 170,662.86	-\$ 81,942.78	\$ 2,259.10		\$ 87,231.92

Past Payments Breakdown	2025		Mortgage Payments			
	January	February				
Principal	\$ 9,274,225.76	\$ 9,425,626.68				
Interest	\$ 77,285.21	\$ 99,472.68				
Escrow (Taxes)	\$ 8,916.87	\$ 6,916.67				
Fees	TBA					
Total	\$ 84,201.88					
Paid	-20,600.00	-\$ 20,340.00				
Unpaid Amount Carry forward	\$ 87,231.92					
Late Payment Interest 10.7% on unpaid portion	\$ 567.12					
	\$ 151,400.92	\$ 9,511,676.03				

Important Messages

*Partial Payments: Any partial payments that you make are not applied to your mortgage, but instead are held in a separate suspense account. If you pay the balance of a partial payment, the funds will then be applied to your mortgage.

WIRE PAYMENT INFORMATION



1000688136 ONTARIO INC.

ACCOUNT NAME: 1000688136 ONTARIO INC
 Transact #: 03252
 Institution Number: #003
 Account #: 1024207
 Address: 6240 Dixie Rd, MISSISSAUGA, ON
 Telephone: 905-564-5740

DATE: DD/MM/YYY

AMOUNT ENCLOSED:

TRANSIT NO.
|0|3|2|5|2|

INST. NO.
|0|0|3|

ACCOUNT NO.
|1|0|2|4|2|0|7|

1000688136 ONTARIO INC.
Applicant

-and-

20 CALDARI DEVELOPMENT INC.
Respondent

Court File No. CV-23-00004340-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
BRAMPTON

**AFFIDAVIT OF RICARDO SOUSA
SWORN MAY 16, 2024**

Fogler, Rubinoff LLP

Lawyers

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

Charles W. Skipper (LSO# 33481I)

cskipper@foglers.com

Tel: 416.941.8821

Fax: 416.941.8852

Lawyers for RICARDO SOUSA

Court File No. CV-25-00001199-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

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

BETWEEN:

1000688136 ONTARIO INC.

Applicant

and

20 CALDARI DEVELOPMENT INC.

Respondent

AFFIDAVIT OF JAY KHANNA

I, Jay Khanna, businessman, of the City of Mississauga, in the Regional Municipality of Peel, Province of Ontario, MAKE OATH AND SAY:

1. I am one of two 50% shareholders of 20 Caldari Development Inc. (the "**Corporation**"), the respondent in this proceeding, and, as such, have knowledge of the matters contained in this Affidavit. I am also the principal of J.I.S. Contract Furniture Inc., which is also a party involved in the Global Resolution (as defined below). J.I.S Contract Furniture Inc. is also the secured mortgagee on 20 Caldari Road (the "**Property**"), with a second mortgage for \$5,800,000 (the "**Second Mortgage**"). Where I have received

information from other parties, I state the source of that information and believe it to be true.

First Mortgage in Default

2. I am aware that the First Mortgage is in payment default. I have been in contact with the Aurora brothers, who are all parties with me to the Global Resolution (as defined below), principally through Shawn Aurora and Ravi Aurora. The Aurora Hotel Group Inc. and the Aurora brothers are, of course, fully aware that the First Mortgage payments are not being made and are in default. I have been in contact with them, principally through text, email, and a recent in person attendance at the Property. The First Mortgagee has been delivering statements for several months showing the missed payments and accrued interest in mortgage statements that have been sent to all parties.

Notice of Default

3. On January 31, 2025 the First Mortgagee issued a formal demand for payment by the Debtor (the "**Demand Letter**") and a Notice of Intention to Enforce Security (the "**Notice**") under Section 244 of the BIA. I received a direct copy of the Demand Letter and the Notice, both on behalf of the Corporation, and on behalf of J.I.S Contract Furniture Inc. as second mortgagee on the Property. A true copy of the Demand Letter and the Notice are annexed hereto as **Exhibit "A"**.

Second Mortgage Documentation

4. J.I.S Contract Furniture Inc. became the second mortgagee on the Property under the terms of a Global Resolution endorsed by the Court under an order of Justice Agarwal dated May 31, 2024 (the "**Order**"). The Order is annexed hereto as **Exhibit "B"**.

5. The Global Resolution under the Order provided for, *inter alia*:

- a. Acknowledgement of the transfer of the former CWB mortgage to the First Mortgagee;
- b. The acknowledgement of further security being given by the Debtor and the registration of a Second Mortgage in favour of J.I.S. Contract Furniture pursuant to the security;
- c. The acknowledgment of two new leases to related companies of the Debtor [now in default];
- d. A Business Operating Agreement (as defined below) between shareholders of the Debtor dated June 1, 2024, which was part of a resolution of a previous Oppression Remedy Application [now in default];

Second Mortgage Security Documentation

6. As set out in the Order, the Second Mortgage on the Property is evidenced by the following documents:

- (a) Amended and Restated Promissory Note, dated June 1, 2025 [**Exhibit "C"**];
- (b) Demand Debenture, dated June 1, 2024 [**Exhibit "D"**];

- (c) Undertaking to Not Challenge, dated June 1, 2024 [**Exhibit "E"**];
- (d) Assignment of Insurance to J.I.S. contract Furniture Inc., dated June 1, 2024 [**Exhibit "F"**];
- (e) Certified Resolution of the Board of Directors of 20 Caldari Development Inc. – Guarantor, dated June 1, 2024 [**Exhibit "G"**];
- (f) Officer's Certificate – 20 Caldari Development Inc., dated June 1, 2024 [**Exhibit "H"**];
- (g) Acknowledgment regarding Standard Charge Terms to J.I.S. Contract Furniture Inc. and Fogler Rubinoff LLP, dated June 1, 2024 [**Exhibit "I"**];
- (h) Personal Guarantee of Nakul Aurora, dated June 1, 2024 [**Exhibit "J"**];
- (i) Limited Recourse Guarantee dated June 1, 2024 by 20 Caldari Development Inc. to and in favour of J.I.S. Contract Furniture Inc. [**Exhibit "K"**]; and
- (j) Registration of the Second Mortgage on title to the Property as Instrument no. YR3685547 [**Exhibit "L"**].

Impairment of Security

7. I am aware of the outstanding taxes on the Property which are not being paid. I have concern that the equity in the Property is being further impaired and diminished by

the failure of the Corporation to take any steps whatsoever to rectify the tax account with the City, and the tax account has increased by more than \$60,000 of arrears.

8. I am aware of the outstanding claim for lien on the Property which, although a relatively modest amount of \$40,000, has not been dealt with by the Aurora brothers, nor by either of the tenants Aurora Hotel Group Inc. and Countertop Solutions Inc.

9. With the default in the First Mortgage, the equity in the Property is being eaten up by the daily default interest that is owed, which I understand since the issue of the Demand Letter and the Notice has increased by approximately \$100,000.

10. Although the Second Mortgage is currently without interest, the amount of \$5,800,000 starts accruing interest at 10% commencing June 1, 2025, which is now little more than three (3) months away. With the First Mortgage in default, and interest accruing, together with receiver fees, legal fees, property taxes, unremitted CRA taxes, and with the leases of the Aurora related companies, Aurora Hotel Group Inc. and Countertop Solutions Inc., in default, the security for the Second Mortgage, being the Property, is in serious and significant jeopardy.

Business Agreement not Followed

11. As part of the Global Settlement, incorporated into the Order, the two shareholders of the Corporation, being myself and Nakul Aurora, entered into a simple business operating agreement (the "**Business Operating Agreement**") on how the Corporation would conduct its affairs going forward, and was principally concerned with transparency

in banking and revenues. A true copy of the Business Operating Agreement, dated June 1, 2024, is annexed hereto to this my Affidavit as **Exhibit "M"**.

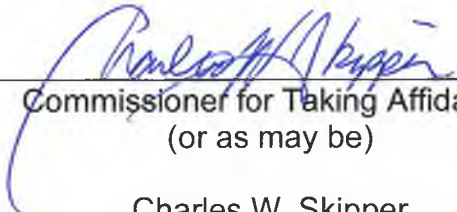
12. Since the Order, essentially none of the covenants or protocols in the Business Operating Agreement have been followed, including:

- (a) Failure to deposit monthly rents into the Account from the two Aurora controlled entities, Aurora Hotel Group Inc. and Countertop Solutions Inc.;
- (b) Failure to have payments to the Mortgagee made to the Account; and
- (c) Failure to set up banking procedures that are independent from Aurora Hotel Group Inc. operations, including failure to have a restriction on transfers of funds and failure to allow me control of the Account through internet banking.
- (d) A true copy of the bank statements for the Account, which is referenced in the Business Operating Agreement, for the period of June 2024 to the date of this Affidavit, is annexed hereto to this my Affidavit and marked as **Exhibit "N"**.

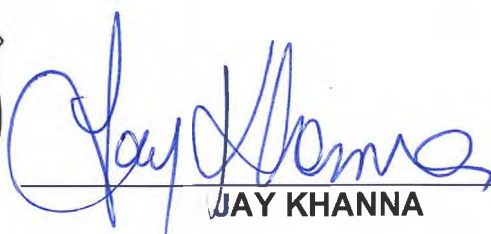
13. In short, the Business Operating Agreement, which was intended to give some corporate oversight and involvement of me in the Corporation, has been ignored, and the Corporation has been operated by the Aurora brothers in a manner that is "business as usual", which was one of the issues brought forward in the Oppression Remedy Application that was resolved by the Global Resolution.

14. I make this Affidavit in support of a receiver by the First Mortgagee over the assets of 20 Caldari Development Inc., including, *inter alia*, the property at 20 Caldari Road, Vaughan, Ontario.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario on February 26, 2025



Commissioner for Taking Affidavits
(or as may be)
Charles W. Skipper

} 

JAY KHANNA

This is **Exhibit "A"** referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

Lawyer: Charles W. Skipper
Direct Dial: 416.941.8821
E-mail: cskipper@foglers.com

Legal Assistant: Mary Gatto
Direct Dial: 416.864.9700 x249
E-mail: mgatto@foglers.com

January 31, 2025

Our File No. 235148

VIA EMAIL

20 Caldari Development Inc.
20 Caldari Road
Vaughan, ON L4K 4N8

Attention: Akash Aurora, Nakul Aurora, Ravi Aurora, and Jay Khanna

Dear Sirs:

**Re: 1000688136 Ontario Inc. Mortgage with Respect to 20 Caldari Road,
Vaughan, Ontario, L4K 4N8 (the "Property") – Notice of Defaults**

We act as solicitors for 1000688136 Ontario Inc.

We refer to the following security documentation as assigned and transferred by Canadian Western Bank ("**CWB**") to 1000688136 Ontario Inc. (the "**Mortgagee**") registered as per Instrument No. YR3655690:

1. Commitment Letter dated August 26, 2021 among 20 Caldari Development Inc. (the "**Borrower**"), as borrower, and Nakul Aurora, Akash Aurora, Jay Khanna, Aurora Hotel Group Inc., JIS Contract Furniture Inc., and 2107307 Ontario Inc., as guarantors (the "**Commitment**") as amended by an Amendment to Commitment letter dated June 1, 2024;
2. General Security Agreement granted by the Borrower registered on November 24, 2021, as assigned to the Mortgagee on March 11, 2024 by an Assignment of Debt and Security Agreement;
3. Charge/Mortgage in the principal amount of \$13,120,000 granted by the Borrower and registered as Instrument No. YR3344879 on November 23, 2021, on title to the Property, as transferred to the Mortgagee by Instrument No. YR3655690 on March 11, 2024, and as amended by Mortgage

Amending Agreement registered as Instrument No. YR3685546 on June 7, 2024 (the "Mortgage"); and

4. Notice of Assignment of Rents-General granted by the Borrower registered as Instrument No. YR3344880 on November 23, 2021, on title to the Property.

A. Payment Default

The Borrower is in default of monthly mortgage payments due December 22, 2024 of \$84,201.88 and January 22, 2024 of 84,201.88, together with late payment and other charges, totaling **\$151,400.92**, in accordance with the Mortgage Statement dated January 22, 2025 enclosed with this letter.

Per diem interest accumulates on principal and arrears interest after January 22, 2025 in the amount of \$2,763.13.

As of the date of this letter, and Notice of Default, the total amount in default is **\$173,505.96**.

B. Reporting Requirements Default

As per the Agreement the Borrower and the Aurora Hotel Group (Corporate Guarantor) is in default of the Agreement dated August 26, 2021 as follows:

The Borrower acknowledges, confirms, and agrees that the Bank and the Borrower have agreed upon at least the following reporting Covenants and Conditions:

1. *Review Engagement, annual financial statements of the Borrower and Guarantor(s) prepared by a firm of qualified professional accountants within 120 days of the borrower's fiscal year-end, together with annual business plan including proforma balance sheets with profit and loss and cash flow statements as well as capital expenditure forecasts for the current fiscal year, showing purpose and source of financing;*
2. *Quarterly, internal financial statements of the Borrower and the Aurora Hotel Group inclusive of at least an income statement and balance sheet within 45 days of quarter end;*

The Borrower and the Aurora Hotel Group missed the dates for the quarterly submissions (for period ended June 31, 2024 and September 30, 2024) and both remain outstanding as per the date of this letter. Please provide this information immediately.

The Borrower is noted in breach of the above reporting covenants with an expectation of compliance going forward. This advice does not imply a waiver of default.

C. Property Taxes Default

The Mortgagee has been remitting property tax payments for 2024 to the City of Vaughan of **\$6,916.67** with each monthly payment received from the Borrower. With the default of mortgage payments, property tax payments to the City of Vaughan have not been made and are in arrears. As there were significant prior tax arrears, the City of Vaughan applies property tax payments to the oldest arrears first.

Accumulated property tax arrears and penalty interest to the City of Vaughan have increased significantly in 2024.

For 2022, 2023, 2024, the total property tax arrears are **\$207,946.48**. We enclose a statement of taxes from the City of Vaughan dated December 24, 2024, and further note that penalty interest on the tax arrears is being levied by the City of Vaughan at 1.25% per month, which is 15% per annum.

Failure to remit and pay property taxes is a further default of the Borrower pursuant to, *inter alia*, section 7 of the Mortgage and clause 6(i) of the General Security Agreement.

D. Construction Lien on Title Default

A construction lien was registered as Instrument No. YR3729300 on October 16, 2024 by Evans Industrial Installations Ltd. in the amount of **\$40,329.87**, such construction lien being a default under, *inter alia*, section 5(e) of the Mortgage and clause 7(f) of the General Security Agreement.

E. Enforcement of Security

By reason of the above unremedied and recurring acts of Default, the Mortgagee requires and demands that all of the indebtedness of the Borrower under the terms of the security be immediately due and payable.


Pursuant to the Commitment, you are indebted to the Mortgagee in the principal amount of CAD **\$9,425,626.68** as at January 22, 2025, plus interest accruing thereon at a per diem rate of \$2,763.13, and enforcement costs and other costs and expenses.

On behalf of the Mortgagee, we hereby make formal demand for payment by you of the indebtedness owing by you to the Mortgagee in your capacity as Borrower under the Commitment in the principal amount of **\$9,425,626.68** as at January 22, 2025, together with all interest accrued thereon, plus costs, solicitors' fees and expenses which may be incurred by the Mortgagee in connection with the recovery of the indebtedness owing by you to it. Interest will continue to accrue until payment is received.

We enclose a Notice of Intention to Enforce Security delivered pursuant to Section 244 of the *Bankruptcy and Insolvency Act*. Please acknowledge your receipt of this letter and the enclosure by signing the acknowledgment and consent enclosed and return the same to the undersigned.

Yours truly,

FOGLER, RUBINOFF LLP



Charles W. Skipper
Partner
CWS/mg 235148

Encl. Notice of Intention to Enforce Security dated January 31, 2025

cc. Rahul Shastri (VIA EMAIL)

NOTICE OF INTENTION TO ENFORCE SECURITY

Subsection 244(1) of the
Bankruptcy and Insolvency Act (Canada)

TO: 20 Caldari Development Inc., an insolvent person (the "**Debtor**")

TAKE NOTE THAT:

1. 1000688136 Ontario Inc. (the "**Creditor**"), a secured creditor, intends to enforce its security on the insolvent person's property described below:

All of the Debtor's present and after-acquired personal property (other than consumer goods) and real property of whatever kind and wherever situate.
2. The security that is to be enforced is in the form of:
 - a. a Commitment Letter dated August 26, 2021 the Debtor, as borrower, and Nakul Aurora, Akash Aurora, Jay Khanna, Aurora Hotel Group Inc., JIS Contract Furniture Inc., and 2107307 Ontario Inc., as guarantors (the "**Commitment**") as amended by an Amendment to Commitment letter dated June 1, 2024;
 - b. a General Security Agreement granted by the Debtor registered on November 24, 2021, as assigned to the Mortgagee on March 11, 2024 by an Assignment of Debt and Security Agreement;
 - c. a Charge/Mortgage in the principal amount of \$13,120,000 granted by the Debtor and registered as Instrument No. YR3344879 on November 23, 2021, on title to the Property, as transferred to the Mortgagee by Instrument No. YR3655690 on March 11, 2024, and as amended by Mortgage Amending Agreement registered as Instrument No. YR3685546 on June 7, 2024 (the "**Mortgage**"); and
 - d. a Notice of Assignment of Rents-General granted by the Debtor registered as Instrument No. YR3344880 on November 23, 2021, on title to the Property (collectively, the "**Security**")
3. As of January 22, 2025, the total amount of Indebtedness secured by the Security is CAD **\$9,425,626.68**, plus interest accruing thereon at a per diem rate of \$2,763.13, and enforcement costs and other costs and expenses.
4. The Creditor will not have the right to enforce the Security until after the expiry of the ten-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement, by executing the consent and waiver attached hereto as Schedule A and providing a copy to the undersigned.

DATED at Toronto, Ontario this 31st day of January, 2025

FOGLER RUBINOFF LLP

Per: 
Charles W. Skipper

**SCHEDULE A
CONSENT AND WAIVER**

TO: 1000688136 ONTARIO INC. (THE "CREDITOR")

TAKE NOTE THAT:

1. The undersigned hereby acknowledges receipt of a Notice of Intention to Enforce Security dated January 31, 2025 pursuant to Section 244 of the Bankruptcy and Insolvency Act (Canada) with respect to the assets of the undersigned, waives its right to the ten-day notice period and to redeem the collateral, and consents to the immediate enforcement of the security held by the Creditor.
2. The undersigned hereby acknowledges its inability to make payment of the amount of its liabilities to the Creditor, and hereby consents to the immediate enforcement of the Security granted by it to the Creditor by any means deemed appropriate, including the appointment either privately or by application to the court at the option of the Creditor, of an interim receiver, receiver, or receiver and manager of its property, assets, and undertakings.
3. The undersigned hereby acknowledges and confirms that it has sought the advice and recommendations of its professional advisors to the extent it deems appropriate in connection with the execution of this Consent and Waiver and is executing this Consent and Waiver freely, voluntarily, and without any duress.

DATED at Toronto, Ontario, this ____ day of _____, 2025

20 CALDARI DEVELOPMENT INC.

Per _____

This is **Exhibit "B"** referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE)
JUSTICE AGARWAL)
FRIDAY, THE 31ST
DAY OF MAY, 2024

BETWEEN:



1000688136 ONTARIO INC.

Applicant

- and -

20 CALDARI DEVELOPMENT INC.

Respondent

DISCHARGE ORDER

THIS MOTION, made by the Applicant, 1000688136 ONTARIO INC. for an order approving the resolution of litigation in Ontario Superior Court of Justice action numbers CV-21-00003633, CV-22-00001381, CV-22-00692176 AND CV-23-00004340, among other relief and the Cross-motion by Ernst & Young Inc. in its capacity as the Court-appointed receiver and manager (the “Receiver”) of the undertaking, property and assets of 20 Caldari Development Inc. (the “Debtor”), for an order:

- i. approving the activities and proposed activities of the Receiver as set out in the third report of the Receiver dated May 24, 2024 (the “Third Report”);
- ii. approving the Receiver’s Statement of Receipts and Disbursements for the period April 4, 2024 to May 23, 2024;

- iii. approving the fees and disbursements of the Receiver and its counsel;
- iv. directing the Aurora Hotel Group Inc. (“AHG”) to forthwith pay to the Receiver the amount of \$1000.00 owing pursuant to the Order of the Honourable Justice Mirza dated March 8, 2024, and the amount of \$49,224 owing pursuant to the Order of the Honourable Justice Mandhane dated April 12, 2024;
- v. Alternatively, directing 1000688136 Ontario Inc.(the “Secured Creditor”) to provide to the Receiver funding in an amount requested by the Receiver to satisfy the post – receivership obligations;
- vi. after payment of all post–receivership obligations, approving the distribution of the remaining proceeds available in the estate, if any, to the Secured Creditor, or as otherwise ordered by the court;
- vii. discharging Ernst & Young Inc. as Receiver of the undertaking, property and assets of the Debtor; and
- viii. releasing Ernst & Young Inc. from any and all liability, as set out in paragraph 9 of this Order.

was heard this day via judicial video conference at the courthouse at 7755 Hurontario Street, Brampton, Ontario.

1. **ON READING** the Third Report, the affidavits of the Receiver and its counsel as to fees (the “Fee Affidavits”), and on reading the Notice of Motion of the secured creditor, 1000688136 Ontario Inc., dated May 16, 2024, the Affidavit of Jay Khanna, sworn May 16, 2024 and the Exhibits annexed thereto and the Affidavit of Akash Aurora, sworn May 23, 2024, and together with the documents evidencing the global resolution as listed in Schedule "B" to this Order, and on hearing the submissions of counsel for the Receiver, counsel for 1000688136 Ontario Inc.(the “Secured Creditor”), and counsel for The Aurora Hotel Group Inc., Akash Aurora, Nakul Aurora, and Ravi Aurora no one else appearing although served as evidenced by the Affidavits of Service, filed;

2. **THIS COURT ORDERS** that the time for service of this motion is hereby abridged and service of this Notice of Motion and Motion Record is hereby validated so that this Motion is properly returnable on May 31 2024 and further service thereof is hereby dispensed with.

3. **THIS COURT ORDERS** that the activities and proposed activities of the Receiver, as set out in the Third Report, are hereby approved.

4. **THIS COURT ORDERS** that the Receiver's Statement of Receipts and Disbursements for the period from April 4 to May 23, 2024 is hereby approved.

5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the Fee Affidavits, are hereby approved, together with the additional fees and disbursements of the Receiver and its counsel through to the filing of the Receiver's Discharge Certificate as contemplated in paragraph 10 hereof.

6. **THIS COURT ORDERS** the Aurora Hotel Group Inc. ("AHG") to forthwith pay to the Receiver the balance of the amounts owing pursuant to the Order of the Honourable Justice Mirza dated March 8, 2024, and the Order of the Honourable Justice Mandhane dated April 12, 2024, being the sum of \$20,224.

7. **THIS COURT ORDERS**, in the alternative to paragraph 5 hereof, the Secured Creditor shall, upon request by the Receiver, forthwith advance funds to the Receiver in an amount sufficient to fund completion of the Receiver's post receivership obligations and complete the Administrative Matters as defined in the Third Report (the "Funding").

8. **THIS COURT ORDERS** that this Order shall become effective on June 7, 2024 (the "Effective Date").

9. **THIS COURT ORDERS** that, upon the Effective Date of this Order, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of

all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Ernst & Young Inc. in its capacity as Receiver, including the Receiver's Charge and Receiver's Borrowing Charge as defined in the Order of Justice Tzimas dated December 7, 2023.

10. **THIS COURT ORDERS AND DECLARES** that upon the Effective Date of this Order, Ernst & Young Inc. shall be released and discharged from any and all liability that Ernst & Young Inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Ernst & Young Inc. while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, Ernst & Young Inc. shall be released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

11. **THIS COURT ORDERS** that subject to receipt of the Funding, and after completing the Administrative Matters, as defined in the Third Report, including paying the Receiver's and the Receiver's counsel's fees, the Receiver shall file a certificate, in the form attached hereto as Schedule "A" certifying that it has completed the Administrative Matters, thereby terminating the Receiver's Charge and Receiver's Borrowing Charge as defined in the Order of Justice Tzimas dated December 7, 2023.

GLOBAL RESOLUTION

12. **THIS COURT APPROVES** the Global Resolution of the litigation as described and set forth in the Affidavit of Jay Khanna, and as set out in the documents of the Global Resolution listed in Schedule "B" hereto, and hereby declares that the Global Resolution shall be concluded and deemed effective on the Effective Date.

13. **THIS COURT ORDERS** that the Global Settlement between the shareholders of the Debtor as described in the Third Report shall take effect as of the Effective Date.

14. **THIS COURT ORDERS** there shall be no costs to these motions.

Hon. R.K. Agarwal

Schedule "A"

Court File No. CV-23-00004340-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

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

BETWEEN:

1000688136 ONTARIO INC.

Applicant

- and -

20 CALDARI DEVELOPMENT INC.

Respondent

RECEIVER'S DISCHARGE CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Tzimis of the Ontario Superior Court of Justice (the "**Court**") dated December 7, 2023, Ernst & Young Inc. was appointed as the receiver (the "**Receiver**") without security, of all of the assets, undertakings, and properties of the Respondent (the "**Debtor**").

B. Pursuant to an Order of the Honourable Justice Agarwal of the Court dated May 31, 2024 (the "**Discharge Order**"), Ernst & Young Inc. was discharged as Receiver of the assets, undertakings and properties of the Debtor to be effective seven days after the date on which the Receiver's funding requirements are met and the Court authorized the Receiver to file a certificate confirming that the Receiver has completed the "Administrative Matters" as defined in its Third Report dated May 24, 2024 (the "**Report**") provided, however, that notwithstanding its discharge: (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver

shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Ernst & Young Inc in its capacity as Receiver.

THE RECEIVER CERTIFIES that the Receiver has completed the Administrative Matters as set out in the Report, and a copy of the Receiver's Final Statement of Receipts and Disbursements is attached hereto as Schedule "A".

**ERNST & YOUNG INC. in its capacity as
Court Appointed Receiver and Manager of 20
Caldari Development Inc.**

Per: _____

Name: Allen Yao

Title: Senior Vice President

1000688136 ONTARIO INC.
Applicant

-and- **20 CALDARI DEVELOPMENT INC.**
Respondent

Court File No CV-23-00004340-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
BRAMPTON

RECEIVER'S DISCHARGE CERTIFICATE

DICKINSON WRIGHT LLP

Barristers & Solicitors

199 Bay Street

Suite 2200, Box 447

Commerce Court Postal Station

Toronto, ON M5L 1G4

LISA S. CORNE

Email: lcorne@dickinsonwright.com

Lawyers for Ernst & Yong Inc., Court-Appointed Receiver

SCHEDULE "B"

184

Court File No. CV-23-00004340-0000

ONTARIO SUPERIOR COURT OF JUSTICE

BETWEEN:

1000688136 ONTARIO INC.

Applicant

and

20 CALDARI DEVELOPMENT INC.

Respondent

I-N-D-E-X

TAB	DOCUMENTS
	Second Mortgage Documents
1.	Amended and Restated Promissory Note, dated June 1, 2025
2.	Demand Debenture, dated June 1, 2024
3.	Undertaking to Not Challenge, dated June 1, 2024
4.	Assignment of Insurance to J.I.S. contract Furniture Inc., dated June 1, 2024
5.	Limited Recourse Guarantee, dated June 1, 2024 by 20 Caldari Development Inc. to and in favour of J.I.S. Contract Furniture Inc.
6.	Acknowledgment and Direction to the firm of Fogler Rubinoff re E-reg documents, dated June 1, 2024
7.	Certified Resolution of the Board of Directors of 20 Caldari Development Inc. – Guarantor, dated June 1, 2024
8.	Officer's Certificate – 20 Caldari Development Inc., dated June 1, 2024

9.	Acknowledgment re Standard Charge Terms to J.I.S. Contract Furniture Inc. and Fogler Rubinoff LLP, dated June 1, 2024
10.	Personal Guarantee – Nakul Aurora, dated June 1, 2024
	Transfer of First Mortgage Documents
11.	Assignment of Debt and Security Agreement between Canadian Western Bank and 1000688136 Ontario Inc., dated March 11, 2024
12.	Registered Assignment/Transfer of First Mortgage, dated March 11, 2024 – YR3655690
13.	Service of Order to Continue (Action No. CV-23-00004340-0000 re Mortgage action, dated April 29, 2024
14.	Amendment to Commitment Letter, dated June 1, 2024
15.	Schedule "A" – Statement of Principal Owing as of June 1, 2024
16.	Schedule "B" - Mortgage Amending Agreement, dated June 1, 2024
17.	Mortgage Statement of principal re 1000688136 Ontario Inc.
	Option Agreement
18.	Option Agreement, between Nakul Aurora and Jay Khanna, dated June 1, 2024
19.	Schedule "A" - Release and Indemnity to Jay Khanna, dated June 1, 2024
20.	Schedule "B" - Release and Indemnity to Nakul Aurora and 20 Caldari Development Inc., dated June 1, 2024
	Leases
21.	Lease – 20 Caldari Development Inc. with Tenant Co. (Countertop Solutions Inc.),

	dated June 1, 2024
22.	Lease Agreement – June 1, 2024 20 Caldari Development Inc. and Aurora Hotel Group Inc.
23.	Business Operating Agreement, dated June 1, 2024
COURT DOCUMENTS	
24.	Notice of Discontinuance, dated June 1, 2024 Court File No. CV-21-00003633 Promissory Note Action
25.	Notice of Discontinuance, dated June 1, 2024 Court File No. CV-22-00001381 Barrie Hotel Action
26.	Release of Caution Re 20 Fairview Litigation, registered on 2023 02 01, SC1961049
27.	Order re Removal of Undertaking Action No. CV-22-00001381-0000 Barrie Hotel Action
28.	Notice of Discontinuance, dated June 1, 2024 Court File No. CV-22-00692176 Oppression Remedy Action
29.	Consent of Mortgagee, 1000688136 Ontario Inc.

1000688136 ONTARIO INC.
Applicant

-and- **20 CALDARI DEVELOPMENT INC.**
Respondent

Court File No CV-23-00004340-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
BRAMPTON

DISCHARGE ORDER

DICKINSON WRIGHT LLP

Barristers & Solicitors

199 Bay Street

Suite 2200, Box 447

Commerce Court Postal Station

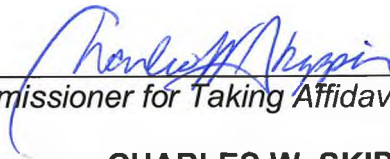
Toronto, ON M5L 1G4

LISA S. CORNE

Email: lcorne@dickinsonwright.com

Lawyers for Ernst & Yong Inc., Court-Appointed Receiver

This is Exhibit "C" referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

AMENDED AND RESTATED PROMISSORY NOTE

Principal Amount: \$5,800,000.00 CDN

DUE: June 1, 2025 (the "Maturity Date")

RECITALS:

- A. The undersigned Aurora Hotel Group Inc. (the "**Borrower**") has borrowed the amount of \$5,800,000.00 (the "**Principal Sum**") from J.I.S Contract Furniture Inc. (the "**Lender**") from time to time as evidenced by a series of promissory notes previously executed by the Borrower (collectively the "**Original Promissory Note**").
- B. Notwithstanding that the Original Promissory Note has matured, that the Lender has demanded repayment under the Original Promissory Note and that the Borrower remains indebted to the Lender for the Principal Sum, the Borrower has failed to repay to the amounts owing.
- C. In accordance with the terms of a settlement arrangement, whereby the Lender has agreed to discontinue an action against the Borrower and various related parties in consideration of and exchange for the Lender agreeing to extend the maturity date, to the Maturity Date, for the repayment of the Principal Sum from the Borrower in accordance with the terms herein.
- D. The Borrower and the Lender wish to amend and restate the Original Promissory Note pursuant to the terms of this amended and restated promissory note (the "**Promissory Note**").

NOW THEREFORE, IN CONSIDERATION OF THE SUM OF \$10.00 AND FOR VALUE RECEIVED, INCLUDING THE DISMISSAL OF RELATED LITIGATION, THE RECEIPT AND SUFFICIENCY OF SUCH CONSIDERATION IS HEREBY ACKNOWLEDGED BY THE UNDERSIGNED:

1. The Borrower hereby confirms that the recitals are true and accurate in all material respects and that it remains indebted to the Lender for the Principal Sum.
2. The Borrower hereby promises to pay to or to the order of the Lender, at such place as the Lender may advise the Borrower from time to time, in lawful money of Canada, the Principal Sum, together with interest on the Principal Sum, or so much thereof as remains unpaid from time to time, at the rate of 10.0% per annum, calculated and compounded monthly not in advance, from 364 days from the date hereof until the date the Principal Sum is repaid in full.
3. If the Borrower fails to pay any amount due and payable on the Maturity Date and such failure continues for five (5) days after written notice to the Borrower, the entire unpaid balance of the Principal Sum, together with any unpaid accrued interest, shall become immediately due and payable without further notice or demand. The Borrower's covenant to pay interest will not merge on the taking of a judgment or judgments with respect to any of the Borrower's obligations set forth herein.
4. The Principal Sum, together with all interest from time to time accrued thereon, may be prepaid in whole or in part at any time without notice, bonus or penalty.
5. The Borrower hereby waives presentment for payment, protest, dishonour, grace, acceleration, all notices hereof and all diligence in the collection of this promissory note.
6. This Promissory Note shall be to the benefit of the Lender and the Lender's heirs, legal

representatives, successors and assigns, and will be binding on the Borrower and the Borrower's successors and assigns.

- 7. All notices and other communications provided for hereunder shall be in writing and be delivered by electronic mail at the following email addresses:

J.I.S Contract Furniture Inc. (c/o Jay Khanna) & Fogler, Rubinoff LLP (c/o Charles Skipper & Jordan Kamenetsky)	jay.khanna@st-damase.com cskipper@foglers.com jkamenetsky@foglers.com
Aurora Hotel Group Inc. (c/o Nakul Aurora, Akash Aurora, and Ravi Aurora) Kagan Shastri DeMelo Winer Park Lawyers LLP (c/o Rahul Shastri)	rshastri@ksllp.ca

- 8. Time is of the essence with respect to this Promissory Note.
- 9. This Promissory Note amends, restates, and substitutes, the Original Promissory Note in its entirety.

[Signature Page Follows]

DATED the 1st day of June, 2024.

AURORA HOTEL GROUP INC.

Per: _____

Name: Nakul Aurora

Title:

I have authority to bind the corporation

AURORA HOTEL GROUP INC.

Per: _____

Name: Akash Aurora

Title:

I have authority to bind the corporation

The undersigned guarantors acknowledge receipt of the within Amended and Restated Promissory Note as of the 1st day of June, 2024.

Witness

NAKUL AURORA

20 CALDARI DEVELOPMENT INC.

Per: _____

Name:

Title:

I have authority to bind the corporation

This is **Exhibit "D"** referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

DEMAND DEBENTURE

PRINCIPAL SUM: \$5,800,000.00

DATE: June 1, 2024

WHEREAS pursuant to an amended and restated promissory note (the "**Note**") made as of the date hereof Aurora Hotel Group Inc (the "**Borrower**"), the Borrower is indebted in the principal amount set out above to J.I.S Contract Furniture Inc. (the "**Chargee**");

AND WHEREAS in support of the obligations of the Borrower pursuant to the Note, 20 Caldari Development Inc. (the "**Chargor**") has agreed to guarantee the obligations of the Borrower pursuant to the Note (the "**Guarantee**");

AND WHEREAS to secure the Chargor's obligations under the Guarantee, the Chargor has agreed to deliver to the Chargee a demand debenture (the "**Debenture**" and together with the Guarantee (the "**Credit Documents**")) creating a fixed and floating charge over all of the assets of the Chargor comprised of, relating to, and arising from, the Chargor's interest in the property legally described on Schedule "A" (the "**Property**") as continuing collateral security for the prompt and due repayment of all amounts owing under the Guarantee and the performance by the Borrower and the Chargor of their respective present and future obligations to the Chargee pursuant to the Guarantee and the Note (as hereinafter defined);

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE 1
PROMISE TO PAY

1.1 Promise to Pay: The Chargor, for value received, hereby acknowledges itself indebted and covenants and promises: (i) to pay to the Chargee and its successors and assigns at 6801 Columbus Road, Mississauga, ON, L5T 2G9 or at such other place in Canada as the Chargee may designate by notice in writing to the Chargor, ON DEMAND the principal amount of \$5,800,000.00 in lawful money of Canada and interest thereon, from and including the 364th day after the date hereof (or from and including the last interest payment date to which interest shall have been paid), at the Interest Rate (as defined herein), as well after as before maturity and both before and after demand, default and judgment, with interest on overdue interest at the same rate, and on all other amounts secured hereby; and (ii) to perform the obligations secured (as hereinafter defined).

This Debenture secures the payment and performance of all indebtedness, obligations and liabilities of the Chargor to the Chargee, present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed at any time owing by the Chargor to the Chargee or remaining unpaid or performed by the Chargor to the Chargee, whether incurred prior to, at the time of, or subsequent to the execution hereof, and whether otherwise secured or not and whether arising from agreement or dealings between the Chargor and the Chargee and whether incurred by the Chargor on its own behalf or on behalf of others and any unpaid balance thereof, in each case owing or arising pursuant to:

- (a) the Guarantee;
- (b) this Debenture;
- (c) all other documents ancillary to the Guarantee and/or Debenture;

(all of the foregoing being herein collectively called the "**obligations secured**").

Demand for payment under the Guarantee shall constitute demand for payment under this Debenture without any other or further demand being made hereunder.

"**Interest Rate**" means 10% annually calculated and compounded monthly.

All capitalized terms used in this Debenture shall have the respective meanings ascribed to them in the Guarantee unless defined herein or unless the subject matter or the context otherwise requires.

ARTICLE 2 **SECURITY**

2.1 **Security:** As security for the due and timely payment and performance of the obligations secured, the Chargor:

- (a) mortgages and charges as and by way of a fixed and specific mortgage and charge to and in favour of the Chargee, its successors and assigns, all of the Chargor's right, title, estate and interest, present and future, in and to: (i) the lands described in Schedule "A" hereto (the "**Lands**"); (ii) all buildings, erections, structures, improvements and fixtures now or hereafter constructed or placed on, in, under or upon the Lands; (iii) all easements, rights-of-way, licences and privileges appurtenant or appertaining to the Lands; and (iv) all interests in any of the foregoing and all benefits and rights to be derived by the Chargor in respect thereof (collectively, the "**Real Property**");
- (b) grants conveys, mortgages, charges, pledges, assigns and creates a security interest in to and in favour of the Chargee of all of the Chargor's right, title, estate and interest, present and future, in and to any and all personal property on, of and in which a mortgage, charge, pledge, assignment or security interest can be taken, reserved, created or granted whether under the *Personal Property Security Act* (Ontario) (the "**Act**") or otherwise under any statute or law or in equity and which is now or at any time hereafter owned by the Chargor or in which the Chargor now has or at any time hereafter acquires any interest of any nature whatsoever for the purposes of and in connection with the, operation, maintenance, and development of the Real Property, including, without in any way limiting the generality of the foregoing:

- (i) all materials, supplies, machinery, equipment, fixtures, inventory, vehicles, furniture, tools, accessories and appliances now or hereafter owned or acquired by or on behalf of the Chargor and every interest therein which the Chargor now has or hereafter acquires;
- (ii) all present and future accounts (including, without limitation, cash collateral accounts and construction escrow accounts), accounts receivable, money (including, without limitation, all money in any bank accounts), intangibles, claims, contract rights, demands, chattel papers, instruments, documents, notes and choses in action, together with any and all security therefor, including, without limiting the generality of the foregoing, all present and future mortgage receivables, debentures, bonds, promissory notes, bills of exchange, judgments and book debts, now due or hereafter to become due to or owned by the Chargor, together with all securities, documents, computer disks, tapes, software or records now or hereafter owned by the Chargor and representing or evidencing the said debts, accounts, accounts receivable, claims, contract rights, demands and choses in action and all other rights and benefits in respect thereof;
- (iii) all rights, agreements, licences, permits, consents, policies, approvals, rights in respect of letters of credit, development agreements, building contracts, performance bonds, purchase orders, plans, drawings, patents, trademarks (provided that in respect of trademarks the Chargor is granting a security interest therein but not an assignment thereof), goodwill, know-how, rights to carry on business and specifications presently owned and hereafter acquired by the Chargor;
- (iv) all present and future computer hardware, software and programs and all rights, agreements, licences, permits and consents in respect of or in any way relating to such computer hardware, software and programs including, without limitation, all paper cards, magnetic tapes, discs, diskettes, drums or magnetic bubbles and whether permanently installed in hardware or crystallized in firmware;
- (v) all shares, stocks, warrants, bonds, debentures, debenture stock, partnership interests, joint venture interests or other securities investments now or hereafter owned by the Chargor;
- (vi) all rents, revenues, income, insurance proceeds, expropriation proceeds, other proceeds and other monies to which the Chargor may from time to time be entitled including, without limitation, all income and proceeds (whether in cash or on credit) received or receivable by or on behalf of the Chargor in respect of the use, occupancy or enjoyment of the Real Property or any part thereof or for the sale of goods or the provision of services on, at or from any

Real Property or from judgments, settlements or other resolutions of disputes relating to the ownership, use, construction, development, operation, maintenance or management of any Real Property (collectively, "**Gross Revenues**"); and

- (vii) the benefit of any guarantees or indemnities relating to all or part of the property referred to in Paragraph 2.1(b)(vi);

and with respect to Paragraphs 2.1(b)(i) to (vii) inclusive, in, to and under all amendments, extensions, renewals, replacements and substitutions of any of the foregoing, all increases, additions and accessions thereto and all rights, remedies, powers, easements, privileges and claims of the Chargor thereunder (whether arising pursuant thereto or available to the Chargor at law or in equity) including without limitation, the right of the Chargor to enforce the foregoing and the obligations of the other parties thereto and to give or withhold any and all consents, requests, directions, approvals, extensions and/or waivers thereunder;

- (c) assigns to and in favour of the Chargee, its successors and assigns, as and by way of a fixed and specific assignment, all of the Chargor's right, title, estate and interest, present and future, in and to:

- (i) any and all contracts material, at the Chargee's sole discretion, to the operations of the Property (the "**Material Contracts**");
- (ii) all patents, trademarks, trade names, copyrights and other industrial and intellectual property presently owned or hereafter acquired by the Chargor relating to, arising from, or in connection with the Real Property; and

- (iii) all amendments, extensions, renewals, replacements and substitutions of any of the property referred to in Paragraphs 2.1(c)(i) and (ii) inclusive and all benefits, rights, remedies, privileges, claims, powers and advantages of the Chargor to be derived therefrom or thereunder (whether arising pursuant thereto or available to the Chargor at law or in equity) and all covenants, obligations and agreements of the other parties thereto including, without limitation, the right of the Chargor to enforce any of the foregoing and the obligations of the other parties thereto and to give or withhold any and all consents, requests, directions, approvals, extensions and/or waivers thereunder;

- (d) assigns in favour of the Chargee, its successors and assigns, as and by way of a general assignment of all of the Chargor's right, title, estate and interest present and future, in and to:

- (i) all leases, offers or agreements to lease, rental agreements (written or oral), and other rights or licences granted by, or on behalf of, the

Chargor or a predecessor owner of the Real Property, to occupy premises in all or any part(s) of Real Property and any modifications or extensions to such leases or offers or agreements to lease and all assignments in respect of any such leases or offers or agreements to lease and any security, guarantees and/or indemnities of the obligations thereunder, in each case as amended, renewed or otherwise varied (the "**Leases**" and "**Lease**" means any one of the Leases) and all benefits, powers and advantages of the Chargor to be derived therefrom and all covenants, obligations and agreements of the occupiers thereunder or in any agreement collateral thereto including, without limitation, the benefit of any right, option or obligation of any occupier or other person to acquire any portion of the Real Property or an interest therein, to renew or extend any Lease, to occupy other space and any other collateral advantage or benefit to be derived from the Leases or any of them;

- (ii) all moneys now due and payable or hereafter to become due and payable under the Leases and each guarantee of or indemnity in respect of the obligations of the residents thereunder with full power to demand, sue for recovery, receive and give receipts for all such moneys and otherwise to enforce the rights of the Chargor thereto in the name of the Chargor;
- (iii) all present and future intangibles arising from or out of all or any part of the property and assets referred to in Subsections 2.1(b) and (c) above including, without limiting the generality of the foregoing, all of its rights, title and interest in all present and future book debts, accounts and other accounts receivable, contract rights and choses in action;
- (iv) any and all existing or future agreements, contracts, licences, permits, plans and specifications, bonds, rights under letters of credit, letters of guarantee or other documents or instruments and all extensions, amendments, renewals or substitutions thereof or therefor which may hereafter be effected or entered into and all benefit, power and advantage of the Chargor to be derived therefrom;
- (v) any and all existing or future agreements of purchase and sale, options to purchase and mortgage, loan or other financing commitments or any part or parts thereof relating to, arising from, or in connection with the Real Property and all proceeds and other moneys now due and payable or hereafter to become due and payable thereunder and all benefit, power and advantage of the Chargor to be derived therefrom; and

- (vi) the proceeds of any and all existing or future insurance policies pertaining to the property and assets referred to in Subsections 2.1(a), (b) and (c) and Paragraphs 2.1(d)(i) to (v) inclusive and all proceeds of expropriation or similar taking of any real property owned or leased by the Chargor or any part or parts thereof and all benefit, power and advantage of the Chargor to be derived therefrom; and
- (e) grants, mortgages, charges, pledges and creates a security interest in, to and in favour of the Chargee, its successors and assigns, all of the Chargor's right, title, estate and interest, present and future, in and to all personal property in any form (including money) derived, directly or indirectly, from any dealing with the property referred to in Subsections 2.1(a) to (d), inclusive, or proceeds therefrom or that indemnifies or compensates for all or part of such property or proceeds therefrom that is destroyed and damaged;
- (f) grants, conveys, mortgages, charges, pledges and assigns as and by way of a floating charge to and in favour of the Chargee all of the undertaking, property, assets, rights, entitlements, benefits and privileges, both real and personal, moveable and immoveable, of every nature and kind, now or at any time and from time to time hereafter existing and owned by the Chargor relating to, arising from, or in connection with the Real Property (except such property and assets as are validly and effectively subject to any fixed and specific mortgage and charge or assignment, transfer or security interest created hereby),

provided that notwithstanding anything contained in this Debenture or elsewhere, the said grants, conveyances, mortgages, charges, pledges, assignments and security interests created pursuant to this Section 2.1 or elsewhere shall not extend or apply: (A) to any personal property which is "consumer goods", as such term is defined in the Act; or (B) to the last day of the term of any lease or any agreement therefor now held or hereafter acquired by the Chargor, as lessee, but should such mortgages and charges become enforceable the Chargor shall thereafter stand possessed of such last day and shall hold it in trust for the Chargee for the purpose of this Debenture and assign and dispose thereof as the Chargee shall, for such purpose, direct. Upon any sale of such leasehold interest or any part thereof, the Chargee, for the purpose of vesting the aforesaid one day residue of any such term or renewal thereof in any purchaser or purchasers thereof, shall be entitled by deed or writing to appoint such purchaser or purchasers or any other person or persons a new trustee or trustees of the aforesaid residue of any such term or renewal thereof in the place of the Chargor and to vest the same accordingly in the new trustee or trustees so appointed free and discharged from any obligation respecting the same; or (C) if any agreement which is to be assigned pursuant to Section 2.1 hereof is not assignable to the Chargee (because (i) the remedies for the enforcement of such agreement would not, as a matter of law, pass to the Chargee as an incidence of the transfers and assignments made pursuant to this Debenture or, (ii) the same is not assignable without the consent of the other party or parties thereto and such consent has not been obtained as of the date hereof or (iii) the same is not assignable without

complying with stated conditions or (iv) the same is the subject of an express prohibition against assignment or doing so would result in a default, breach, penalty or right of termination of said agreement), the Chargor's beneficial interest in such agreement shall, until consent to such assignment or compliance with such conditions or waiver of such express prohibition is obtained, be held in trust for the Chargee by the Chargor and the said beneficial interest and all benefits derived under such agreement shall be for the account of the Chargee, unless doing so would result in a default, breach, penalty or right of termination of said agreement subject to the terms of this Debenture and in particular Section 3.1 hereof. Upon the occurrence of an Event of Default under this Debenture which is continuing, in order that the full value of the beneficial interest in every such agreement not assigned to the Chargee pursuant to this Debenture but held in trust for it as aforesaid may be realized for the benefit of the Chargee, the Chargor shall, at the request and expense and under the direction of the Chargee, in the name of the Chargor, take all such action and do or cause to be done all such things as are desirable in order that the obligations of the Chargor under such agreement may be performed in such manner that the beneficial interest in such agreement shall be preserved and shall enure to the benefit of the Chargee or as the Chargee may direct in writing and the collection of any monies due and payable and to become due and payable shall be facilitated and the Chargor will promptly pay over to the Chargee or as the Chargee may direct in writing all monies collected by or paid to the Chargor in respect of the beneficial interest in every such agreement.

All the undertaking, property and assets mortgaged and charged pursuant to Subsection 2.1(a) and all of the undertaking, property and assets granted, assigned, transferred, mortgaged and charged pursuant to Subsections 2.1(b), (d) and (e) hereof being hereinafter collectively referred to as the "**mortgaged property**"; all the undertaking, property and assets assigned pursuant to Subsections 2.1(c) being hereinafter collectively referred to as the "**assigned property**"; and the mortgaged property and assigned property being hereinafter collectively referred to as the "**secured property**". Wherever used herein in relation to the rights and remedies of the Chargee the terms "**Real Property**", "**mortgaged property**", "**assigned property**" and "**secured property**" shall, where the context permits, mean the whole or any part or parts thereof.

TO HAVE AND TO HOLD the secured property and all rights hereby conferred unto the Chargee, its successors and assigns, forever, for the uses and purposes and with the powers and authorities and subject to the terms and conditions set forth herein and in the Guarantee.

2.2 **Delivery of Instruments, Securities, Etc.:** The Chargor shall, upon reasonable request from the Chargee, following the occurrence of and during the continuance of an Event of Default, forthwith deliver to the Chargee to be held by the Chargee hereunder all instruments, securities, letters of credit, advices of credit and negotiable documents of title in its possession or control which pertain to or form part of the secured property, and shall, where appropriate, duly endorse the same for transfer in blank or as the Chargee may direct and shall make all reasonable efforts to deliver forthwith to the Chargee any and all consents or other instruments or documents

necessary to comply with any restrictions on the transfer thereof in order to transfer the same to the Chargee.

2.3 Representations and Warranties of the Chargor: The Chargor represents and warrants to the Chargee as follows:

- (a) French Name: The Chargor does not have or use a French form of name or a combined English and French form of name;
- (b) Address: The address of the Chargor's chief executive office is 20 Caldari Road, Concord, ON; and
- (c) Location of Secured Property: With the exception of inventory in transit, all tangible assets comprising the secured property are situate at the Real Property, the chief executive office of the Chargor or the chief operating office of the Chargor or the office of the property manager or the development manager to the extent appropriate or consistent with industry standards.

The foregoing representations and warranties shall survive for so long as any of the obligations secured remain unpaid and, notwithstanding any investigation made by or on behalf of the Chargee, shall continue in full force and effect for the benefit of the Chargee during such period.

2.4 Covenants of the Chargor: So long as any of the obligations secured shall remain unpaid, the Chargor covenants and agrees with the Chargee as follows:

- (a) No Accessions: The Chargor shall prevent any secured property from being or becoming an accession to any property not subject to security interests created by this Debenture;
- (b) Change of Name/Chief Executive Office: The Chargor shall not change its name or the location of its chief executive office without giving prior written notice to the Chargee of the new name or chief executive office location and the date upon which such change of name or chief executive office location is to take effect;
- (c) Location of Secured Property: With the exception of mortgaged property in transit, the Chargor shall not keep, store, locate or install any secured property at, or move, transport or transfer any secured property to, any location other than the Real Property, the Chargor's chief executive office, the Chargor's chief operating office or the office of the property manager or the development manager to the extent appropriate or consistent with industry standards, without the prior written consent of the Chargee;
- (d) Schedules: Contemporaneously with the execution of this Debenture, and from time to time hereafter at the request of the Chargee, the Chargor shall deliver to the Chargee up-to-date schedules of Real Property;

- (e) Consent to Assignment: To the extent that consent to the assignment of any Material Project Agreement to the Chargee is required, the Chargor shall use its commercially reasonable efforts to obtain the appropriate consents to such assignment;
- (f) Registrations: The Chargor will, from time to time at the request of the Chargee, promptly effect all registrations, filings, recordings and all renewals thereof and all re-registrations, re-filings and re-recordings of or in respect of this Debenture and the security interests created hereby in such offices of public record and at such times as may be necessary or of advantage in perfecting, maintaining and protecting the validity, effectiveness and priority hereof and of the security interests created hereby; provided that the Chargee may effect all such registrations, filings, recordings, renewals, re-registrations, re-filings and re-recordings from time to time in its sole discretion at the expense of the Chargor; and
- (g) Not to directly or indirectly enter into or grant, create, agree to create, assume, incur or suffer to exist any lien upon or affecting any part of the Property or the Chargor's rights, assets, undertaking or revenues therein, whether now owned or hereafter acquired, without the prior written consent of the Chargee.

2.5 No Liability: Nothing herein contained shall render the Chargee and its agents, employees or any other Person for whom the Chargee is in law responsible liable to any Person for the fulfilment or non-fulfilment of the obligations, covenants and agreements, including but not limited to the payment of any moneys thereunder or in respect thereto, of the Chargor under any Material Project Agreement and the Chargor hereby indemnifies and agrees to save and hold harmless the Chargee from and against any and all claims, demands, actions, causes of action, losses, suits, damages and costs whatsoever of any Person arising directly or indirectly from or out of the Material Contracts (collectively, the "**Claims**"), save and except for Claims arising as a result of the negligence or willful misconduct of the Chargee or those for whom the Chargee is, at law, responsible.

ARTICLE 3 **RIGHTS AND REMEDIES**

3.1 Remedies Upon Default: Upon the occurrence of and during the continuance of any Event of Default, the Chargee may do any one or more of the following:

- (a) by written notice to the Chargor declare all obligations secured and all other liability or indebtedness (whether principal, interest, costs, fees or other amounts) owing to the Chargee pursuant to the Credit Documents (collectively, the "**Indebtedness**") to be immediately due and payable without the necessity of presentment for payment, or notice of non-payment and of protest (all of which are hereby expressly waived by the Chargor);

- (b) proceed to exercise any and all rights under this Debenture, the Credit Documents and any other document or instrument executed pursuant to this Debenture or any other rights otherwise available to it whether under this Debenture, the Credit Documents or otherwise, including enforcement of this Debenture;
- (c) take any action or proceeding authorized or permitted by this Debenture, the Credit Documents or by law or equity, and file or cause to be filed on its behalf such proofs of claim and other documents as may be necessary or desirable to have its claims lodged in any bankruptcy, winding-up or other judicial proceeding relative to the Chargor;
- (d) take proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the secured property;
- (e) immediately enter upon and take possession of, disable or remove all of the secured property or any part or parts thereof with power, among other things, to exclude the Chargor, to preserve and maintain the secured property and make additions and replacements thereto, to receive rents, income and profits of all kinds and pay therefrom all reasonable expenses of maintaining, completing, repairing, preserving and protecting and operating the secured property and all charges, payment of which may be necessary to preserve or protect the secured property, and enjoy and exercise all powers necessary to the performance of all functions made necessary or advisable by possession, including, without limitation, power to advance its own moneys at the hereinbefore rate provided and enter into contracts and undertake obligations for the foregoing purposes upon the security hereof;
- (f) whether or not the Chargee has taken possession of the secured property or any of it, sell, lease or otherwise dispose thereof, either as a whole or in separate parcels, at public auction, by public tender or by private sale, with only such notice as may be required by law, either for cash or upon credit, at such time and upon such terms and conditions as the Chargee may determine and enter into, rescind or vary any contract for the sale, lease or other disposition of any of the secured property and sell, lease or dispose thereof again without being answerable for any loss occasioned thereby and the Chargee may execute and deliver to any purchaser of the secured property or any part thereof good and sufficient deeds and documents for the same;
- (g) require the Chargor, at the Chargor's expense, to assemble the secured property at a place or places designated by notice in writing given by the Chargee to the Chargor, and the Chargor agrees to so assemble the secured property;

- (h) require the Chargor, by notice in writing given by the Chargee to the Chargor, to disclose to the Chargee the location or locations of the secured property and the Chargor agrees to make such disclosure when so required by the Chargee;
- (i) enter any premises where the secured property may be situated and take possession of the secured property by any method permitted by law;
- (j) carry on all or any part of the business or businesses of the Chargor and, to the exclusion of all others including the Chargor, subject to any Leases and all applicable laws enter upon, occupy and, subject to any requirements of law and subject to any Leases or agreements then in place, use all or any of the Real Property, premises, buildings, plant, undertaking, assets and other property of, or used by, the Chargor for such time and in such manner as the Chargee sees fit, free of charge and, except to the extent required by law, the Chargee shall not be liable to the Chargor for any act, omission or negligence in so doing or for any rent, charges, depreciation or damages or other amounts incurred in connection therewith or resulting therefrom;
- (k) borrow money for the purpose of carrying on the business of the Chargor or for the maintenance, preservation or protection of the secured property and mortgage, charge, pledge or grant a security interest in the secured property, whether or not in priority to the security interests created by this Debenture to secure repayment of any money so borrowed;
- (l) where the Chargee has taken possession of the secured property, retain the secured property irrevocably, to the extent not prohibited by law, by giving notice thereof to the Chargor and to any other persons required by law in the manner provided by law;
- (m) send or employ inspectors or agents to inspect, audit and report upon the value, state and condition of the secured property;
- (n) pay any encumbrance, lien, claim or charge that validly exists or has been threatened against any of the secured property and any amounts determined to be validly existing shall when so paid, together with any costs, charges and expenses incurred by the Chargee (including, without limitation, legal fees and disbursements on a substantial indemnity basis), shall be added to the obligations secured hereby and shall bear interest at the rate herein provided;
- (o) take proceedings in any court of competent jurisdiction to enforce payment by the Chargor of the obligations secured or any deficiency remaining upon application of proceeds of realization which are actually received by the Chargee;

- (p) exercise any other power, right, or discretion that the Chargor may have with respect to any of the secured property;
- (q) exercise or pursue any other remedy or proceeding authorized or permitted hereby or by the Act or any similar personal property security legislation or by any other legislation in any jurisdiction in which any of the secured property is located or otherwise permitted by law or equity; and
- (r) with or without entry into possession of the secured property, or any part thereof, appoint a receiver (which term shall include a receiver and manager) of the secured property or any part thereof and of the rents and profits thereof pursuant to and in accordance with the provisions of the other Security and this Debenture and with or without security for the performance of the receiver's obligations and from time to time remove any receiver and appoint another in its stead. Upon the appointment of any such receiver or receivers from time to time, subject to applicable law, the following provisions shall apply:
 - (i) every such receiver shall be the irrevocable agent of the Chargor for all purposes with respect to the secured property including, without limitation, for the collection of all Gross Revenues owing or earned in respect of the Real Property or any part thereof;
 - (ii) every such receiver may, in the discretion of the Chargee, be vested with all or any of the powers and discretion of the Chargee under this Debenture and the other Security, including, without limitation, the power to carry on all or any part of the business of the Chargor and to sell, lease or otherwise dispose of the secured property, either as a whole or in separate parcels, at public auction, by public tender or by private sale, with only such notice as may be required by Applicable Laws, either for cash or on credit, at such time and upon such terms and conditions as the receiver may determine (including a term that a reasonable commission shall be payable to the receiver, the Chargee, or any related corporation in respect thereof) and enter into, rescind or vary any contract for the sale, lease or other disposition of any of the secured property and sell, lease or dispose thereof again without being answerable for any loss occasioned thereby and the receiver may execute and deliver to any purchaser of the secured property or any part thereof good and sufficient deeds and documents for the same and such receiver shall also have the power to take proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the secured property;
 - (iii) the Chargee may from time to time fix the remuneration of every such receiver and every such receiver shall be entitled to deduct the same out of the income from the secured property or the proceeds of disposition of the secured property;

- (iv) the appointment of every such receiver by the Chargee shall not, to the extent permitted by law, incur or create any liability on the part of the Chargee to the receiver in any respect and such appointment or anything which may be done by any such receiver or the removal of any such receiver or the termination of any such receivership shall not have the effect of constituting the Chargee a mortgagee in possession in respect of any real property owned or leased by the Chargor or any part thereof;
- (v) every such receiver shall, from time to time, have the power to lease or otherwise deal with any portion of the secured property which may become vacant or available for lease on such terms and conditions as such receiver may deem advisable and shall have full power to complete any unfinished construction upon any real property owned or leased by the Chargor (such power of the receiver to include, without limitation, the power to borrow funds in the name of and on the credit of the Chargor for such purposes, which borrowings may be secured by the secured property, or any part thereof, and which security shall have such priority as the receiver deems appropriate);
- (vi) every such receiver shall have full power to fully manage, develop, operate, lease, deal with the secured property or any part thereof, construct, complete, repair, renovate or alter the secured property or any part thereof on behalf of the Chargor and to take all such actions as are required in the exercise of such powers including, without limitation, entering into, amending and terminating such contracts and other agreements relating to the secured property as are necessary or advisable, in the opinion of the receiver, and the entering into, renewal, amendment, supplement or termination of any Material Contracts and Leases as the receiver may deem appropriate in its sole and absolute discretion; the aforementioned power shall include the power to borrow money in the name of and on the credit of the Chargor for all such purposes (which borrowings may be secured by the secured property, or any part thereof, and which security shall have such priority as the receiver deems appropriate);
- (vii) no such receiver shall be liable to the Chargor to account for monies other than monies actually received by or in respect of secured property or any part thereof and out of such monies so received, every such receiver shall, subject to the further direction of the Chargee, in the following order pay:
 - (A) his remuneration aforesaid;
 - (B) all payments made or incurred by him in connection with the management, operation, construction, completion, repair or

alteration of the secured property or any part thereof in accordance with the provisions thereof;

- (C) all payments of interest, principal and other money which may, from time to time, be or become charged upon the secured property in priority to this Debenture or the other Security and all taxes, insurance premiums and every other proper expenditure made or incurred by him in respect of the secured property or any part thereof and in payment of all interest, fees and other similar amounts due or falling due hereunder and the balance to be applied upon the Indebtedness; and
- (D) at the discretion of the receiver, interest, principal and other monies which may from time to time constitute an encumbrance on the secured property subsequent or subordinate to this Debenture or the other Security;

and every receiver may in its discretion retain reasonable reserves to pay accruing amounts and anticipated payments in connection with any of the foregoing; and any surplus remaining in the hands of every such receiver after payments made as aforesaid shall be accountable to the Chargor and upon termination of the receivership such receiver shall pay such surplus to the Chargor or pay it into court, as the receiver may elect;

- (viii) the Chargee may at any time and from time to time terminate any such receivership by notice in writing to the Chargor and to any such receiver; and
- (ix) the receiver may carry out all actions and do all things that the Chargee may do under this Debenture and the other Security as if it were the Chargee (it being agreed that such powers are not in any way limited by the foregoing provisions of this Subsection 3.1(r)).

3.2 Sale of Secured Property: The Chargor agrees that any sale referred to in Section 3.1 may be either a sale of all or any portion of the secured property and may be by way of public auction, public tender, private contract or otherwise without notice, advertisement or any other formality, except as required by law, all of which the Chargor waives to the extent permitted by law. To the extent not prohibited by law, any such sale may be made with or without any special condition as to the upset price, reserve bid, title or evidence of title or other matter and from time to time as the Chargee in its sole discretion thinks fit with power to vary or rescind any such sale or buy in at any public sale and resell. The Chargee may sell the secured property for a consideration payable by installments, take security for the payment of such installments and may make and deliver to any purchaser thereof good and sufficient deeds, assurances and conveyances of the secured property and give receipts for the purchase money, and any such sale

shall be a perpetual bar, both at law and in equity, against the Chargor and all those claiming interest in the secured property by, from, through or under the Chargor.

3.3 References to the Chargee Include Receiver: For the purposes of Sections 3.1, 3.2, 3.4, 3.8, 3.9, 3.11, 3.12 and 3.14 a reference to the Chargee shall, where the context permits include any receiver or receiver and manager or other agent on behalf of the Chargee.

3.4 Chargor Rights: Subject to the terms of the Guarantee, until the occurrence of an Event of Default which is continuing, the Chargor shall be entitled to deal with the secured property and enforce, use and enjoy all of the benefits, advantages and powers thereunder as if this Debenture had not been made. Upon the occurrence of an Event of Default which is continuing, the Chargee may, but shall not be obligated to, exercise all rights, powers, authority and discretions of the Chargor in respect of the secured property in its place and stead.

3.5 Judgment: Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish the liabilities of the Chargor to make payment of the principal hereby secured or interest thereon or other moneys owing hereunder nor shall such operate as a merger of any covenant or affect the right of the Chargee to interest at the rate hereinbefore specified and any judgment shall bear interest at such rate.

3.6 Interest: If any amount payable to the Chargee under this Debenture is not paid when due, the Chargor will pay to the Chargee, immediately on demand, interest on such amount from the date due until paid, at the rate specified in the Guarantee from time to time and not at the rate specified in the first paragraph hereof. All amounts payable by the Chargor to the Chargee under this Debenture, and all interest on all such amounts, compounded semi-annually on the last Business Day of each sixth month, will form part of the obligations secured and will be secured by the security interests created by this Debenture.

3.7 Limit on Rate of Interest: If any provision of this Debenture would oblige the Chargor to make any payment of interest or other amount payable to the Chargee in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Chargee of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)), then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by the Chargee of interest at a criminal rate.

3.8 Charge as Security: It is expressly acknowledged and agreed that nothing herein contained shall obligate the Chargee to assume or perform any obligation of the Chargor to any third party in respect of or arising out of any of the secured property. The Chargee may, upon occurrence of an Event of Default which is continuing, at its option, assume or perform any such obligations as the Chargee considers necessary or desirable to obtain the benefit of the secured property free of any set off, deduction or abatement

and any money expended by the Chargee in this regard shall form part of and shall be deemed to form part of the obligations secured and bear interest at the rate stipulated in Section 3.6.

3.9 Limitations on Chargee's Liability: The Chargee will not be liable to the Chargor or any other Person for any failure or delay in exercising any of the rights of the Chargee under this Debenture (including any failure to take possession of, collect, sell, lease or otherwise dispose of any secured property, or to preserve rights against prior parties). Neither the Chargee nor any receiver or agent of the Chargee, is required to take, or will have any liability for any failure to take or delay in taking, any steps necessary or advisable to preserve rights against other Persons under any secured property in its possession. Neither the Chargee nor any receiver or agent of the Chargee will be liable for any, and the Chargor will bear the full risk of all, loss or damage to any and all of the secured property (including any secured property in the possession of the Chargee or any receiver or agent) caused by any reason other than the negligence or willful misconduct of the Chargee or such receiver or agent of the Chargee.

3.10 Debtor Remains Liable under Accounts and Contracts: Notwithstanding any provision of this Debenture, the Chargor will remain liable under each of the agreements, contracts, Leases, Material Contracts, and other documents comprising secured property (each a "**Contract**") to pay and satisfy all indebtedness, liabilities and other monetary obligations and to observe and perform all the conditions and obligations which are to be paid, satisfied, observed and performed by the Chargor thereunder, all in accordance with the terms of each such Contract. The Chargee will have no obligation or liability under any account or monetary obligation (an "**Account**") (or any Contract giving rise thereto) or Contract by reason of or arising out of this Debenture or the receipt by the Chargee of any payment relating to such Account or Contract pursuant hereto, and in particular (but without limitation), the Chargee will not be obligated in any manner to perform any of the obligations of the Chargor under or pursuant to any Account (or any Contract giving rise thereto) or under or pursuant to any Contract, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under any Account (or any Contract giving rise thereto) or under any Contract, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time.

3.11 Dealings by Chargee: The Chargee will not be obliged to exhaust its recourse against the Chargor or any other Person or against any other security it may hold in respect of the obligations secured before realizing upon or otherwise dealing with the secured property in such manner as the Chargee may consider desirable. The Chargee may grant extensions of time and other indulgences, take and give up security, accept compositions, grant releases and discharges and otherwise deal with the Chargor and any other Person, and with any or all of the secured property, and with other security and sureties, as the Chargee may see fit, all without prejudice to the obligations secured or to the rights and remedies of the Chargee under this Debenture or the other Credit Documents. The powers conferred on the Chargee under this Debenture are solely to

protect the interests of the Chargee in the secured property and will not impose any duty upon the Chargee to exercise any such powers.

3.12 **Possession of Secured Property**: Where any secured property is in the possession of the Chargee or any receiver or agent:

- (a) the Chargee shall only have the duty of care with respect to such secured property as would a reasonable and prudent owner, including the duty to use reasonable care in the custody and preservation thereof, provided that the Chargee need not take any steps of any nature to defend or preserve the rights of the Chargor therein against the claims or demands of others or to preserve rights therein against prior parties; and
- (b) the Chargee may, at any time following the occurrence of an Event of Default which is continuing, grant or otherwise create a security interest in such secured property upon any reasonable terms provided that such terms do not impair the Chargor's right to redeem such secured property.

3.13 **After Acquired Property**: The Chargor covenants and agrees that, if and to the extent that any of its respective rights, titles, estates and interests in any of the secured property is not acquired until after delivery of this Debenture, this Debenture shall nonetheless apply thereto and the security interest of the Chargee hereby created shall attach to such secured property at the same time as the Chargor acquires rights therein, without the necessity of any further mortgage, charge, pledge, assignment or assurance and thereafter such secured property shall be subject to the security interests created hereby in accordance with the provisions of Section 2.1 hereof.

3.14 **Attachment**: The Chargor hereby acknowledges and agrees that value has been given for the granting of the security interests created hereby and that there is no agreement between the Chargor and the Chargee, express or implied, to postpone the attachment of the security interests created hereby except in respect of after-acquired property forming part of the secured property with respect to which the security interests created hereby shall attach at the same time as the Chargor acquires rights therein or thereto.

3.15 **Indemnity**: The Chargor agrees to indemnify the Chargee from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Chargee and arising by reason of any action (including any action referred to in this Debenture) or inaction or omission to do any act required by Applicable Law. This indemnification will survive the satisfaction, release or extinguishment of the obligations secured and the security interests created by this Debenture.

ARTICLE 4
GENERAL PROVISIONS

4.1 Remedies Cumulative and Waivers: For greater certainty, it is expressly understood and agreed that the rights and remedies of the Chargee hereunder or under any other document or instrument executed pursuant to this Debenture are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity; and any single or partial exercise by the Chargee of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Debenture or other document or instrument executed pursuant to this Debenture or the other Security shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which the Chargee may be lawfully entitled for such default or breach. Any waiver by the Chargee of the strict observance, performance or compliance with any term, covenant, condition or agreement herein contained and any indulgence granted either expressly or by course of conduct by the Chargee shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Chargee under this Debenture or other document or instrument executed pursuant to this Debenture as a result of any other default or breach hereunder or thereunder.

4.2 Termination: The Chargee covenants and agrees with the Chargor that upon the satisfaction of the Indebtedness, this Debenture shall be and become fully ended and terminated and all right, title, interest and benefit of the Chargor in, to, under or in respect of the secured property, assigned by it to the Chargee hereunder shall automatically revert to the Chargor or its successors or assigns, and all covenants and agreements of the Chargor hereunder shall be at an end and the Chargee, upon the request and at the reasonable expense of the Chargor, shall execute such instruments, discharges or re-assignments and give such notification or assurances as the Chargor may properly require to fully release, discharge and cancel this Debenture in the circumstances.

4.3 Notice: Any demand, notice, consent or other communication to be made or given hereunder shall be in writing and shall be deemed to have been sufficiently given for all purposes when given in accordance with the provisions of the Guarantee.

4.4 No Marshalling: This Debenture shall be in addition to and not in substitution for any other security which the Chargee may now or hereafter hold in respect of the obligations secured or any other Document and the Chargee shall be under no obligation to marshal in favour of the Chargor, any other Credit Party or other lender or holder of security, any monies or other assets which the Chargee may be entitled to receive or upon which the Chargee may have a claim.

4.5 Further Assurances: Each party shall, at its own expense, promptly execute and deliver to the other upon request all such other and further documents, agreements, opinions, certificates and other instruments in compliance with or accomplishment of their covenants and agreements hereunder or under any document to be delivered pursuant hereto or otherwise necessary to make any recording, file any

notice or obtain any consent, all as may be reasonably necessary and appropriate in connection herewith.

4.6 **Continuing Security**: This Debenture and the rights and remedies it creates are a continuing agreement and security and shall bind the parties until discharge of this Debenture as provided in Sections 4.2 and 4.8 hereof.

4.7 **Application of Payments**: Any and all payments made by the Chargor to the Chargee in respect of the obligations arising under any Document from time to time and any and all moneys realized by the Chargee whether hereunder or otherwise may be applied by the Chargee to such part or parts of the obligations as the Guarantee shall set out, failing which the Chargee shall in its sole discretion determine. The principal, interest and other monies payable hereunder shall be paid in lawful money of Canada.

4.8 **Agreement Paramount**: Notwithstanding the foregoing or anything else contained herein or elsewhere this Debenture is subject to the following: (a) this Debenture is issued subject to the terms of the Guarantee and, in such regard, in the event of any inconsistency or conflict between the terms of this Debenture and the Guarantee, the terms of the Guarantee shall govern and the terms and conditions of this Debenture shall be deemed to be amended accordingly; (b) this Debenture is given as collateral security to the Chargor's obligations pursuant to the Credit Documents and once the obligations secured are satisfied pursuant to the Credit Documents in their entirety, the Chargee shall forthwith deliver a registerable discharge of this Debenture to the Chargor; and (c) the Chargee may only enforce its rights or remedies pursuant to this Debenture upon the occurrence of an Event of Default pursuant to the Guarantee following the expiration of the relevant cure period contained therein and which is continuing. If the Chargee is entitled to any right or remedy under this Debenture which is not provided for in the Guarantee, such additional right or remedy shall not constitute a conflict, inconsistency, ambiguity or difference.

4.9 **Land Registration Reform Act**: The implied covenants deemed to be included in a charge under Subsection 7(1) of the *Land Registration Reform Act* (Ontario) are hereby expressly excluded and replaced by the terms of this Debenture, to the extent that same are inconsistent with the terms hereof.

4.10 **Condominium Provisions**:

(a) This section applies to those parts of the Real Property that are or become a condominium unit created under the *Condominium Act* (Ontario).

(b) The Chargor gives to the Chargee the right, after and during the continuance of an Event of Default, to vote for and in the name of the Chargor under the by-laws of the condominium corporation and to consent at any time or times and for all purposes whenever the Chargor would have such right of consent, but the Chargee is not required to do so or to attend or vote at any meeting or to protect the Chargor's interest and the Chargee shall not be responsible for any

exercise of the right to vote or right to consent or any failure to exercise the right to vote or consent.

(c) At the request of the Chargee, the Chargor will give the Chargee copies of all notices, financial statements and other documents given by the condominium corporation to the Chargor.

(d) The Chargor appoints the Chargee to be the Chargor's agent to inspect or obtain copies of any records or other documents of the condominium corporation that the Chargor is entitled to inspect or obtain.

(e) Nothing done by the Chargee under this Section 4.10 will make the Chargee a "mortgagee in possession".

(f) For greater clarity, when there is no Event of Default, the Chargor shall be entitled to exercise the right to vote or consent attributable to each condominium unit subject to this Debenture in all matters relating to the affairs of the condominium corporation, provided that the Chargor exercises such voting rights in good faith, for the purposes of organizing the affairs of the condominium corporation in a commercially reasonable manner, and to cause the condominium corporation to formally enact, ratify and/or approve all of the by-laws, rules and agreements referred to in the Chargor's disclosure statement issued with respect to the condominium (or in any corrigenda issued with respect thereto).

4.11 Amendment of Agreement: No supplement, modification, amendment, waiver or termination of this Debenture shall be binding unless executed in writing by all parties hereto. No waiver of any provision of this Debenture shall be deemed or shall constitute a waiver of any other provision of this Debenture (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise so expressed or provided.

4.12 Invalidity of Provisions: If any of the provisions in this Debenture should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

4.13 Time: Time shall be of the essence in this Debenture.

4.14 Covenant of Chargor: The Chargor covenants with the Chargee that it will perform or cause to be performed, the covenants, conditions, limitations and other provisions relating to the secured property which are contained in the Guarantee including, without limitation, those covenants which restrict the encumbering, disposition or leasing of the secured property and that it will not take any action or omit to take any action relating to the secured property if such action or omission would contravene the Guarantee. If the Chargee is entitled to any right or remedy under this Debenture which is not provided for in the Guarantee, such additional right or remedy shall not constitute a conflict, inconsistency, ambiguity or difference.

4.15 **Successors and Assigns:** This Debenture shall be binding upon the Chargor and its permitted successors and assigns and shall enure to the benefit of the Chargee and its successors and assigns.

4.16 **Assignment by Chargee:** This Debenture and the rights and remedies contained herein may be assigned or sold by the Chargee and the Chargee may participate its interest in the obligations secured, this Debenture and the other Credit Documents, in each case, solely as provided in and subject to the provisions of, the Guarantee. The rights of the Chargee under this Debenture may only be assigned by the Chargee to a person to whom the Chargee is also assigning its rights under the Guarantee to the same extent, and on and subject to the same terms and conditions, as the Chargee may assign its rights under the Guarantee.

4.17 **Acknowledgment by Chargor:** The Chargor acknowledges receipt of a copy of this Debenture.

4.18 **Attorney:** The Chargor hereby irrevocably nominates, constitutes and appoints the Chargee and each of its officers holding office from time to time as the true and lawful attorney of the Chargor with effect from and after an Event of Default which is continuing with power of substitution in the name of the Chargor to do any and all such acts and things or execute and deliver all such agreements, documents and instruments as the Chargee reasonably considers necessary or desirable to carry out the provisions and purposes of this Debenture or to exercise any of its rights and remedies hereunder and the Chargor hereby ratifies and agrees to ratify all reasonable acts of any such attorney taken or done in accordance with this Section 4.18. Without in any way limiting the generality of the foregoing, the Chargee shall have the right to execute for and in the name of the Chargor all financing statements, financing change statements, conveyances, transfers, debentures, consents and other instruments as may be required for such purposes. This power of attorney shall not be revoked or terminated by any act or thing other than the discharge of this Debenture in accordance with Section 4.2.

4.19 **Applicable Laws:** This Debenture shall be governed by, construed and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada in force therein and shall be treated in all respects as an Ontario agreement.

4.20 **Counterparts:** This Debenture may be executed in any number of counterparts with the same effect as if all signatories to the counterparts had signed on document, all such counterparts shall together constitute, and be construed as, one instrument and each of such counterparts shall, notwithstanding the date of its execution, be deemed to bear the date first above written.

4.21 **Facsimile or E-mail:** This Debenture or a counterpart hereof may be executed by a party hereto and transmitted by facsimile or e-mail, with transmission confirmed as complete and if so executed and transmitted, this Debenture will, for all purposes, be effective and binding on such party, as if such party had delivered an originally executed document.

4.22 **Subordination:** The Chargee agrees with the Chargor that it shall be required to subordinate and postpone this Debenture to any replacement financing obtained by the Chargor for the existing first mortgage on title to the Property (the "**Replacement Financing**"), provided that such Replacement Financing shall be with an arm's length lender and that the Replacement Financing shall not exceed the amount outstanding under the first mortgage as of the date hereof.

[Remainder of Page Left Intentionally Blank]

IN WITNESS WHEREOF the undersigned has duly executed this Debenture as of the date first written above.

215

20 CALDARI DEVELOPMENT INC.

By: _____

Name:

Title:

I have the authority to bind the Corporation.

Date:

Witness

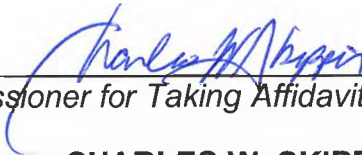
SCHEDULE "A"

LEGAL DESCRIPTION OF THE LANDS

PIN 03276-0125 (LT)

PCL 1-1 SEC 65M2681; LT 1 PL 65M2681; S/T LT552714, LT586315 ; S/T
LT546620,LT546628 VAUGHAN

This is **Exhibit "E"** referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

UNDERTAKING

TO: J.I.S. CONTRACT FURNITURE INC.

FROM: AURORA HOTEL GROUP INC. (the "**Borrower**")
NAKUL AURORA
20 CALDARI DEVELOPMENT INC. (collectively the "**Guarantors**")
AKASH AURORA
RAVI AURORA

DATE: JUNE 1, 2024

THE UNDERSIGNED HEREBY undertake, waive and agree not to assert any defense or challenges, directly or indirectly, whether arising in connection with or in respect of any of the following or otherwise, and hereby agree that the obligations under the Acknowledgment and Direction re registration of Charge/Mortgage: a) Mortgage; b) Demand Debenture; Acknowledgment re Standard Charge Terms; Amended and Restated Promissory Note; Limited Recourse Guarantee – 20 Caldari Development Inc. (the "**Corporate Guarantor**"); Personal Guarantee of Nakul Aurora; are irrevocable, absolute and unconditional and shall not be discharged as a result of or otherwise affected by any of the following (which may not be pleaded and evidence of which may not be introduced in any proceeding with respect to the documents in each case except as otherwise agreed in writing by the Secured Party):

- (a) the invalidity or unenforceability of any obligation of the Borrower or the Guarantors, or any other agreement or instrument relating thereto (including any amendment, consent or waiver thereto), or any security for, or other guarantee of, any Guaranteed Obligation (as defined in the guarantees set out above) or any part thereof, or the lack of perfection or continuing perfection or failure of priority of any security for the Guaranteed Obligations or any part thereof;
- (b) the absence of any attempt to collect any Guaranteed Obligation or any part thereof from the Borrower or action to enforce the same;
- (c) any workout, insolvency, bankruptcy proceeding, reorganization, arrangement, related party transaction, liquidation or dissolution by or against the Corporation, or any procedure, agreement, order, stipulation, election, action or omission thereunder, including any discharge or disallowance of, or bar or stay against collecting, any Guaranteed Obligation (or any interest thereon) in or as a result of any such proceeding; or

- (d) any other defense, setoff, counterclaim, absence of consideration, independent legal advice, duress or any other circumstance which might otherwise constitute a legal or equitable discharge of the Borrower, in each case, other than the payment in full of the Guaranteed Obligations.
- (e) any defense or challenges related to the Corporate Guarantor due to:
 - (i) the Corporate Guarantor's power and authority to grant the Charge/Mortgage, and/or its ability to perform its obligations under the Charge/Mortgage;
 - (ii) the due authorization and execution by the Corporate Guarantor of the mortgage documentation referred to herein; and
 - (iii) whether the performance of the Corporate Guarantor's obligations pursuant to the within transaction are contrary to the charter documents or by-laws of the Corporate Guarantor.

AND FOR SO DOING THIS SHALL BE YOUR GOOD AND SUFFICIENT AUTHORITY.

DATED AT the City of Toronto in the Province of Ontario this 1st day of June, 2024.

Witness

Nakul Aurora

Print Name

Witness

Akash Aurora

Print Name

Witness

Ravi Aurora

Print Name

[signature page continues]

AURORA HOTEL GROUP INC.

Per

:

Name:

Title:

I have authority to bind the corporation

20 CALDARI DEVELOPMENT INC.

Per

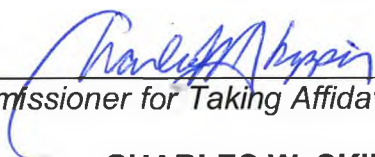
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Name:

Title:

I have authority to bind the corporation

This is **Exhibit "F"** referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

ASSIGNMENT OF INSURANCE

TO: J.I.S. Contract Furniture Inc. (the "Lender")

RE: Collateral mortgage provided by, 20 Caldari Development Inc., the undersigned over the property municipally known as 20 Caldari Road, Vaughan, ON and legally described in Schedule "A" attached hereto (the "Property") in support of a guarantee of the obligations of Aurora Hotel Group Inc. (the "Borrower")

IN CONSIDERATION of the sum of \$2.00 and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the undersigned, the undersigned does hereby transfer, assign and set over to the Lender, as security for the Guarantor's obligations to the Lender, all of its right, title and interest in and to any present and future proceeds of insurance policies affecting the Property, and all benefits to be derived from any insurance policies affecting the Property or included therein. For clarity, the within Assignment shall be subject to the first mortgage lender disclosed on registered title to the Property, and any replacement financing thereof.

This Assignment will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

This Assignment may be executed electronically and executed by the parties in counterparts. Each executed counterpart shall be deemed to be an original and all counterparts taken together shall constitute one and the same agreement. This Assignment may be transmitted by fax or pdf/email and the reproduction of signatures (electronic or otherwise) by way of fax or pdf/email will be treated as though such reproductions were executed originals. The parties consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000* (Ontario), as amended from time to time, with respect to this Assignment.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF the Borrower has executed this Assignment as of the 1st day of June, 2024.

20 CALDARI DEVELOPMENT INC.

Per: _____

Name:

Title:

I have the authority to bind the above.

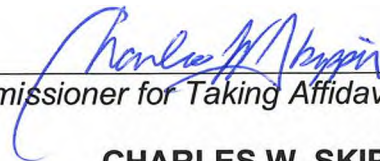
SCHEDULE "A"

Legal Description of the PropertyLegal description:

PIN 03276-0125 (LT)

PCL 1-1 SEC 65M2681; LT 1 PL 65M2681; S/T LT552714, LT586315 ; S/T LT546620,LT546628
VAUGHAN

This is **Exhibit "G"** referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

**CERTIFIED
RESOLUTION OF THE BOARD OF DIRECTORS
OF
20 CALDARI DEVELOPMENT INC.
(the "Corporation")**

WHEREAS J.I.S Contract Furniture Inc. (the "**Lender**") has lent money to Aurora Hotel Group Inc. (the "**Borrower**") from time to time on the terms and subject to the conditions set out in an amended and re-stated promissory note made as of the date hereof, as may be amended (the "**Note**"), a copy of which has been presented to and has been reviewed by the Directors of the Corporation;

AND WHEREAS the Borrower has requested that the Corporation guarantee the Loan in favour of the Lender;

AND WHEREAS it is in the best interests of the Corporation to do so;

NOW THEREFORE IT IS RESOLVED AS FOLLOWS:

1. the Corporation is authorized to guarantee the repayment by the Borrower of the Loan to the Lender provided that recourse under such guarantee (the "**Guarantee**") shall be limited to the mortgage provided by the Corporation in the principal amount of \$5,800,000.00 over the property municipally known as 20 Caldari Road, Vaughan, ON (the "**Mortgage**"), plus all interest and costs;
2. the Corporation is authorized to fulfil and perform all of its agreements and obligations set out in the Note;
3. the Corporation is authorized to enter into and to perform each of its agreements and obligations set out in the:

**Mortgage
Guarantee**

And any documents ancillary to the Mortgage and/or Guarantee (collectively the "**Loan Documents**"), copies of which have been presented to and has been reviewed by the Director of the Corporation.

4. any director or officer of the Corporation is authorized and directed for and on behalf of the Corporation:
 - (a) to execute and to deliver the Loan Documents, the Note and all other agreements, instruments and other documents as he, in his sole discretion, considers necessary, desirable or useful in connection with the Loan or the Loan Documents, each to be in such form and content as he may approve, his signature thereto to be conclusive evidence of such approval; and

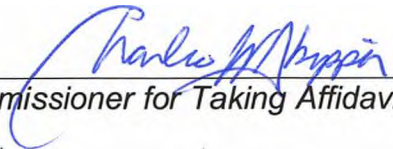
- (b) to do all such further acts and things and give such further assurances as he, in his sole discretion, considers necessary, desirable or useful in connection with the Loan, the Note or the Loan Documents.

THE FOREGOING IS HEREBY CERTIFIED to be a true and correct copy of a Resolution of the directors of the Corporation passed in the manner required by law, which resolution is in full force and effect, unamended as of the date hereof.

DATED: 1st day of June, 2024

Nakul Aurora, Secretary

This is **Exhibit "H"** referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

20 CALDARI DEVELOPMENT INC.

(the "Corporation")

CERTIFICATE OF OFFICER

TO: FOGLER, RUBINOFF LLP

AND TO: KAGAN SHASTRI DEMELO WINER PARK LLP

AND TO: J.I.S CONTRACT FURNITURE INC. (the "Lender")

RE: Collateral mortgage in the amount of \$5,800,000.00 over the property municipally known as 20 Caldari Road, Vaughan, ON provided by the Corporation in support of the obligations of Aurora Hotel Group Inc.

DATE: June 1, 2024

Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Credit Agreement.

I, Nakul Aurora, am the President of the Corporation. As President, I certify for and on behalf of the Corporation, and without personal liability that:

1. I have reviewed such books and records of the Corporation and other applicable documents and have made such enquiries and investigations as I have considered necessary and advisable to verify the matters set out in this certificate.
2. Attached as Exhibit A are true and complete copies of the certificate and articles of incorporation of the Corporation (the "**Articles**"). Attached as Exhibit B are true and complete copies of all of the by-laws of the Corporation (the "**By-laws**"). The Articles and the By-laws are in full force and effect, have not been amended and no resolutions have been passed nor have any other actions been taken or notices received to authorize or require any amendments to the Articles or the By-laws.
3. Attached as Exhibit C are true and complete copies of certain resolutions (the "**Authorizing Resolutions**") of the sole director of the Corporation, authorizing the Corporation to execute, deliver and perform the agreements described in the Authorizing Resolutions (the "**Transaction Documents**"). The Authorizing Resolutions have been duly passed in accordance with applicable law by the board of directors of the Corporation and have not been amended. The Authorizing Resolutions are the only resolutions of the Corporation pertaining to the transactions contemplated by the Transaction Documents.
4. Attached as Exhibit D is a complete list of all the officers and directors of the Corporation and set forth opposite each person's name is the position he or she occupies with the Corporation, and for those persons executing Transaction Documents, a true specimen of his or her signature.

5. There is no agreement in existence among all the shareholders of the Corporation that restricts in any way the powers of the directors of the Corporation.
6. None of the Corporation, its directors, or its shareholders have taken any steps to terminate or change the Corporation's existence or to amalgamate or continue into any other jurisdiction, nor has the Corporation received any notice or other communication from any governmental authority or other person indicating that there exists any situation which, unless remedied, could result in the termination of the existence of the Corporation.
7. The Corporation is not in the course of, has not received any notice of, and has not taken any acts or proceedings in connection with, any liquidation, winding-up, dissolution, bankruptcy, receivership or reorganization of the Corporation, nor has any act or proceeding been taken against the Corporation in connection with any of the foregoing save and except for Court File No. CV2300004340-0000.
8. To the best of my knowledge and belief, there is no action, suit, proceeding or investigation pending or threatened against the Corporation which would have a material adverse effect upon the Corporation or its ability to perform its obligations under the Transaction Documents that has not been previously disclosed to the Lender.
9. To the best of my knowledge and belief, the Corporation has not received any notice or other communication from any person indicating that there exists a situation that, unless remedied, could result in the termination of the existence of the Corporation.
10. At the date hereof, the Corporation is up to date in the filing of all its corporate returns.
11. Attached as Exhibit E is a true and complete copy of the share register of the Corporation which is up to date as of the date hereof.

The undersigned acknowledges that the addressees of this certificate are relying upon it in connection with the transactions contemplated by the Transaction Documents and the opinions rendered in connection with the Transaction Documents and confirms that each of them is entitled to rely upon it without further enquiry. This certificate is being given by the Corporation and without personal liability of the undersigned and any party seeking to make a claim with respect to any matter contained in this certificate shall have recourse solely to the Corporation.

[The remainder of this page is intentionally blank.]

Error! Unknown document property name.

DATED this 1st day of June, 2024.

Nakul Aurora

**Exhibit A
Articles**

See attached.

**Exhibit B
By-Laws**

See attached.

**Exhibit C
Resolutions**

See attached.

**Exhibit D
Incumbency**

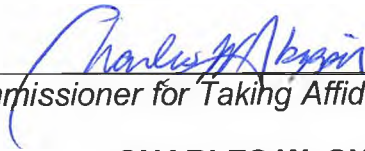
Name

Position Occupied

Signature

**Exhibit E
Share Register**

This is **Exhibit "I"** referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

ACKNOWLEDGEMENT AND DIRECTION

TO: All lawyers in the firm of Fogler, Rubinoff LLP and/or their authorized agent(s) and designee(s)

AND RE: Collateral mortgage provided by the undersigned, 20 Caldari Development Inc., over the property municipally known as 20 Caldari Road, Vaughan, ON (the "**Property**") in support of a guarantee of the obligations of Aurora Hotel Group Inc., Nakul Aurora, Akash Aurora and Ravi Aurora (collectively the "**Borrower**")

This will confirm that:

1. The undersigned has reviewed the information set out in this Acknowledgement and Direction and in the electronic documents described below (the "**Documents**"), and that such information is correct and accurate in all respects.
2. You, your agent or employee are irrevocably authorized and directed to sign, deliver and/or register electronically, on behalf of the undersigned, the Documents in the form attached.
3. You, your agent or employee are irrevocably authorized and directed to insert any information that may be required in the Documents that may not be available to you at the time of execution of this Acknowledgement and Direction and to make any minor changes, alterations or additions thereto as to form and content that may be necessary to effect registration thereof or required by the applicable Land Registry office to effect certification of the Documents by such Land Registry Office.
4. If required, you, your agent or employee are irrevocably authorized and directed to enter into an escrow closing arrangement substantially in the form of the Document Registration Agreement as prescribed by The Law Society of Upper Canada and that the undersigned shall be bound by the terms of that Agreement.
5. The effect of the Documents has been fully explained to the undersigned and the undersigned understands that the undersigned is party to and bound by the terms and provisions of the electronic Documents to the same extent as if the undersigned had signed them.
6. The undersigned is in fact a party named in the Documents and has not misrepresented the identity of the undersigned to you.
7. This Acknowledgement and Direction may be executed in several counterparts, each of such counterparts when executed shall constitute an original document, and such counterparts taken together shall constitute one and the same instrument.
8. This Acknowledgment and Direction may be executed in original, telecopied, electronic email or other electronic form and the parties to this document adopt any signatures so received by telecopier or electronically as original signatures of the parties. Execution of this Acknowledgement and Direction by facsimile or other electronic transmission shall

be binding upon each party hereto and upon the party so signing by such facsimile or electronic transmission.

DESCRIPTION OF ELECTRONIC DOCUMENTS:

The Document(s) described in this Acknowledgement and Direction are the document(s) selected below which are attached hereto as "Document in Preparation" and are:

1. a collateral Charge in the principal amount of \$5,800,000.00 on the Property;

signature page follows

Dated at Toronto, Ontario as of the 1st day of June, 2024.

20 CALDARI DEVELOPMENT INC.

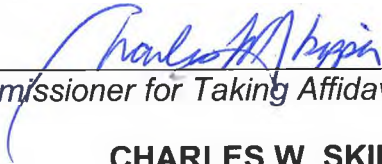
Per: _____

Name:

Title:

I have authority to bind the Corporation

This is **Exhibit "J"** referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

GUARANTEE

THIS GUARANTEE is dated as of the 1st day of June, 2024, by **NAKUL AURORA**, an Ontario resident (the "**Guarantor**") to and in favour of **J.I.S CONTRACT FURNITURE INC.** (the "**Secured Party**").

RECITALS:

- A. Aurora Hotel Group Inc. ("**AHG**") has delivered to the Secured Party an amended and restated promissory note dated the date hereof in the principal amount of \$5,800,000 (as may be further amended, restated or supplemented from time to time, the "**Promissory Note**").
- B. The Guarantor has agreed to guarantee the obligations of AHG under the Promissory Note, on the terms and subject to the conditions contained herein.
- C. Capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Promissory Note.

NOW THEREFORE THIS AGREEMENT WITNESSETH that, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE 1 GUARANTEE

1.1 Guarantee. The Guarantor hereby absolutely, unconditionally and irrevocably guarantees to the Secured Party, and its heirs, executors, administrators, legal representatives and assigns, as applicable, the full and punctual payment and all present and future indebtedness and liabilities, direct and indirect, contingent or otherwise, under or in connection with the Promissory Note, including, without limitation, all principal thereon (the "**Guaranteed Obligations**").

1.2 Indemnity. If any or all of the Guaranteed Obligations are not duly performed by AHG and are not performed under Section 1.1 for any reason whatsoever, the Guarantor shall, as a separate and distinct obligation, indemnify and save harmless the Secured Party from and against all costs, losses, expenses and charges resulting from the failure of AHG to perform such Guaranteed Obligations.

1.3 Primary Obligation. If any or all of the Guaranteed Obligations are not duly performed by AHG and are not performed under Section 1.1, or the Secured Party is not indemnified under Section 1.2, in each case, for any reason whatsoever, such Guaranteed Obligations will, as a separate and distinct obligation, be performed by the Guarantor as primary obligor.

1.4 Guarantee Absolute and Unconditional. The Guarantor hereby agrees that its obligations under this Guarantee are irrevocable, absolute and unconditional (which

may not be pleaded and evidence of which may not be introduced in any proceeding with respect to this Guarantee, in each case except as otherwise agreed in writing).

1.5 Authorization; Other Agreements. The Guarantor acknowledges and agrees that none of the following acts or omissions of or by the Secured Party, whether with or without notice to or demand upon the Guarantor, shall have the effect of discharging or otherwise limiting the obligations of the Guarantor hereunder: (a) any modification, amendment, supplement or other change to the time of payment for or under, or any waiver or other consent to noncompliance with, any Guaranteed Obligation; (b) any grant of time, renewals, extensions, indulgences, releases and discharges to AHG; or (c) otherwise dealing with AHG, or any security for the Guaranteed Obligations, in each case, as the Secured Party sees fit.

1.6 No Exhaustion of Remedies. The Secured Party shall not be bound or obligated to exhaust its recourse against AHG or take any other action before being entitled to demand payment from the Guarantor hereunder.

1.7 Secured Party Rights. The rights and remedies provided in this Guarantee are cumulative and may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law.

ARTICLE 2 **CONTINUING GUARANTEE**

2.1 Continuing Guarantee. This Guarantee shall be a continuing guarantee of the Guaranteed Obligations and shall apply to and secure any ultimate balance due or remaining due to the Secured Party and shall not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Secured Party. This Guarantee shall continue to be effective or be reinstated even if at any time any payment of any of the Guaranteed Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Secured Party upon the occurrence of any action or event including the insolvency, bankruptcy or reorganization of AHG or otherwise, all as though such payment had not been made.

ARTICLE 3 **DEMAND**

3.1 Demand. The Secured Party shall be entitled to make demand upon the Guarantor at any time upon the occurrence of any "Event of Default" as defined in and pursuant to the Promissory Note, and upon such Event of Default, the Secured Party may treat all Guaranteed Obligations as due and payable and may forthwith collect from the Guarantor the total amount guaranteed hereunder whether or not such Guaranteed Obligations are yet due and payable at the time of demand for payment hereunder. The Guarantor shall make payment to the Secured Party of the total amount guaranteed hereunder forthwith after demand therefor is made to the Guarantor. The Guarantor

shall pay all reasonable costs and expenses incurred by the Secured Party in enforcing this Guarantee.

ARTICLE 4 **GENERAL**

4.1 Representations and Warranties. The Guarantor hereby represents and warrants that: (a) each has full power, capacity, authority and legal right to execute and deliver this Guarantee and perform his obligations hereunder; (b) this Guarantee has been duly executed and delivered by the Guarantor and constitutes a legal, valid and binding obligation of the Guarantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law); and (c) the execution and delivery of this Guarantee by the Guarantor and the performance by the Guarantor of their obligations hereunder will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Guarantor or any of its property, or any agreement or instrument to which the Guarantor is party or by which it or its property is bound.

4.2 Assignment; Benefit of the Guarantee. In the event that the Promissory Note has been assigned by the Secured Party in accordance with the terms of the Promissory Note, all rights hereunder shall simultaneously (and without further act or formality) be assigned, *nunc pro tunc*. The Guarantor may not assign this Guarantee or its obligations under this Guarantee. This Guarantee shall be binding upon the Guarantor and his heirs, executors, administrators, legal representatives and assigns, as applicable and shall enure to the benefit of and be enforceable by the Secured Party and her heirs, executors, administrators, legal representatives and assigns, as applicable.

4.3 Amendments and Waivers. No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantor and the Secured Party. No waiver of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.

4.4 Severability. If any provision of this Guarantee is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof, and the remaining part of such provision and all other provisions hereof will continue in full force and effect.

4.5 Notices. Any demand, notices or other communications by the terms hereof required or permitted to be given by one party to the other shall be given in writing and shall be delivered in person or transmitted by email correspondence addressed as follows:

(a) to the Guarantor at:



Email: ▶

(b) to the Secured Party at:

J.I.S. Contract Furniture Inc.
2126 Grange Drive
Mississauga, ON
L5B 1P5

Attention: Jay Khanna
Email: jay.khanna@st-damase.com

And to:

Fogler, Rubinoff LLP
77 King Street, Suite 3000
Toronto, ON
M5K 1G8

Attention: Charles Skipper / Jordan Kamenetsky
Email: cskipper@foglers.com / jkamenetsky@foglers.com

Any such notice or other communication shall be deemed to have been given and received, if sent by personal delivery, upon delivery, or if transmitted by email correspondence, upon the completion of its transmission. The Guarantor or the Secured Party may at any time change its email address for service from time to time by giving notice to the other in accordance with this Section 4.5.

4.6 Further Assurances. The Guarantor shall promptly do, make, execute, deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the Secured Party may require from time to time after for the purpose of giving effect to this Guarantee.

4.7 Acknowledgements. The Guarantor acknowledges that it is providing this Guarantee at the request of AHG. The Guarantor acknowledges receipt of a fully executed copy of the Note.

4.8 Discharge. The Guarantor will not be discharged or released from any of its obligations hereunder except upon payment in full of the total amount guaranteed hereunder.

4.9 Additional Security. This Guarantee is in addition to, and without prejudice to or in substitution for, any security of any kind now or hereafter held by the Secured Party and any other rights or remedies that the Secured Party might have.

4.10 Governing Law. This Guarantee shall be governed by, and construed and interpreted in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[Signature Page Follows]

IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the date first written above.

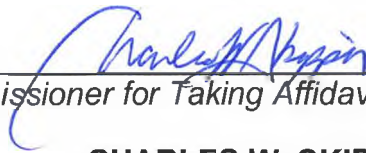
Witness

NAKUL AURORA

Address of Guarantor:



This is **Exhibit "K"** referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

LIMITED RECOURSE GUARANTEE

THIS LIMITED RECOURSE GUARANTEE is dated as of the 1st day of June, 2024, by **20 Caldari Development Inc.** (the "**Guarantor**") to and in favour of **J.I.S Contract Furniture Inc.** (the "**Secured Party**").

RECITALS:

- A. Pursuant to the terms of an Amended and Restated Promissory Note provided by Aurora Hotel Group Inc. (the "**Borrower**") in favour of the Secured Party (the "**Note**"), the Borrower is indebted to the Secured Party in the amount of \$5,800,000.00;
- B. The Guarantor is the registered and beneficial owner of the lands legally described in Schedule "A" hereto (collectively the "**Lands**"); and
- C. The Guarantor has agreed to guarantee the Guaranteed Obligations (as hereinafter defined) of the Borrower pursuant to the Note, and as security for the due payment and performance of the within Guarantee, the Guarantor has agreed to grant to the Secured Party a security interest over all the Guarantor's right, title and interest in and to certain collateral, including a charge/mortgage over the Lands (the "**Collateral**").

NOW THEREFORE THIS AGREEMENT WITNESSETH that, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Guarantor agrees as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Interpretation Not Affected by Headings

The division of this Guarantee into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Guarantee. The terms "this Guarantee", "hereof", "hereunder" and similar expressions refer to this Guarantee and not to any particular section, subsection or other portion hereof. Unless otherwise expressly indicated in this Guarantee, any reference which is made in this Guarantee to an "Article", "Section" or "Subsection", means and refers to the Article, Section or Subsection of this Guarantee so referenced.

1.2 Currency

All dollar amounts expressed in this Guarantee are expressed in Canadian dollars and all payments contemplated by this Guarantee shall be made in Canadian funds.

1.3 Governing Law

This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and this Guarantee shall in all respects be treated as an Ontario contract. The parties hereby irrevocably submit to the exclusive jurisdiction of the courts of the Province of Ontario.

1.4 Extended Meanings

In this Guarantee, unless the context otherwise requires, words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders and vice versa. The term "including" means "including without limitation".

1.5 Time of Essence

Time shall be of the essence of every provision of this Guarantee.

1.6 Severability

Any provision of this Guarantee which is invalid, prohibited or unenforceable in any jurisdiction for any reason whatsoever shall, as to such jurisdiction only, be ineffective and severable from this Guarantee to the extent of such invalidity, prohibition or unenforceability but such invalidity, prohibition or unenforceability shall not invalidate or otherwise affect the remaining provisions of this Guarantee nor shall it affect the validity or enforceability of such provision in any other jurisdiction.

1.7 Documents, Agreements and Statutory Instruments

Any references in this Guarantee to any statute, law, by-law, rule, regulation, order or act of any governmental or regulatory authority shall be construed as a reference thereto as amended or re-enacted from time to time or as a reference to any successor thereto. Any reference to an agreement or document shall mean the agreement or document as it is amended, restated, amended and restated and/or replaced from time to time.

ARTICLE 2 **GUARANTEE**

2.1 Guarantee

The Guarantor hereby absolutely, unconditionally and irrevocably guarantees to the Secured Party and its respective heirs, executives, administrators, personal representatives, successors (including any successor by way of amalgamation), and permitted assigns, as applicable, the full and punctual payment when due, whether at stated maturity or earlier, by reason of acceleration, mandatory prepayment or otherwise, all present and future indebtedness and liabilities, direct and indirect, contingent or otherwise, matured or unmatured, under or in connection with the Note,

including, without limitation, all principal thereon together with all fees, costs, and expenses thereunder (including, without limitation, the fees and expenses incurred by the Secured Party's counsel in enforcing any rights under this Guarantee, or the Note), contract causes of action and indemnities, now or at any time, and from time to time, due or owing to the Secured Party, whether existing on the date hereof or hereinafter incurred or created (collectively, the "**Guaranteed Obligations**").

2.2 Indemnity

If any or all of the Guaranteed Obligations are not duly performed by the Borrower and are not performed under Section 2.1 for any reason whatsoever, the Guarantor shall, as a separate and distinct obligation, indemnify and save harmless the Secured Party from and against all costs, losses, expenses and charges resulting from the failure of the Borrower to perform such Guaranteed Obligations.

2.3 Primary Obligation

If any or all of the Guaranteed Obligations are not duly performed by the Borrower and are not performed under Section 2.1, or the Secured Party is not indemnified under Section 2.2, in each case, for any reason whatsoever, such Guaranteed Obligation will, as a separate and distinct obligation, be performed by the Guarantor as primary obligor.

2.4 Limited Recourse

The guarantee made by the Guarantor hereunder is made for the sole purpose of enabling the Secured Party to obtain an effective charge and security interest in and to all of the Collateral pledged by the Guarantor pursuant to the Note as security for payment and performance of the Guaranteed Obligations. Notwithstanding any other provision of this Guarantee:

- (a) the liability of the Guarantor to the Secured Party hereunder is limited to the extent such liability is required to permit the Secured Party to realize upon the Collateral pledged by the Guarantor to the Secured Party pursuant to the Note;
- (b) the sole recourse of the Secured Party against the Guarantor shall be with respect to the Collateral pledged by the Guarantor to the Secured Party pursuant to the Note, or any amounts received upon the realization of such Collateral pursuant to the terms set out in the Note, and the Secured Party shall not under any circumstances have any right to payment from the Guarantor other than through realization on the Collateral, or against any of the Guarantor's property or assets other than the Collateral, and for greater clarity, and without limiting the foregoing, the Guarantor shall not be liable to the Secured Party for any deficiency resulting from any such realization or otherwise.

2.5 Guarantee Absolute and Unconditional

The Guarantor hereby waives and agrees not to assert any defense, whether arising in connection with or in respect of any of the following or otherwise, and hereby agrees that its obligations under this Guarantee are irrevocable, absolute and unconditional and shall not be discharged as a result of or otherwise affected by any of the following (which may not be pleaded and evidence of which may not be introduced in any proceeding with respect to this Guarantee, in each case except as otherwise agreed in writing by the Secured Party):

- (a) the invalidity or unenforceability of any obligation of the Borrower or any other agreement or instrument relating thereto (including any amendment, consent or waiver thereto), or any security for, or other guarantee of, any Guaranteed Obligation or any part thereof, or the lack of perfection or continuing perfection or failure of priority of any security for the Guaranteed Obligations or any part thereof;
- (b) the absence of any attempt to collect any Guaranteed Obligation or any part thereof from the Borrower or action to enforce the same;
- (c) any workout, insolvency, bankruptcy proceeding, reorganization, arrangement, liquidation or dissolution by or against the Corporation, or any procedure, agreement, order, stipulation, election, action or omission thereunder, including any discharge or disallowance of, or bar or stay against collecting, any Guaranteed Obligation (or any interest thereon) in or as a result of any such proceeding; or
- (d) any other defense, setoff, counterclaim or any other circumstance that might otherwise constitute a legal or equitable discharge of the Borrower, in each case, other than the payment in full of the Guaranteed Obligations.

2.6 Authorization; Other Agreements

The Guarantor acknowledges and agrees that none of the following acts or omissions of or by the Secured Party, whether with or without notice to or demand upon the Guarantor, shall have the effect of discharging or otherwise limiting the obligations of the Guarantor hereunder:

- (a) any modification, amendment, supplement or other change to, the acceleration of or other change to the time of payment for or under, or any waiver or other consent to noncompliance with, any Guaranteed Obligation;
- (b) any grant of time, renewals, extensions, indulgences, releases and discharges to the Borrower;
- (c) the application to the Guaranteed Obligations of any sums by whomever paid or however realized in respect of any Guaranteed Obligation;

- (d) the refunding at any time of any payment received by the Borrowers in respect of any Guaranteed Obligation;
- (e) substituting the sale, exchange, enforcement, waiver, substitution, liquidation, termination, release, abandonment, perfection or failure to perfect, subordination, acceptance, surrender, exchange, impairment or other alteration or release in any manner of any security for the Guaranteed Obligations or any other guarantee therefor in any manner;
- (f) the receiving, taking and holding of additional security for the Guaranteed Obligations;
- (g) the addition, release or substitution of the Borrower of any Guaranteed Obligation or any part thereof;
- (h) any other dealing in any manner with the Borrower or the Guarantor, or any part thereof;
- (i) the settling, release, compromise, collection or other liquidation of the Guaranteed Obligations; or
- (j) otherwise dealing with the Borrower, or any security for the Guaranteed Obligations, in each case, as the Secured Party see fit.

2.7 Waivers

The Guarantor hereby unconditionally and irrevocably waives and agrees not to assert any claim, defense, setoff or counterclaim based on diligence, promptness, presentment, requirements for any demand or notice hereunder including any of the following: (a) any demand for payment or performance and protest and notice of protest; (b) any notice of acceptance; (c) any presentment, demand, protest or further notice or other requirements of any kind with respect to any Guaranteed Obligation becoming immediately due and payable; and (d) any other notice in respect of any Guaranteed Obligation or any part thereof, and any defense arising by reason of any disability or other defense of the Borrower. The Guarantor further unconditionally and irrevocably agrees that, unless and until the Guaranteed Obligations have been paid in full, it shall not: (x) enforce or otherwise exercise any right of subrogation or any right of reimbursement or contribution or similar right against the Borrower by reason of any payment made, or (y) assert any claim, defense, setoff or counterclaim it may have against the Borrower or set off any of its obligations to the Borrower against obligations of the Borrower to the Guarantor. No obligation of the Guarantor hereunder shall be discharged other than by complete performance.

2.8 No Exhaustion of Remedies

The Secured Party shall not be bound or obligated to exhaust its recourse against the Borrower or take any other action before being entitled to demand payment from the Guarantor hereunder.

2.9 Secured Party Rights

The rights and remedies provided in this Guarantee are cumulative and may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law.

ARTICLE 3 CONTINUING GUARANTEE

3.1 Continuing Guarantee

This Guarantee shall be a continuing guarantee of the Guaranteed Obligations and shall apply to and secure any ultimate balance due or remaining due to the Secured Party and shall not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Secured Party. This Guarantee shall continue to be effective or be reinstated even if at any time any payment of any of the Guaranteed Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Secured Party upon the occurrence of any action or event including the insolvency, bankruptcy or reorganization of the Borrower or otherwise, all as though such payment had not been made.

ARTICLE 4 DEMAND

4.1 Demand

The Secured Party shall be entitled to make demand upon the Guarantor at any time upon the failure of the Borrower to make a scheduled repayment under the Note, the Secured Party may treat all Guaranteed Obligations as due and payable and may forthwith collect from the Guarantor the total amount guaranteed hereunder whether or not such Guaranteed Obligations are yet due and payable at the time of demand for payment hereunder.

ARTICLE 5 GENERAL

5.1 References

Any reference herein to Collateral includes any proceeds of any Collateral. To the extent that the Guarantor is more than one Person, the obligations of the Guarantor under this Guarantee are joint and several.

5.2 Assignment; Benefit of the Guarantee

The Guarantor may not assign this Guarantee or its obligations under this Guarantee. This Guarantee shall be binding upon the Guarantor and its respective heirs, executors, administrators, personal representatives and permitted assigns and shall

enure to the benefit of and be enforceable by the Secured Party and its respective heirs, executors, administrators, personal representatives, successors and assigns.

5.3 Amendments and Waivers

No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantor and the Secured Party. No waiver of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.

5.4 Notices

Any demand, notice, request or other correspondence to be given in connection with this Guarantee shall be effected in the manner provided for in the mortgage registered against title to the Lands.

5.5 Further Assurances

The Guarantor shall promptly do, make, execute, deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the Secured Party may require from time to time after for the purpose of giving effect to this Guarantee.

5.6 Acknowledgements

The Guarantor acknowledges receipt of a fully executed copy of this Guarantee, and the Note.

5.7 Discharge

The Guarantor will not be discharged or released from any of their obligations hereunder except upon payment in full of the total amount guaranteed hereunder.

5.8 Additional Security

This Guarantee is in addition to, and without prejudice to or in substitution for, any security of any kind now or hereafter held by the Secured Party and any other rights or remedies that the Secured Party might have.

5.9 Counterparts

This Guarantee may be executed in any number of counterparts, and/or by facsimile, PDF file, DocuSign or other electronic signature, each of which shall constitute an original and all of which, taken together, shall constitute one and the same instrument.

[Signature Page to Follow]

IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the date first written above.

20 CALDARI DEVELOPMENT INC.

Per:

Name:

Title:


I have authority to bind the corporation.

SCHEDULE "A"**DESCRIPTION OF PROPERTY****PIN****LEGAL DESCRIPTION**

03276-0125 (LT)

PCL 1-1 SEC 65M2681; LT 1 PL 65M2681; S/T LT552714,
LT586315 ; S/T LT546620,LT546628 VAUGHAN

This is **Exhibit "L"** referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

PROPERTY DESCRIPTION: PCL 1-1 SEC 65M2681; LT 1 PL 65M2681; S/T LT552714, LT586315 ; S/T LT546620,LT546628 VAUGHAN

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
ABSOLUTE

RECENTLY:
FIRST CONVERSION FROM BOOK

PIN CREATION DATE:
1997/04/07

OWNERS' NAMES
20 CALDARI DEVELOPMENT INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/04/07 ON THIS PIN** **WAS REPLACED WITH THE "PIN CREATION DATE" OF 1997/04/07** ** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1997/04/04 **</p>						
LT504012	1988/07/26	NOTICE AGREEMENT			THE CORPORATION OF THE TOWN OF VAUGHAN	C
65R12674	1988/12/15	PLAN REFERENCE				C
LT546620	1988/12/22	TRANSFER EASEMENT			THE CORPORATION OF THE TOWN OF VAUGHAN	C
LT546628	1988/12/22	TRANSFER EASEMENT			VAUGHAN HYDRO-ELECTRIC COMMISSION	C
LT586315	1989/05/30	TRANSFER		*** COMPLETELY DELETED ***	MULLER MARTINI CANADA INC.	
LT682551	1990/06/27	NOTICE				C
YR76	2001/05/23	NOTICE OF LEASE		*** COMPLETELY DELETED *** MULLER MARTINI CANADA INC.	MOULINEX CANADA LTD.	
YR3141202	2020/09/16	APL (GENERAL)		*** COMPLETELY DELETED *** MULLER MARTINI CANADA INC.		
REMARKS: DELETING YR76						
YR3141634	2020/09/16	TRANSFER	\$9,650,000	MULLER MARTINI CANADA INC.	20 CALDARI DEVELOPMENT INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
YR3141635	2020/09/16	CHARGE		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	VISRAM, ZAHERALI	
YR3141636	2020/09/16	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	VISRAM, ZAHERALI	
REMARKS: YR3141635						

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR3234313	2021/04/09	CHARGE		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION LI, RONGZHEN STREAM CAPITAL INC. CHEN, YANGYU PAN, XIAOLAN	
YR3234323	2021/04/09	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 20 CADARI DEVELOPMENT INC.	PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION LI, RONGZHEN STEAM CAPITAL INC. CHEN, YANGYU PAN, XIAOLAN	
		REMARKS: YR3234313.				
YR3234472	2021/04/09	POSTPONEMENT		*** COMPLETELY DELETED *** VISRAM, ZAHERALI	PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION LI, RONGZHEN STREAM CAPITAL INC. CHEN, YANGYU PAN, XIAOLAN	
		REMARKS: YR3141635 YR3234313 YR3234323 YR3141636				
YR3234473	2021/04/09	NOTICE		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	VISRAM, ZAHERALI	
		REMARKS: YR3141635				
YR3254161	2021/05/21	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** MARSHALL EXCAVATING INC.		
YR3271515	2021/06/24	APL DEL CONST LIEN		*** COMPLETELY DELETED *** MARSHALL EXCAVATING INC.		
		REMARKS: YR3254161.				
YR3282115	2021/07/14	CHARGE		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	OWEMANCO MORTGAGE HOLDING CORPORATION	
YR3282116	2021/07/14	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	OWEMANCO MORTGAGE HOLDING CORPORATION	
		REMARKS: YR3282115.				
YR3282117	2021/07/14	CHARGE		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	BREXIT HOLDINGS INC.	

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR3282118	2021/07/14	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 20 CALDARI DEVELOPMENT INC.	BREXIT HOLDINGS INC.	
		REMARKS: YR3282117.				
YR3282484	2021/07/15	DISCH OF CHARGE		*** COMPLETELY DELETED *** PRUDENT EXCELLENCE MORTGAGE INVESTMENT CORPORATION LI, RONGZHEN STREAM CAPITAL INC. CHEN, YANGYU PAN, XIAOLAN		
		REMARKS: YR3234313.				
YR3282526	2021/07/15	DISCH OF CHARGE		*** COMPLETELY DELETED *** VISRAM, ZAHERALI		
		REMARKS: YR3141635.				
YR3344879	2021/11/23	CHARGE	\$13,120,000	20 CALDARI DEVELOPMENT INC.	CANADIAN WESTERN BANK	C
YR3344880	2021/11/23	NO ASSGN RENT GEN		20 CALDARI DEVELOPMENT INC.	CANADIAN WESTERN BANK	C
		REMARKS: TO BE DELETED UPON THE DELETION OF YR3344879				
YR3344974	2021/11/23	DISCH OF CHARGE		*** COMPLETELY DELETED *** OWEMANCO MORTGAGE HOLDING CORPORATION		
		REMARKS: YR3282115.				
YR3344986	2021/11/23	DISCH OF CHARGE		*** COMPLETELY DELETED *** BREXIT HOLDINGS INC.		
		REMARKS: YR3282117.				
YR3653172	2024/03/01	APL COURT ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	ERNST & YOUNG INC.	
YR3655690	2024/03/11	TRANSFER OF CHARGE		CANADIAN WESTERN BANK	1000688136 ONTARIO INC.	C
		REMARKS: YR3344879.				
YR3685545	2024/06/07	APL AMEND ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	ERNST & YOUNG INC.	
		REMARKS: DELETES YR3653172				
YR3685546	2024/06/07	NOTICE		20 CALDARI DEVELOPMENT INC.	1000688136 ONTARIO INC.	C
		REMARKS: YR3344879				
YR3685547	2024/06/07	CHARGE	\$5,800,000	20 CALDARI DEVELOPMENT INC.	J.I.S CONTRACT FURNITURE INC.	C

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* 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
YR3729300	2024/10/16	CONSTRUCTION LIEN	\$40,329	EVANS INDUSTRIAL INSTALLATIONS LTD.		C
YR3732583	2024/10/28	CONSTRUCTION LIEN	\$40,329	EVANS INDUSTRIAL INSTALLATIONS LTD.		C
YR3747061	2024/12/10	CERTIFICATE		EVANS INDUSTRIAL INSTALLATIONS LTD.		C
REMARKS: YR3732583 AND YR3729300						

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

This is **Exhibit "M"** referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

BUSINESS OPERATING AGREEMENT

THIS BUSINESS OPERATING AGREEMENT is dated as of the 1st day of June, 2024 (the "**Effective Date**"), between **NAKUL AURORA**, an individual residing in the Province of Ontario ("**Aurora**"), and **JAY KHANNA**, an individual residing in the Province of Ontario ("**Khanna**");

AND BETWEEN the **Aurora Hotel Group Inc.**, and **20 Caldari Development Inc.**

WHEREAS:

- A. Aurora and Khanna each hold 50% of the issued and outstanding shares in the capital of 20 Caldari Development Inc., a corporation existing under the laws of the Province of Ontario (the "**Corporation**").
- B. The Corporation owns the property municipally known as 20 Caldari Road, Concord, ON L4K 4N8 (the "**Property**").
- C. As part of a global resolution in respect of certain disputes among, *inter alios*, Aurora, Khanna, J.I.S. Contract Furniture Inc., the Corporation and Aurora Hotel Group Inc., the parties have agreed to enter into this Agreement to address the operation and business affairs of the Corporation, upon the terms and subject to the conditions of this Agreement.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH that, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

BANKING

The Corporation shall, as soon as practicable after the effective date of this Agreement, open a new business banking account for the business operations of the Corporation ("the Account").

1. Khanna and Aurora shall both be authorized signatories for the Account.

2. Any cheques, disbursements or transfers from the Account for more than \$5,000, shall require the signature or authorization of both Khanna and Aurora.
3. Khanna and Aurora will both have access to the Account through Internet banking.
4. In the event there is any surplus in the Account, upon the expiry of this Agreement, the surplus funds shall be used by the Corporation in the payment of outstanding property tax in respect of the Property.

TENANTS

5. The Corporation shall deposit all rents and revenues from the three tenants at the Property, the Aurora Hotel Group Inc., ("AHG"), Countertop Solutions Inc. ("Countertop"), Crystal Tile and Marble ("Crystal") into the Account.
6. The existing sub-tenants of AHG at the Property, being two law firms, shall remain sub-tenants of AHG, and AHG shall not be required to account for or re-direct the rental revenues from the sub-tenants to the Corporation.

MORTGAGE PAYMENTS

7. The parties acknowledge the transfer of the former CWB mortgage to 1000688136 Ontario Inc. ("the Mortgagee"), registered on March 11, 2024, as Instrument No. YR3655690, and the Amendment to Commitment Letter and the Mortgage Amending Agreement, effective June 1, 2024.
8. All mortgage payments to the Mortgagee shall be made monthly from the Account by automatic debit.

SUPPLEMENTARY MORTGAGE PAYMENT

9. The parties acknowledge that the net rental revenue from the tenants will be insufficient to meet the mortgage payment obligations of the Corporation to the Mortgagee, and that AHG undertakes and agrees that it shall have the obligation to pay to the Corporation the monthly amount of \$35,000 ("the Supplementary

Mortgage Payment”), to meet the payment obligations of the Corporation with respect to the mortgage.

- 10. The obligation of AHG to make the Supplementary Mortgage Payment shall commence on June 1, 2024 and continue for one year until June 1, 2025.
- 11. The parties acknowledge that a default by AHG of the Supplementary Mortgage Payment, shall place the payment obligations of the Corporation to the Mortgagee in default; and that in such circumstance, no other party to this Agreement shall be obligated to satisfy or fund the payment obligations of the Corporation to the Mortgagee.

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

Witness

Jay Khanna

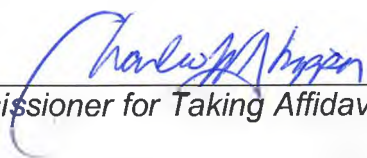
Witness

Aurora Hotel Group

Witness

20 Caldari Development Inc.

This is **Exhibit "N"** referred to in the Affidavit of Jay Khanna sworn February 26, 2025.



Commissioner for Taking Affidavits (or as may be)

CHARLES W. SKIPPER

1000688136 Ontario Inc

Customer Name:
 20 CALDARI DEVELOPMENT INC.
 416-362-1700
 20 Caldari Road Concord Ontario Canada L4K 4N8

Account Information:
 Outstanding Principal \$9,032,603.61
 Interest Rate 10.00%
 Default Interest Rate 10.70%

Explanation of Amount Due

Principal March 1, 2024	\$ 9,032,603.61
Interest - March, April & May	\$ 241,622.15
Principal As of June 1, 2024	\$ 9,274,225.76
Interest in Arrears	\$ 151,400.92
	\$ 9,425,626.68

Mortgage Statement

Statement Date : January 22, 2025

Account Number YR3344880
 Payment Due Date: 22-Jan-25
 Amount Due * **\$ 151,400.92**

PER DIEM (daily) Interest Rate after January 22, 2025
\$ 2763.13 per day *
 amounts excludes installments amounts for Property Taxes of \$ 6916.67 per month

Transaction Activity (28/02/2024 to 01/06/2024)

Date	Description	Charges	Payments
28/02/2024	Assignment of CWB Mortgage	\$ 9,032,603.60	NIL
01/05/2024	Amendment of CWB Mortgage to included interest payments for March, April and May per payment schedule (Past)	\$ 9,274,225.76	NIL
01/06/2024	Amendment of CWB Mortgage amended interest terms @ 10.0% amortized based on the revised Principal amount of \$	\$ 9,274,225.76	
24/06/2024	June Mortgage Payment	\$ 84,201.88	\$ 84,201.88
25/07/2024	Vaughan Taxes Paid	\$ 13,833.34	
25/07/2024	July Mortgage Payment	\$ 84,201.88	\$ 84,201.88
22/08/2024	August Mortgage Payment - DUE	\$ 84,201.88	DUE
03/09/2024	August Mortgage Payment - 10 days Notice of Payment arrears communicated		
17/09/2024	Notice of Default and Payment Reminder		
22/09/2024	September Mortgage Payment - DUE	\$ 84,201.88	DUE
22/10/2024	October Mortgage Payment - DUE	\$ 84,201.88	DUE
24/10/2024	4 installments paid @ 84,201.88		\$ 336,807.52
25/10/2024			
23/11/2024	Statement of Account updated for November 23rd 2024	\$ 2,259.10	
19/12/2024	Vaughan Taxes Paid	\$ 13,833.34	
22/12/2024	December Mortgage Payment - DUE	\$ 87,231.92	DUE
30/12/2024	Statement of Account updated for December 30th - 2024 & Late Fees		DUE
10/01/2025	Transfer of Tenants funds - Stone Quartz from AHG		\$ 20,600.00
17/01/2025	Statement of Account updated for January 22nd payment notice		
22/01/2025	Statement of account updated with calculations of default interest @ 10.7% on arrears - correction-	\$ 151,400.92	DUE
22/01/2028	Calculation PER DIEM (DAILY) Calculated on Principal and arrear payments	\$ 2,763.13	DUE PER DAY AFTER JANUARY 22, 2025

Past Payments Breakdown	2024						Mortgage Payments	
	June	July	August	September	October	November	December	
Principal	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	\$ 9,274,225.76	
Interest	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	\$ 77,285.21	
Escrow (Taxes)	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	\$ 6,916.67	
Fees	TBA	TBA	TBA	TBA	TBA	TBA	TBA	
Total	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	\$ 84,201.88	
Paid	PAID	PAID			-\$ 336,807.52			
Unpaid Amount Carry forward				\$ 84,952.68	\$ 170,662.86	-\$ 81,942.78		2,259.10
Late Payment Interest 10.7% on unpaid portion			\$ 750.80	\$ 1,508.29				770.94
	\$ 84,201.88	\$ 84,201.88	\$ 84,952.68	\$ 170,662.86	-\$ 81,942.78	\$ 2,259.10	\$ 87,231.82	

3 4 5 6

Past Payments Breakdown		2025			Mortgage Payments		
		January					
Principal	\$	9,274,225.78					
Interest	\$	77,286.21					
Escrow (Taxes)	\$	8,918.67					
Fees		TBA					
Total	\$	84,201.88					
Paid		-20,600.00					
Unpaid Amount Carry forward	\$	87,231.92					
Late Payment Interest 10.7% on unpaid portion	\$	587.12					
	\$	151,400.92					

Important Messages

*Partial Payments: Any partial payments that you make are not applied to your mortgage, but instead are held in a separate suspense account. If you pay the balance of a partial payment, the funds will then be applied to your mortgage.

WIRE PAYMENT INFORMATION



1000688136 ONTARIO INC.

ACCOUNT NAME:	1000688136 ONTARIO INC
Transit #:	3252
Institution Number	#003
Account #	1024207
Address	6240 Dixie Rd, MISSISSAUGA, ON
Telephone	905-584-5740

TRANSIT NO.
[0]3[2]5[2]

INST. NO.
[0]0[3]

DATE: 00/00/0000

AMOUNT ENCLOSED:

ACCOUNT NO.
[1]0[2]4[2]0[7]



City of Vaughan
 Financial Services | Property Tax
 2141 Major Mackenzie Dr., Vaughan, ON L6A 1T1
 Telephone: 905-832-2281 | Toll free: 1-844-832-2112
 Fax: 905-832-8566
 vaughan.ca/PropertyTax

STATEMENT OF TAXES

271

20 CALDARI DEVELOPMENT INC.
 20 CALDARI RD
 UNIT 2
 VAUGHAN ON L4K 4N8

Issue Date: December 24, 2024
 Customer No: R6FV6KTY
 Roll No: 1928 000 232 61900 0000
 Location: 20 CALDARI RD
 Legal Dscr: PL 65M2681 LT 1
 Agent:
 Fee: \$23.00

The information contained on the notice is based on the account activity as of the Issue Date indicated above. Payments and other transactions processed after this date are not reflected. The City has no authority to waive or alter late payment charges.

Tax Levy Information							
Tax Year	Interim	Annual	Supplementaries	Appeals	Apportionment	Cap/Clawback	Total
2024		\$77,821.69					\$77,821.69

Summary of Taxes Owing				Future Due Instalments	
Tax Year	Tax/Charges	Penalty/Interest	Total Overdue	Due Date	Amount
2024	\$77,889.69		\$77,889.69		
2023	\$76,541.81		\$76,541.81		
2022	\$53,514.98		\$53,514.98		
2021 & Prior					
Total	\$207,946.48	\$0.00	\$207,946.48		

Current Account Balance	\$207,946.48
-------------------------	--------------

Late payment charges are applied to overdue taxes at 1.25% the day after due date and the first day of each month.

If you require additional information staff is available to assist you from 8:30 a.m. to 4:30 p.m. Monday to Friday. Please contact the Property Tax Department at 905-832-2281 or Toll free at 1-844-832-2112.

Tax Roll Number
1928 000 232 61900 0000
 20 CALDARI DEVELOPMENT INC.

Remittance Portion

Overdue Amount
\$207,946.48

Make cheque payable to City of Vaughan and return this portion with payment to:
 TAX DEPARTMENT,
 2141 MAJOR MACKENZIE DRIVE
 VAUGHAN, ONTARIO L6A 1T1
 Also, payable online or at most banks



Amount paid

\$ _____

1000688136 ONTARIO INC.
Applicant

-and- 20 CALDARI DEVELOPMENT INC.
Respondent

Court File No. CV-25-00001199-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**PROCEEDING COMMENCED AT
TORONTO**

**AFFIDAVIT OF JAY KHANNA
SWORN FEBRUARY 26, 2025**

FOGLER, RUBINOFF LLP

Lawyers

40 King Street West, Suite 2400

Scotia Plaza

P.O Box #215

Toronto, ON M5H 3Y2

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cskipper@foglers.com

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Fax: 416.941.8852

Lawyers for Jay Khanna

1000688136 ONTARIO INC.
Applicant

-and- 20 CALDARI DEVELOPMENT INC.
Respondent

Court File No. CV-25-00001199-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
BRAMPTON

**APPLICATION RECORD
(RETURNABLE APRIL 24, 2025)**

FOGLER, RUBINOFF LLP

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Toronto, ON M5K 1G8

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Fax: 416.941.8852

Lawyers for the Applicants
1000688136 ONTARIO INC.