

ONTARIO

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

and

BAYVIEW CREEK (CIM) LP, CIM INVESTS DEVELOPMENT INC.
and CIM BAYVIEW CREEK INC.

Respondents

APPLICATION UNDER s. 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3;
s. 101, *Courts of Justice Act*, R.S.O. 1990, c. C.43; Rules 1.04, 2.03, 3.02(1), 14.05 (g),
14.05 (3)(g), 16.04 (1) and 38 of the *Rules of Civil Procedure*

**APPLICATION RECORD
Volume 2 of 5
(returnable August 11, 2021)**

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Duca Financial Services Credit Union Ltd.

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TAB P

Properties

PIN 03186 - 4757 LT
Description PT LT 25, CON 2, (MKM),PTS 1 & 2, PL 65R31680;; TOWN OF RICHMOND HILL
Address 10747 BAYVIEW AVENUE
 RICHMOND HILL

Applicant(s)

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

Name CIM INVESTS DEVELOPMENT INC.
Address for Service 9140 Leslie Street, Unit 310
 Richmond Hill ON L4B 0A9

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

Party To(s)**Capacity****Share**

Name DUCA FINANCIAL SERVICES CREDIT UNION LTD.
Address for Service 5290 Yonge Street
 Toronto ON M2N 5P9

Statements

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

This notice may be deleted by the Land Registrar when the registered instrument, YR2473036 registered on 2016/05/18 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Cindy Marie Applegath 2600-120 Adelaide St. West acting for Signed 2016 05 18
 Toronto Applicant(s)
 M5H 1T1

Tel 416-868-1080

Fax 416-868-0306

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

Cindy Marie Applegath 2600-120 Adelaide St. West acting for Party To Signed 2016 05 18
 Toronto (s)
 M5H 1T1

Tel 416-868-1080

Fax 416-868-0306

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

Submitted By

ROBINS APPLEBY LLP 2600-120 Adelaide St. West 2016 05 18
 Toronto
 M5H 1T1

Tel 416-868-1080

Fax 416-868-0306

Fees/Taxes/Payment

Statutory Registration Fee \$62.85

Total Paid \$62.85

Schedule of Required Clauses
For Attachment to Notice of Assignment of Rents- General

SCHEDULE

FOR THE VALUE RECEIVED, the Assignor doth hereby assign to the Assignee, all right, privileges, advantages and benefits whatsoever including all rental and other income arising pursuant to leases and/or agreements to lease and/or tenancies, (herein referred to as the "Leases"), now or hereafter affecting the lands and premises more particularly described in the Notice of Assignment of Rents - General attached hereto.

This assignment is given as additional security for the payment of the sum recorded on the related Charge/Mortgage and all other sums secured by a charge/mortgage between the Assignor as Chargor/Mortgagor and the Assignee as Chargee/Mortgagee, charging/mortgaging the premises of which those demised in said Leases form all or part and which Charge/Mortgage is herein referred to as the "Mortgage". The security of this assignment is and shall be primary and on a parity with the real estate charged by said Mortgage and not secondary. All amounts collected hereunder, after deducting expense of collection, shall be applied on account of the indebtedness secured by said Mortgage, or in such other manner as may be provided in such Mortgage. Nothing herein contained shall be construed as constituting Assignee as trustee or mortgagee in possession.

The Assignor does hereby empower the Assignee, its agents or attorneys, to collect, sue for, settle, compromise and give acquittances for all of the rents that may become due under the said Leases and avail itself of and pursue all remedies for the enforcement of said Leases and Assignor's rights in and under the said Leases as the Assignor might have pursued but for this assignment.

The Assignor warrants that said Leases are in full force and effect, the copies thereof heretofore delivered to the Assignee are true and correct copies, the Assignor has not heretofore assigned or pledged the same or any interest therein, and no default exists on the part of the Lessees, or the Assignor, or Lessor, in the performance on the part of either, of the terms, covenants, provisions or agreements in said Leases contained; that no rent has been paid by any of the Lessees in advance, and that the payment of none of the rents to accrue under said Leases comprised by the Assignor directly or indirectly by assuming any Lessee's obligations with respect to other premises; that no security deposit has been made by Lessees under any of the Leases.

The Assignor waives any rights of set-off against the Lessees.

The Assignor covenants and agrees:

(a) the Leases shall remain in full force and effect irrespective of any merger of the interest of the Lessor and Lessee thereunder; and that it will not transfer or convey the fee title to said premises to any of the Lessees without requiring such Lessees, in writing, to assume and agree to pay the debt secured by the Mortgage in accordance with the terms, covenants and conditions contained in the Mortgage;

(b) that if Leases provide for the abatement of rent during the repair of the demised premises by reason of fire or other casualty, the Assignor shall furnish rental insurance to the Assignee, the policies to be in an amount and form and written by such insurance companies as shall be satisfactory to the Assignee;

(c) not to terminate, modify or amend said Leases or any of the terms thereof, or grant any concessions in connection therewith, either orally or in writing, or to accept a surrender thereof without the written consent of the Assignee and that any attempted termination, modification or amendments of said Leases without such written consent shall be null and void;

(d) not to collect any of the rent, income and profits arising or accruing under said Leases in advance of the time when the same become due under the terms thereof;

(e) not to discount any future accruing rents;

(f) not to execute any other assignments of said Leases or any interest therein or any of the rents thereunder;

(g) to perform all of the Assignor's covenants and agreements as Lessor under said Leases and not to suffer or permit to occur any release of liability of the Lessees, or any rights of the Lessees to withhold payment of rent; and to give prompt notices to the Assignee of any notice of default on the part of the Assignor with

respect to said Leases received from the Lessees thereunder, and to furnish Assignee with complete copies of said notices;

(h) that all offers to lease and Leases shall be bona fide, the terms of which are to be approved by the Assignee prior to execution, and shall be at rental rates and terms consistent with comparable space in the area of the lands and premises described herein;

(i) if so requested by the Assignee, to enforce said Leases and all remedies available to the Assignor against Lessees, in case of default under said Leases by the Lessees;

(j) that none of the rights or remedies of the Assignee under the Mortgage shall be delayed or in any way prejudiced by this assignment;

(k) that notwithstanding any variation of the terms of the Mortgage or any extension of time for payment hereunder, the Leases and benefits hereby assigned shall continue as additional security in accordance with the terms hereof;

(l) not to alter, modify or change the terms of any guarantees of any said Leases or cancel or terminate such guarantees without prior written consent of the Assignee;

(m) not to consent to any assignment of said Leases, or any subletting thereunder, whether or not in accordance with their terms, without the prior written consent of the Assignee;

(n) not to request, consent to, agree to or accept a subordination of said Leases to any mortgage or other encumbrance now or hereafter affecting the premises;

(o) not to exercise any right of election, whether specifically set forth in any such Leases or otherwise which would in any way diminish the tenant's liability or, have the effect of shortening the stated term of the lease; and

(p) to pay the costs, charges and expenses of any incidental to the taking, preparation and filing of this Agreement or any notice hereof which may be required and of every renewal related thereto.

Upon any vesting of title to the properties secured under the Mortgage in the Chargee/Mortgagee or other party by the Court order, operation of law, or otherwise or upon delivery of a deed or deeds pursuant to the Chargee/Mortgagee's exercise of remedies under the Mortgage, all right, title and interest of the Assignor in and to the Leases shall by virtue of this instrument thereupon vest in and become the absolute property of the party vested with such title or the grantee or grantees in such deed or deeds without any further act or assignment by the Assignor. Assignor hereby irrevocably appoints Assignee and its successors and assigns, as its agent and attorney in fact, to execute all instruments of assignment or further assurances in favour of such party vested with title or the grantee or grantees.

In the exercise of the powers herein granted to the Assignee, no liability shall be asserted or enforced against the Assignee, all such liability being hereby expressly waived and released by the Assignor. The Assignee shall not be obligated to perform or discharge any obligation, duty or liability under the Leases, or under or by reason of this assignment, and the Assignor shall and does hereby agree to indemnify the Assignee for, and to save and hold it harmless of and from, any and all liability, loss or damage which it may or might incur under the Leases or under or by reason of this assignment and of and from any and all claims and demands whatsoever which may be asserted against it by reasons of any obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in the Leases. Should the Assignee incur any such liability, loss or damage under the Leases or under or by reason of this assignment, or in the defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorney's fees, shall be secured hereby, and the Assignor shall reimburse the Assignee therefore immediately upon demand.

Although it is the intention of the parties that this instrument shall be a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding that the Assignee shall not exercise any of the rights or powers herein conferred upon it until a default shall occur under the terms and provisions of this assignment or of the Mortgage, but upon the occurrence of any such default, the Assignee shall be entitled upon notice to the Lessees, to all rents and other amounts then due under the Leases and thereafter accruing, and this assignment shall constitute a direction to and full authority to the Lessees to pay all such amounts to the Assignee without proof of the default relied upon. The Lessees are hereby irrevocably authorized to rely upon and comply with any notice or demand by the Assignee for the payment to the Assignee of any rental or other sums which may be thereafter become due under the Leases regardless whether any default under the Mortgage has actually occurred or is then existing.

This assignment is intended to be additional to, and not in substitution for, or in derogation of, any assignment of rents contained in the Mortgage or in any other document.

The assignment shall include any extensions and renewals of the Leases and any reference herein to the Leases shall be construed as including any such extensions and renewals.

This instrument shall be binding upon and enure to the benefit of the respective successors and assigns of the parties hereto. The words "Assignor", "Assignee" and "Lessees", wherever used herein, and designated as such and their respective heirs, administrators, successors and assigns, and all words and phrases shall be taken to include the singular or plural and masculine, feminine or neuter gender, as may fit the case.



**ASSIGNMENT OF
RENTS**

THIS ASSIGNMENT made this 13 day of May, 2016 (the "**Assignment**").
BETWEEN:

CIM INVESTS DEVELOPMENT INC.
(the "**Assignor**")

- and -

DUCA FINANCIAL SERVICES CREDIT
UNION LTD. (the "**Assignee**")

WHEREAS, by a mortgage registered in the Land Registry Office for the Land Titles Division of York (No. 65) as the Instrument Number set out in statements on the Notice of Assignment of Rents-General, to which this Agreement is attached and any renewals, extensions or amendments thereof, the Assignor herein did grant and mortgage unto the Assignee herein the lands and premises more particularly described in Schedule "A" hereto annexed (the "**Property**") which mortgage secures payment of the sum of \$20,720,000.00 and interest as therein mentioned and is hereinafter referred to as the "**Mortgage**". Whenever in this assignment reference is made to the Mortgage, it shall be deemed to include any renewals or extensions thereof and any mortgage taken in substitution, replacement or reinstatement thereof or therefor, either in whole or in part;

AND WHEREAS it is a condition of the lending of the monies secured or to be secured by the Mortgage, that the Assignor should assign to the Assignee, its successors and assigns, the rents reserved and payable or intended to be reserved and payable under, and all advantages and benefits to be derived from leases of premises located on the Property now or hereafter entered into by the Assignor as landlord including, without limitation, any specific leases referred to in Schedule "B" hereto annexed (which rents, advantages and benefits are hereinafter collectively called the "**Rents**" and which leases and specific leases are hereinafter collectively called the "**Leases**") as additional security for the payment of the monies secured by the Mortgage, and for the performance of the covenants contained therein;

AND WHEREAS it is agreed that notwithstanding anything in this Assignment contained, the Assignee is not to be bound to advance the said Mortgage monies or any unadvanced portion thereof;

NOW THEREFORE THIS ASSIGNMENT WITNESSES that the Assignor, in consideration of the premises, the making of the Mortgage, and the sum of \$ 10.00 now paid by the Assignee to the Assignor (the receipt whereof is hereby acknowledged), covenants and agrees with the Assignee as follows:

1. The Assignor hereby irrevocably transfers, assigns, and sets over to the Assignee all Rents reserved and payable under the Leases to hold and receive the same unto the said Assignee, its successors and assigns.
2. The Assignor covenants and agrees with the Assignee that the Assignor will not, without the consent in writing of the Assignee (a) permit any prepayment of Rents under the Leases; (b) permit any material variation of the terms, covenants, provisos or conditions of any of the Leases; or (c) permit any cancellation or surrender of any of the Leases.
3. The Assignor covenants with the Assignee to perform and observe all its covenants, conditions and obligations under the Leases.
4. The Assignor covenants and agrees irrevocably with the Assignee that the Assignee shall have the right to sue for payment or enforcing anything in this Assignment herein contained (a) in its own name; (b) in the name of the Assignor; or (c) in the names of both the Assignor and Assignee jointly.

5. The Assignor agrees to assign any of the Leases to the Assignee upon request should the Assignee deem such assignment advisable for the protection of its security, such assignment to be on a form to be prepared by the Assignee's solicitors in such case.
6. PROVIDED, however, that until notified to the contrary in writing the tenants under the Leases ("**Tenants**") shall pay the Rents reserved under the Leases (but only to the extent that the same may be due and payable thereunder) to the Assignor and any notice to the contrary required by this proviso may be effectively given by sending the same by registered mail to any Tenant at its premises on the Property or by delivering the same personally to any Tenant or an officer thereof.
7. The Assignor hereby declares that any direction or request from the Assignee to pay the Rents reserved to the Assignee shall be sufficient warrant and authority to the Tenant to make such payments, and the payments of such Rents to the Assignee shall be and operate as a discharge of the said Rents to the Tenant.
8. The Assignor covenants and agrees with the Assignee not to renew or extend any of the Leases at rents of lesser amounts than are now payable under the Leases, unless compelled to do so as the result of an arbitration award or with the consent of the Assignee.
9. The Assignee covenants and agrees with the Assignor to release this Assignment upon payment in full of the Mortgage in accordance with the terms thereof. The delivery to the Assignor of a discharge of the Mortgage shall operate as a release and reassignment of Rents.
10. The Assignor hereby covenants and agrees to and with the Assignee that this Assignment and everything herein contained shall be irrevocable without the consent of the Assignee.
11. PROVIDED that nothing in this Assignment contained shall be deemed to have the effect of making the Assignee responsible for the collection of Rents or any part thereof or for the performance of any covenants, terms or conditions either by the Assignor or by the Tenants contained in any of the Leases, and that the Assignee shall not by virtue of this Assignment be deemed a mortgagee in possession of the Property, and the Assignee shall not be liable to account for any monies other than those actually received by it by virtue of this Assignment.
12. IT IS AGREED that waiver of or failure to enforce at any time or from time to time any of the rights of the Assignee under or by virtue of this Assignment shall not prejudice the Assignee's rights in the event of the breach, default or other occasion for the exercise of such rights again occurring.

SCHEDULE
"A"
(Description of Property)

Municipal Address:

10747 Bayview Avenue, Richmond Hill ON L4C 0K9

Legal Description:

Part of Lot 25, Concession 2 (MKM), designated as Parts 1 and 2, Plan 65R31680, in the Town of Richmond Hill, Ontario being the whole of PIN 03186-4757.

SCHEDULE
"B"
(Specific Leases)

Leases

Registration Number

TAB Q

GENERAL SECURITY AGREEMENT**1. SECURITY INTEREST**

- 1.1 For value received, Bayview Creek (CIM) LP, by its general partner, CIM Invests Development Inc. (the "**Debtor**") hereby grants to DUCA FINANCIAL SERVICES CREDIT UNION LTD. (the "**Secured Party**") a security interest (the "**Security Interest**") in the present and future undertaking and property, both real and personal, of the Debtor (collectively the "**Collateral**") and as further general and continuing security for the payment and performance of the Indebtedness, the Debtor hereby assigns the Collateral to the Secured Party and mortgages and charges the Collateral as and by way of a fixed and specified mortgage and charge to the Secured Party. Without limiting the generality of the foregoing, Collateral shall include all the right, title and interest that the Debtor now has or may hereafter have, be possessed of, be entitled to, or acquire in all property of the following kinds: all goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), accounts, chattel paper, documents of title (whether negotiable or not), equipment, instruments, intangibles, inventory, money and securities and in all proceeds and renewals thereof, accretions thereto and substitutions therefor and including the following:

all inventory of whatever kind and wherever situated;

all equipment (other than inventory) of whatever kind and wherever situated, including all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;

all accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including guarantees, indemnities, letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor (hereinafter collectively called "**Debts**");

all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, chattel paper or documents of title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;

all contractual rights, licences and insurance claims and all goodwill, patents, trademarks, copyrights, and other intellectual property and industrial property and any rights of renewal or extension thereof;

all monies other than trust monies lawfully belonging to others; and

all property described in any schedule now or hereafter annexed hereto.

- 1.2 The Security Interest granted hereby shall not extend or apply to and the Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest the Debtor shall stand possessed of such last day in

trust to assign the same to any person acquiring such term, including, without limitation, the Secured Party.

- 1.3 The terms "accessions", "account", "chattel paper", "document of title", "equipment", "goods", "instrument", "intangible", "inventory", "money", "personal property", "proceeds" and "security" whenever used herein have the meanings given to those terms in the *Personal Property Security Act* (Ontario) (the "**P.P.S.A.**"). Provided always that the term "goods" when used herein shall not include "consumer goods" of the Debtor as that term is defined in the P.P.S.A., and the term "inventory" when used herein shall include livestock and the young thereof after conception, crops that become growing crops, fish after they are caught, minerals or hydrocarbons after they are extracted and timber after it is cut. Any reference herein to the "Collateral" shall, unless the context otherwise requires, be deemed a reference to the "Collateral or any part thereof".

2. INDEBTEDNESS SECURED

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

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

- 3.1 The Debtor represents and warrants and so long as this Agreement remains in effect shall be deemed to continuously represent and warrant that,
- (a) the Collateral is genuine and owned by the Debtor free of all security interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "**Encumbrances**"), save for the Security Interest and those Encumbrances approved in writing, prior to their creation or assumption, by the Secured Party (hereinafter collectively called "**Permitted Encumbrances**"); provided, that nothing in the foregoing definition of "Permitted Encumbrances" or otherwise in this Agreement shall (i) be construed as evidencing an intention or agreement on the part of the Secured Party that the Security Interest or the Indebtedness be or have been subordinated to any such Permitted Encumbrances; or (ii) cause any such subordination to occur.
 - (b) to the best of the knowledge, information and belief of the Debtor, (i) each Debt, chattel paper and instrument constituting the Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "**Account Debtor**"), and the amount represented by the Debtor to the Secured Party from time to time as owing by each Account Debtor or by all Account

Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable; and (ii) no Account Debtor now has any defence, set off, claims or counterclaim against the Debtor which can be asserted against the Secured Party, whether in any proceeding to enforce the Collateral or otherwise; and

- (c) the locations specified in Schedule "A" attached hereto as to the location of the business operations and records of the Debtor are accurate and complete and, with respect to goods (including inventory) constituting the Collateral, the locations specified in Schedule "A" are accurate and complete, save for goods in transit to such locations and inventory on lease or consignment; and all fixtures or goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situated at one of such locations.

4. COVENANTS OF DEBTOR

4.1 So long as this Agreement remains in effect the Debtor covenants and agrees,

- (a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to keep the Collateral free from all Encumbrances, except for the Security Interest and the Permitted Encumbrances; and not to sell, exchange, transfer, assign, lease, or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Secured Party; provided always that, until default, the Debtor may, in the ordinary course of the Debtor's business, sell or lease inventory and, subject to section 7.01 hereof, use monies available to the Debtor and the Debtor may sell or otherwise dispose of equipment which has become worn out or damaged or otherwise unsuitable for its purpose on condition that the Debtor shall substitute therefor, subject to the Security Interest, property of equal or greater value so that the Collateral shall not thereby be in any way reduced or impaired;
- (b) to notify the Secured Party in writing promptly of,
 - (i) any change in the information contained herein relating to the Debtor, the Debtor's business or the Collateral;
 - (ii) the details of any significant acquisition of Collateral;
 - (iii) the details of any claims or litigation affecting the Debtor or the Collateral;
 - (iv) any significant loss of or damage to the Collateral;
 - (v) any material default by any Account Debtor in payment or other performance of its obligations with respect to the Collateral; and
 - (vi) the return to or repossession by the Debtor of the Collateral;
- (c) to keep 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;

- (d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters, information and things as may be reasonably requested by the Secured Party with respect to the Collateral in order to give effect to this agreement and to pay all costs for searches and filings in connection therewith;
- (e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Debtor or the Collateral as and when the same become due and payable;
- (f) to insure the Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as the Secured Party shall reasonably direct with loss payable to the Secured Party and the Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor;
- (g) to prevent the Collateral, save inventory sold or leased as permitted hereby, from being or becoming an accession to other property not charged by this Agreement;
- (h) to carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning the Collateral, and mark in the manner specified by the Secured Party from time to time any and all such records and the Collateral at the Secured Party's request so as to indicate the Security Interest; and
- (i) to deliver to the Secured Party from time to time promptly upon request,
 - (i) any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral;
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;
 - (iii) all financial statements prepared by or for the Debtor regarding the Debtor's business;
 - (iv) all policies and certificates of insurance relating to the Collateral; and
 - (v) such information concerning the Collateral, the Debtor and the Debtor's business and affairs as the Secured Party may reasonably request.

5. USE AND VERIFICATION OF COLLATERAL

- 5.1 Subject to compliance with the Debtor's covenants contained herein and section 7.01 hereof, the Debtor may, until default, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the

Collateral in any manner the Secured Party may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where the Collateral may be located and to all premises occupied by the Debtor.

6. SECURITIES

- 6.1 If the Collateral at any time includes shares in any affiliates of the Debtor, the Debtor authorizes the Secured Party to transfer the same or any part thereof into its own name or that of its nominee. If the Collateral at any time includes Securities, other than shares in any affiliates of the Debtor, the Debtor authorizes the Secured Party, upon default, to transfer the same or any part thereof into its own name or that of its nominee so that the Secured Party or its nominee may appear of record as the sole owner thereof. After any transfer as aforesaid, the Debtor waives all right to receive any notices or communications received by the Secured Party or its nominee as such registered owner. Subject to the foregoing, upon the request of the Secured Party, the Debtor will instruct the issuer, clearing agency, custodian or nominee to make an entry in its records of the Secured Party's security interest in the Securities so as to effect delivery to and possession by the Secured Party of those securities.

7. COLLECTION OF DEBTS

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

8. INCOME FROM AND INTEREST ON COLLATERAL

- 8.1 Until default, the Debtor reserves the right to receive any monies constituting income from or interest on the Collateral and if the Secured Party receives any such monies prior to default, the Secured Party shall either credit same against the Indebtedness or pay the same promptly to the Debtor.
- 8.2 After default, the Debtor will not request or receive any monies constituting income from or interest on the Collateral and if the Debtor receives any such monies, without any request by the Secured Party, the Debtor will pay the same promptly to the Secured Party.

9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

- 9.1 Whether or not default has occurred, the Debtor authorizes the Secured Party,
- (a) to receive any increase in or profits on the Collateral (other than money) and to hold the same as part of the Collateral. Money so received shall be treated as income for the purposes of sections 8.01 and 8.02 hereof and dealt with

accordingly; and

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

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

10. DISPOSITION OF MONIES

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

11. EVENTS OF DEFAULT

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

- (a) the non-payment when due, whether by acceleration or otherwise, of any principal or interest forming part of the Indebtedness or the failure of the Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Agreement or any other agreement between the Debtor and the Secured Party;
- (b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to an individual Debtor;
- (c) the bankruptcy or insolvency of the Debtor; the filing against the Debtor of a petition in bankruptcy; the making of an authorized assignment or proposal for the benefit of secured parties by the Debtor; the appointment of a receiver or trustee for the Debtor or for 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* (Canada) or otherwise;
- (d) the institution by or against the Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of the Debtor;
- (e) if any Encumbrance affecting the Collateral becomes enforceable against the Collateral;
- (f) if the Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

- (g) if any execution, sequestration, extent or other process of any court becomes enforceable against the Debtor or if a distress or analogous process is levied upon the assets of the Debtor or any part thereof and remains outstanding for more than twenty (20) days (or such longer period as may be required provided that it is diligently and in good faith being contested by the Debtor); or
- (h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of the Debtor pursuant to or in connection with this Agreement, or otherwise (including the representations and warranties contained herein) or as an inducement to the Secured Party to extend any credit to or to enter into this Agreement or any other agreement with the Debtor, proves to have been false or inaccurate in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against the Debtor; or if upon the date of execution of this Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to the Secured Party at or prior to the time of such execution.

12. ACCELERATION

- 12.1 The Secured Party, in its sole discretion, may declare all or any part of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable without demand or notice of any kind, in the event of default, or if the Secured Party in good faith believes and has commercially reasonable grounds to believe that a material adverse change has occurred in the financial and business position of the Debtor. The provisions of this section 12.01 are not intended in any way to affect any right of the Secured Party with respect to Indebtedness which may now or hereafter be payable on demand.

13. REMEDIES

- 13.1 Upon default, the Secured Party may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Secured Party or not, to be a receiver (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of the Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his stead. Any Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor and not the Secured Party, and the Secured Party shall not be in any way responsible for any misconduct, negligence, or non-feasance on the part of any Receiver, his servants, agents or employees. Subject to the provisions of the instrument appointing him, any Receiver shall have 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. To facilitate the foregoing powers, any Receiver may, to the exclusion of all others including the Debtor, enter upon by peaceable or forcible means at any time of the day or night, use and occupy all premises owned or occupied by the Debtor wherein the Collateral may be situated, maintain the Collateral upon such premises, borrow money on a secured or unsecured basis and use the Collateral directly in carrying on the Debtor's business or as security for loans or advances to enable him to carry on the Debtor's business or

otherwise, as the Receiver shall, in his discretion, determine. Except as may be otherwise directed by the Secured Party, all monies received from time to time by any Receiver in carrying out his appointment shall be received in trust for and paid over to the Secured Party. Every Receiver may, in the discretion of the Secured Party, be vested with all or any of the rights and powers of the Secured Party.

- 13.2 Upon default, the Secured Party may, either directly or through its agents or nominees, exercise all the powers and rights given to a Receiver by virtue of section 13.01 hereof.
- 13.3 The Secured Party may take possession of, collect, demand, sue on, enforce, recover and receive the Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, the Secured Party may 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 to the Secured Party may seem reasonable.
- 13.4 In addition to those rights granted herein and in any other agreement now or hereafter in effect between the Debtor and the Secured Party and in addition to any other rights the Secured Party may have at law or in equity, the Secured Party shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that the Secured Party shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease or otherwise dispose of the Collateral or to institute any proceedings for such purposes. Furthermore, the Secured Party shall have no obligation to take any steps to preserve rights against prior parties to any instrument or chattel paper, whether Collateral or proceeds and whether or not in the Secured Party's possession, and shall not be liable or accountable for failure to do so.
- 13.5 The Debtor acknowledges that the Secured Party or any Receiver appointed by it may take possession of the Collateral wherever it may be located and by any method permitted by law, and the Debtor agrees upon request from the Secured Party or any Receiver to assemble and deliver possession of the Collateral at such place or places as directed.
- 13.6 In the event of default, the Debtor agrees to pay all costs, charges and expenses reasonably incurred by the Secured Party or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors' and auditors' costs, other legal expenses and Receiver remuneration), in operating the Debtor's accounts, in enforcing this Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for dispositions and disposing of the Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses together with any monies owing as a result of any borrowing by the Secured Party or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.
- 13.7 Unless the Collateral in question is perishable, the Secured Party believes on reasonable grounds that the Collateral in question will decline speedily in value, the Collateral in question is of the type customarily sold on a recognized market, the cost and storage of the Collateral is disproportionately large relative to its value or a court of competent jurisdiction orders otherwise, the Secured Party will give the Debtor such notice, if any,

of the date, time and place of any public sale or of the date after which any private disposition of the Collateral is to be made, as may be required by the P.P.S.A

14. MISCELLANEOUS

- 14.1 The Debtor hereby authorizes the Secured Party to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying the Collateral or any permitted Encumbrances affecting the Collateral or identifying the locations at which the Debtor's business is carried on and the Collateral and records relating thereto are situate) as the Secured Party may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve the Collateral and to realize upon the Security Interest and the Debtor hereby irrevocably constitutes and appoints any officer or director from time to time of the Secured Party the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever it may be deemed necessary or expedient.
- 14.2 Without limiting any other right of the Secured Party, whenever Indebtedness is immediately due and payable or the Secured Party has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), the Secured Party may, in its sole discretion, set off against such Indebtedness any and all monies then owed to the Debtor by the Secured Party in any capacity, whether or not due, and the Secured Party shall be deemed to have exercised such right of setoff immediately at the time of making its decision to do so, even though any charge therefor is made or entered on the Secured Party's records subsequent thereto.
- 14.3 Upon the Debtor's failure to perform any of its duties hereunder, the Secured Party may, but shall not be obligated to do so, perform any or all of such duties, and the Debtor shall pay to the Secured Party, forthwith upon written demand therefor, an amount equal to the expense incurred by the Secured Party in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 18% per annum.
- 14.4 The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other security as the Secured Party may see fit without prejudice to the liability of the Debtor or the Secured Party's right to hold and realize the Security Interest. Furthermore, after default, the Secured Party may demand, collect and sue on the Collateral in either the Debtor's or the Secured Party's name, at the Secured Party's option, and may endorse the Debtor's name on any and all cheques, commercial paper, and any other instruments pertaining to or constituting the Collateral.
- 14.5 No delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, the Secured Party may remedy any default by the Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Debtor. All rights and remedies of the Secured Party granted or recognized herein are cumulative and may be exercised at

any time and from time to time independently or in combination.

- 14.6 The Debtor waives protest, notice of protest, notice of presentment and notice of dishonour of any instrument constituting the Collateral at any time held by the Secured Party on which the Debtor is in any way liable and subject to section 13.07 hereof, notice of any other action taken by the Secured Party.
- 14.7 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, estate trustees, personal legal representatives, successors and assigns. 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 the assignee any claim or defence which the Debtor now has or hereafter may have against the Secured Party.
- 14.8 Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.
- 14.9 Subject to the requirements of section 13.07 hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given if delivered by mail to the party for whom it is intended at the last known address of such party or if sent by prepaid registered mail addressed to the party for whom it is intended at the last known address of such party. Either party may notify the other pursuant hereto of any change in its address to be used for the purposes hereof.
- 14.10 This Agreement and the security created hereby is in addition to and not in substitution for any other security now or hereafter held by the Secured Party and is and is intended to be a continuing Agreement and shall remain in full force and effect until all Indebtedness contracted for or created, and any extensions or renewals thereof, together with interest accruing thereon shall be paid in full and this Agreement is discharged. If all the Indebtedness has been paid and satisfied and the Debtor has otherwise observed and performed all its obligations under this Agreement and is not then in default hereunder, then the Secured Party shall at the request and expense of the Debtor release and discharge the Security Interest and execute and deliver such deeds and other instruments as shall be requisite therefor.
- 14.11 In this Agreement (a) words denoting the singular include the plural and vice versa and words denoting any gender include all genders; (b) the word "including" shall mean "including, without limitation,;"; (c) any reference to a statute shall mean the statute in force as at the date hereof, together with all regulations promulgated thereunder, as the same may be amended, re-enacted, consolidated and/or replaced from time to time, and any successor statute thereto; (d) reference to the Debtor, the Secured Party and any other person shall include their respective heirs, estate trustees, personal legal representatives, successors and assigns; (e) the division of this Agreement into separate Sections, Subsections and Schedules, and the insertion of headings is for convenience of reference only and shall not affect the construction or interpretation of this Agreement; (f) the Secured Party's right to give or withhold any consent or approval, make any determination or exercise any discretion shall be exercised by the Secured Party acting reasonably unless otherwise expressly provided, except that following default the Secured

Party shall be entitled to exercise the same in its sole discretion; (g) if more than one person is named as, or otherwise becomes liable for or assumes the obligations and liabilities of the Debtor, then the obligations and liabilities of all such persons shall be joint and several; (h) time shall be of the essence; and (i) all obligations of the Debtor in this Agreement will be deemed to be covenants by the Debtor in favour of the Secured Party.

14.12 In the event any provisions of this Agreement shall be deemed invalid or void, 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.

14.13 Nothing herein contained shall in any way obligate the Secured Party to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

14.14 The Security Interest created hereby shall attach when this Agreement is signed by the Debtor and delivered to the Secured Party. The Debtor and the Secured Party acknowledge that value has been given and the Debtor has rights in the Collateral.

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

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

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

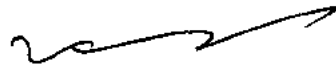
14.16 This Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario as the same may from time to time be in effect, including, where applicable, the P.P.S.A.

15. COPY OF AGREEMENT

15.1 The Debtor hereby acknowledges receipt of a copy of this Agreement and all financing statements in respect hereof. In the event that the Secured Party pays to the Debtor any penalties pursuant to subsection 46(7) of the P.P.S.A. then the Debtor shall indemnify and hold harmless the Secured Party from all costs, expenses, penalties or charges arising in connection with any action by or on behalf of the Debtor pursuant to subsection 46(7) of the P.P.S.A.

IN WITNESS WHEREOF the Debtor has executed this Agreement as of the 13 day of May 2016.

**CIM INVESTS DEVELOPMENT INC., as general partner for
and on behalf of BAYVIEW CREEK (CIM) LP**

Per: 
Name: Jiubin Feng
Title: President

I have authority to bind the corporation.

SCHEDULE "A"
(Locations)

1. **Business Locations**

10747 Bayview Avenue, Richmond Hill ON L4C 0K9
9140 Leslie Street, Richmond Hill ON L4B 0A9

2. **Location of Records relating to Collateral**

9140 Leslie Street, Richmond Hill ON L4B 0A9

3. **Locations of Collateral**

10747 Bayview Avenue, Richmond Hill ON L4C 0K9

TAB R

EXHIBIT "R"

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE
CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT
OF THE FOLLOWING:

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CIM Invests Development Inc.

FILE CURRENCY: July 1, 2021

RESPONSE CONTAINS: APPROXIMATELY 2 FAMILIES and 4 PAGES.

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS
WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME
IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE
OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT
ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

THE ABOVE REPORT HAS BEEN CREATED BASED ON THE DATA PROVIDED BY
THE PERSONAL PROPERTY REGISTRATION BRANCH, MINISTRY OF CONSUMER
AND BUSINESS SERVICES, GOVERNMENT OF ONTARIO. NO LIABILITY IS
UNDERTAKEN REGARDING ITS CORRECTNESS, COMPLETENESS, OR THE
INTERPRETATION AND USE THAT ARE MADE OF IT.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CIM Invests Development Inc.

FILE CURRENCY: July 1, 2021

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 2 ENQUIRY PAGE : 1 OF 4

SEARCH : BD : CIM INVESTS DEVELOPMENT INC.

00 FILE NUMBER : 716295312 EXPIRY DATE : 04MAY 2022 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20160504 0904 1793 3587 REG TYP: P PPSA REG PERIOD: 6
 02 IND DOB : IND NAME:
 03 BUS NAME: BAYVIEW CREEK (CIM) LP
 OCN :
 04 ADDRESS : 9140 LESLIE STREET, UNIT 310
 CITY : RICHMOND HIL PROV: ON POSTAL CODE: L4B0A9
 05 IND DOB : IND NAME:
 06 BUS NAME: CIM INVESTS DEVELOPMENT INC.
 OCN :
 07 ADDRESS : 9140 LESLIE STREET, UNIT 310
 CITY : RICHMOND HILL PROV: ON POSTAL CODE: L4B0A9

08 SECURED PARTY/LIEN CLAIMANT :
 DUCA FINANCIAL SERVICES CREDIT UNION LTD.
 09 ADDRESS : 5290 YONGE STREET
 CITY : TORONTO PROV: ON POSTAL CODE: M2N5P9
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X X
 YEAR MAKE MODEL V.I.N.

11

12

GENERAL COLLATERAL DESCRIPTION

13 ALL PRESENT AND FUTURE SECURITY INTERESTS WITH RESPECT TO 10747
 14 BAYVIEW AVENUE, RICHMOND HILL ONTARIO, INCLUDING, BUT NOT LIMITED
 15 TO, A GENERAL SECURITY AGREEMENT AND GENERAL ASSIGNMENT OF RENTS
 16 AGENT: ROBINS APPLEBY LLP (CINDY APPELGATH)
 17 ADDRESS : 120 ADELAIDE ST. WEST SUITE 2600
 CITY : TORONTO PROV: ON POSTAL CODE: M5H1T1

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CIM Invests Development Inc.

FILE CURRENCY: July 1, 2021

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 2 ENQUIRY PAGE : 2 OF 4

SEARCH : BD : CIM INVESTS DEVELOPMENT INC.

00 FILE NUMBER : 716295312 EXPIRY DATE : 04MAY 2022 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20160504 0904 1793 3587 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: CIM DEVELOPMENTS INC.
 OCN :
 04 ADDRESS : 9140 LESLIE STREET, UNIT 310
 CITY : RICHMOND HILL PROV: ON POSTAL CODE: L4B0A9
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10
 YEAR MAKE MODEL V.I.N.
 11
 12
 GENERAL COLLATERAL DESCRIPTION
 13 RELATED THERETO.
 14
 15
 16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CIM Invests Development Inc.

FILE CURRENCY: July 1, 2021

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 2 ENQUIRY PAGE : 3 OF 4

SEARCH : BD : CIM INVESTS DEVELOPMENT INC.

00 FILE NUMBER : 755493192 EXPIRY DATE : 16SEP 2022 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20190916 1243 1532 9446 REG TYP: P PPSA REG PERIOD: 03
 02 IND DOB : IND NAME:
 03 BUS NAME: CIM INVESTS DEVELOPMENT INC.
 OCN :
 04 ADDRESS : 35 PENWOOD CRESCENT
 CITY : NORTH YORK PROV: ON POSTAL CODE: M3B3B1
 05 IND DOB : 07MAY1966 IND NAME: JIN B FENG
 06 BUS NAME:
 OCN :
 07 ADDRESS : 35 PENWOOD CRESCENT
 CITY : NORTH YORK PROV: ON POSTAL CODE: M3B3B1

08 SECURED PARTY/LIEN CLAIMANT :
 MERCEDES-BENZ FINANCIAL SERVICES CANADA CORPORATION
 09 ADDRESS : 2680 MATHESON BLVD. E. STE 500
 CITY : MISSISSAUGA PROV: ON POSTAL CODE: L4W0A5
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X
 YEAR MAKE MODEL V.I.N.
 11 2020 MERCEDES-BENZ GLE350 4M 4JGFB4KBXLA097115
 12
 GENERAL COLLATERAL DESCRIPTION
 13 THE FULL DEBTOR NAME IS - JIN BIN FENG
 14
 15
 16 AGENT: D + H LIMITED PARTNERSHIP
 17 ADDRESS : 2 ROBERT SPECK PARKWAY, 15TH FLOOR
 CITY : MISSISSAUGA PROV: ON POSTAL CODE: L4Z 1H8

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: CIM Invests Development Inc.

FILE CURRENCY: July 1, 2021

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 2 ENQUIRY PAGE : 4 OF 4

SEARCH : BD : CIM INVESTS DEVELOPMENT INC.

00 FILE NUMBER : 755493192 EXPIRY DATE : 16SEP 2022 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20190916 1243 1532 9446 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME:
 OCN :
 04 ADDRESS :
 CITY : PROV: POSTAL CODE:
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 MERCEDES-BENZ FINANCIAL
 09 ADDRESS : 2680 MATHESON BLVD. E. STE 500
 CITY : MISSISSAUGA PROV: ON POSTAL CODE: L4W0A5
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10
 YEAR MAKE MODEL V.I.N.
 11
 12
 GENERAL COLLATERAL DESCRIPTION
 13
 14
 15
 16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:
 LAST SCREEN

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

TAB S



DUCA

EXHIBIT "S"

GUARANTEE

THIS GUARANTEE is made as of this 13 day of May, 2016 (the "Guarantee").

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.
(the "Lender")

- and -

JIUBIN FENG
DIANYUAN ZHANG
XIAOXIN ZHANG
(collectively, the "Guarantors")

WHEREAS the Lender is making a loan of \$20,720,000.00 (the "Loan") to Bayview Creek (CIM) LP (the "Borrower") pursuant to a commitment letter dated April 15, 2016, governing the Loan between the Borrower and the Lender (the "Commitment Letter") and secured by a first mortgage and charge (the "Mortgage") of certain lands and premises situated in the Town of Richmond Hill, Province of Ontario, legally described in Schedule "A" attached hereto. As a condition of the Loan, the Guarantors have agreed to provide this Guarantee to the Lender. Unless otherwise defined herein, the capitalized terms and expressions used in this Guarantee shall have the same meanings as set out in the Commitment Letter.

NOW THEREFORE in consideration of the premises and the covenants and agreements herein contained, the sum of \$2.00 now paid by the Lender to the Guarantors and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantors covenant and agree with the Lender as follows:

ARTICLE 1 - GUARANTEE

1.1 Guarantee. The Guarantors hereby unconditionally and irrevocably guarantee payment and performance by the Borrower to the Lender of all the debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to the Lender on account of the Loan or remaining unpaid or unsatisfied by the Borrower to the Lender in respect thereof including, without limitation, all "Loan Indebtedness" as defined in the Mortgage (hereinafter collectively referred to as the "Obligations") together with interest thereon as provided in Section 4.1.

1.2 Indemnity. If any or all of the Obligations are not duly performed by the Borrower and are not performed under Section 1.1 for any reason whatsoever, the Guarantors will, as a separate and distinct obligation, indemnify and save harmless the Lender from and against all losses resulting from the failure of the Borrower to perform such Obligations.

1.3 Primary Obligation. If any or all of the Obligations are not duly performed by the Borrower and are not performed under Section 1.1 or the Lender is not indemnified under Section 1.2, in each case, for any reason whatsoever, such Obligations will, as a separate and distinct obligation, be performed by the Guarantors as primary obligors.

1.4 Guarantee Absolute. The liability of the Guarantors hereunder shall be absolute and unconditional and shall not be affected by:

- (a) any lack of validity or enforceability of any agreements between the Lender and the Borrower, including any of the Loan Documents or any change in the time, manner or place of payment of or in any other term of such agreements or the failure on the part of the Borrower to carry out any of its obligations under such agreements;
- (b) any impossibility, impracticability, frustration of purpose, illegality, *force majeure* or act of government;
- (c) the bankruptcy, winding-up, liquidation, dissolution or insolvency of the Borrower or any party to any agreement to which the Lender is a party;
- (d) any lack or limitation of power, incapacity or disability on the part of the Borrower or the Lender, or of the directors, partners or agents thereof, or any other irregularity, defect or informality on the part of the Borrower in its obligations to the Lender; or
- (e) any other law, regulation or other circumstance which might otherwise constitute a defence available to, or a discharge of the Borrower in respect of any or all of the Obligations.

The liability of the Guarantors hereunder shall be for the full amount of the Obligations without apportionment, limitation or restriction of any kind. If more than one Person is named as or otherwise becomes liable for or assumes the obligations and liabilities of the Guarantors hereunder, then the obligations and liabilities of all such Persons shall be joint and several.

ARTICLE 2 - DEALINGS WITH BORROWER AND OTHERS

2.1 No Release. The liability of the Guarantors hereunder shall not be released, discharged, limited or in any way affected by anything done, suffered or permitted by the Lender in connection with any duties or liabilities of the Borrower to the Lender or any security therefor including any loss of or in respect of any security received by the Lender. Without limiting the generality of the foregoing and without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantors' liability hereunder, the Lender may discontinue, reduce, increase or otherwise vary the credit of the Borrower in any manner whatsoever without the consent of or notice to the Guarantors and may, either with or without consideration and both before and after an Event of Default,

- (a) make any change in the time, manner or place of payment under, or in another term of any agreement between the Borrower and the Lender;

- (b) grant time, renewals, extensions, indulgences, releases and discharges to any Borrower Entity;
- (c) take or abstain from taking or enforcing securities or collateral from the Borrower or from perfecting securities or collateral of the Borrower;
- (d) accept compromises from the Borrower;
- (e) apply all money at any time received from the Borrower or from securities upon such part of the Obligations as the Lender may see fit or change any such application in whole or in part from time to time as the Lender may see fit; and
- (f) otherwise deal with the Borrower and all other Persons and securities as the Lender may see fit.

ARTICLE 3 - CONTINUING GUARANTEE

3.1 Continuing Guarantee. This Guarantee shall be a continuing guarantee of the Obligations and shall apply to and secure any ultimate balance due or remaining due to the Lender 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 Lender. The Guarantors shall not be released or discharged from any of their obligations hereunder except upon payment of the total amount guaranteed hereunder together with interest thereon as provided in Section 4.1. This Guarantee shall continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Lender 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. Any account settled or stated in writing by or between the Lender and the Borrower shall be *prima facie* evidence that the balance or amount thereof appearing due to the Lender is so due.

ARTICLE 4 - DEMAND AND INTEREST

4.1 Demand and Interest. The Lender shall be entitled to make demand upon the Guarantors at any time upon the occurrence of any Event of Default (as defined in the Mortgage) and upon such Event of Default the Lender may treat all Obligations as due and payable and may forthwith collect from the Guarantors the total amount guaranteed hereunder whether or not such Obligations are yet due and payable at the time of demand for payment hereunder. The Guarantors shall make payment to the Lender of the total amount guaranteed hereunder forthwith after demand therefor is made to the Guarantors. The Guarantors shall pay interest to the Lender at the Interest Rate (as defined in the Mortgage) on the unpaid portion of all amounts payable by the Guarantors under this Guarantee, such interest to accrue from and including the date of demand by the Lender on the Guarantors. The Lender shall not be bound or obligated to exhaust its recourse against

the Borrower or other Persons or any securities or collateral it may hold or take any other action before being entitled to demand payment from the Guarantors hereunder. In any claim by the Lender against the Guarantors, the Guarantors may not assert any set-off or counterclaim that either the Guarantors or the Borrower may have against the Lender. The Guarantors shall pay all reasonable costs and expenses incurred by the Lender in enforcing this Guarantee.

ARTICLE 5 - ASSIGNMENT, POSTPONEMENT AND SUBROGATION

5.1 Assignment, Postponement and Subrogation. All debts and liabilities, present and future, of the Borrower to any party comprising the Guarantors are hereby assigned to the Lender and postponed to the Obligations, and all money received by any party comprising the Guarantors in respect thereof shall be held in trust for the Lender and forthwith upon receipt shall be paid over to the Lender, the whole without in any way lessening or limiting the liability of the Guarantors hereunder and this assignment and postponement is independent of the Guarantee and shall remain in full force and effect until, in the case of the assignment, the liability of the Guarantors under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and paid in full. The Guarantors will not be entitled to subrogation until the Obligations are performed and paid in full.

ARTICLE 6 - GENERAL

6.1 Benefit of the Guarantee. The Guarantors acknowledge and agree that the Lender may hold the Loan, this Guarantee and the Loan Documents as custodian and agent for all persons having an ownership interest in the Loan from time to time and this Guarantee shall enure to the benefit of the Lender and each such person and their respective successors and assigns. The Guarantors agree that all enforcement actions or proceedings may be brought by the Lender under the Loan and this Guarantee on behalf of all persons having an ownership interest in the Loan and waives any requirement that any such person be a party thereto. This Guarantee shall be binding upon the Guarantors and their heirs, estate trustees, legal representatives, successors and assigns. Where any reference is made in this Guarantee to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to a trust, such reference shall be construed and applied for all purposes as if it referred to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to the trustees of the trust. This Guarantee may be transferred or assigned by the Lender without restriction and without notice to or the consent of the Guarantors.

6.2 Entire Agreement. This Guarantee constitutes the entire agreement between the Guarantors and the Lender with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between such parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties with respect to the subject

matter of this Guarantee except as expressly set forth herein. The Lender shall not be bound by any representations or promises made by the Borrower to the Guarantors and possession of this Guarantee by the Lender shall be conclusive evidence against the Guarantors that the Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with.

6.3 Amendments and Waivers. No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantors and the Lender. 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.

6.4 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.

6.5 Notices. Any demand, notice or other communication to be made or given to the Guarantors in connection with this Guarantee may be made or given by personal delivery, by registered mail or by facsimile transmission addressed to the last known address of the Guarantors as shown in the Lender's records. Any demand, notice or communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof, and if given by registered mail, on the third Business Day following deposit thereof in the mail, and if given by facsimile transmission, on the first Business Day following the transmittal thereof.

6.6 Financial Statements and Release of Information. Subject to the terms of the Commitment Letter, the Guarantors shall furnish to the Lender promptly upon demand by Lender from time to time financial statements detailing the assets and liabilities of the Guarantors, in form and substance reasonably acceptable to the Lender. The Guarantors hereby represent and warrant to the Lender that all financial statements and other information previously provided or to be provided to the Lender with respect to the Guarantors are and will be complete and correct in all material respects and include all material facts and circumstances concerning the financial or other condition or status of the Guarantors, their business and operations necessary to ensure all such statements and information are not misleading as of the date of delivery to such Lender Entity or as of such other date specified therein. The Guarantors acknowledge and agree that the Loan may be syndicated without further notice to or the consent of the Guarantor or any other Borrower Entity. Each Lender Entity may release, disclose, exchange, share, transfer and assign from time to time, as it may determine in its sole discretion, all information and materials (including financial statements and information concerning the status of the Loan, such as existing or potential Loan defaults, lease defaults or other facts or circumstances which might affect the performance of the Loan) provided to or obtained by the Lender relating to the Guarantors or any other Borrower Entity, the Property or the Loan (both before and after the Loan advance and/or default) without restriction and without notice to or the consent of the Guarantors or any other Borrower Entity as follows: (i) to any other Lender Entity; (ii) to any subsequent or proposed purchaser of the Loan, including any subsequent or proposed Lender Entity and their respective third party advisers and agents such as lawyers, accountants, consultants, appraisers, credit verification sources and servicers; and (iii) to any other Person in connection with the sale or assignment of the Loan or in connection with any collection or enforcement proceedings taken under or in

respect of the Loan and/or the Loan Documents. The Guarantors irrevocably consent to the

collection, obtaining, release, disclosure, exchange, sharing, transfer and assignment of all such information and materials.

6.7 Governing Law. This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein without application of any principle of conflict of laws which may result in laws other than the laws in force in such Province applying to this Guarantee; and the Guarantors consent to the jurisdiction of the courts of such Province and irrevocably agrees that, subject to the Lender's election in its sole discretion, all actions or proceedings arising out of or relating to this Guarantee shall be litigated in such courts and the Guarantors unconditionally accept the non-exclusive jurisdiction of the said courts and waives any defense of *forum non-conveniens*, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Guarantee, provided nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of the Lender to bring proceedings against the Guarantors or any other Borrower Entity in the courts of any other jurisdiction.

6.8 General. The Guarantors acknowledge having received and reviewed a copy of the Commitment Letter, the Mortgage and each of the other Loan Documents.

IN WITNESS WHEREOF the Guarantors have executed this Guarantee and acknowledges receipt of a fully executed copy thereof.

SIGNED, SEALED AND DELIVERED

in the presence of:

Witness

JIUBIN FENG

SIGNED, SEALED AND DELIVERED

in the presence of:

Witness

DIANYUAN ZHANG

SIGNED, SEALED AND DELIVERED

in the presence of:

Witness

XIAOXIN ZHANG

SCHEDULE**"A"****(Legal Description of Lands)****Municipal Address:**

10747 Bayview Avenue, Richmond Hill ON L4C 0K9

Legal Description:

Part of Lot 25, Concession 2, (MKM), designated as Parts 1 and 2, Plan 65R31680, in the Town of Richmond Hill, Ontario and being the whole of PIN 03186-4757 (LT).

robapp\3410453.1



GUARANTEE

THIS GUARANTEE is made as of this _____ day of May, 2016 (the "Guarantee").

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.
(the "Lender")

- and -

JIUBIN FENG
DIANYUAN ZHANG
XIAOXIN ZHANG
(collectively, the "Guarantors")

WHEREAS the Lender is making a loan of \$20,720,000.00 (the "Loan") to Bayview Creek (CIM) LP (the "Borrower") pursuant to a commitment letter dated April 15, 2016, governing the Loan between the Borrower and the Lender (the "Commitment Letter") and secured by a first mortgage and charge (the "Mortgage") of certain lands and premises situated in the Town of Richmond Hill, Province of Ontario, legally described in Schedule "A" attached hereto. As a condition of the Loan, the Guarantors have agreed to provide this Guarantee to the Lender. Unless otherwise defined herein, the capitalized terms and expressions used in this Guarantee shall have the same meanings as set out in the Commitment Letter.

NOW THEREFORE in consideration of the premises and the covenants and agreements herein contained, the sum of \$2.00 now paid by the Lender to the Guarantors and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantors covenant and agree with the Lender as follows:

ARTICLE 1 - GUARANTEE

1.1 Guarantee. The Guarantors hereby unconditionally and irrevocably guarantee payment and performance by the Borrower to the Lender of all the debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to the Lender on account of the Loan or remaining unpaid or unsatisfied by the Borrower to the Lender in respect thereof including, without limitation, all "Loan Indebtedness" as defined in the Mortgage (hereinafter collectively referred to as the "Obligations") together with interest thereon as provided in Section 4.1.

1.2 Indemnity. If any or all of the Obligations are not duly performed by the Borrower and are not performed under Section 1.1 for any reason whatsoever, the Guarantors will, as a separate and distinct obligation, indemnify and save harmless the Lender from and against all losses resulting from the failure of the Borrower to perform such Obligations.

1.3 Primary Obligation. If any or all of the Obligations are not duly performed by the Borrower and are not performed under Section 1.1 or the Lender is not indemnified under Section 1.2, in each case, for any reason whatsoever, such Obligations will, as a separate and distinct obligation, be performed by the Guarantors as primary obligors.

1.4 Guarantee Absolute. The liability of the Guarantors hereunder shall be absolute and unconditional and shall not be affected by:

- (a) any lack of validity or enforceability of any agreements between the Lender and the Borrower, including any of the Loan Documents or any change in the time, manner or place of payment of or in any other term of such agreements or the failure on the part of the Borrower to carry out any of its obligations under such agreements;
- (b) any impossibility, impracticability, frustration of purpose, illegality, *force majeure* or act of government;
- (c) the bankruptcy, winding-up, liquidation, dissolution or insolvency of the Borrower or any party to any agreement to which the Lender is a party;
- (d) any lack or limitation of power, incapacity or disability on the part of the Borrower or the Lender, or of the directors, partners or agents thereof, or any other irregularity, defect or informality on the part of the Borrower in its obligations to the Lender; or
- (e) any other law, regulation or other circumstance which might otherwise constitute a defence available to, or a discharge of the Borrower in respect of any or all of the Obligations.

The liability of the Guarantors hereunder shall be for the full amount of the Obligations without apportionment, limitation or restriction of any kind. If more than one Person is named as or otherwise becomes liable for or assumes the obligations and liabilities of the Guarantors hereunder, then the obligations and liabilities of all such Persons shall be joint and several.

ARTICLE 2 - DEALINGS WITH BORROWER AND OTHERS

2.1 No Release. The liability of the Guarantors hereunder shall not be released, discharged, limited or in any way affected by anything done, suffered or permitted by the Lender in connection with any duties or liabilities of the Borrower to the Lender or any security therefor including any loss of or in respect of any security received by the Lender. Without limiting the generality of the foregoing and without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantors' liability hereunder, the Lender may discontinue, reduce, increase or otherwise vary the credit of the Borrower in any manner whatsoever without the consent of or notice to the Guarantors and may, either with or without consideration and both before and after an Event of Default,

- (a) make any change in the time, manner or place of payment under, or in another term of any agreement between the Borrower and the Lender;

- (b) grant time, renewals, extensions, indulgences, releases and discharges to any Borrower Entity;
- (c) take or abstain from taking or enforcing securities or collateral from the Borrower or from perfecting securities or collateral of the Borrower;
- (d) accept compromises from the Borrower;
- (e) apply all money at any time received from the Borrower or from securities upon such part of the Obligations as the Lender may see fit or change any such application in whole or in part from time to time as the Lender may see fit; and
- (f) otherwise deal with the Borrower and all other Persons and securities as the Lender may see fit.

ARTICLE 3 - CONTINUING GUARANTEE

3.1 Continuing Guarantee. This Guarantee shall be a continuing guarantee of the Obligations and shall apply to and secure any ultimate balance due or remaining due to the Lender 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 Lender. The Guarantors shall not be released or discharged from any of their obligations hereunder except upon payment of the total amount guaranteed hereunder together with interest thereon as provided in Section 4.1. This Guarantee shall continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Lender 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. Any account settled or stated in writing by or between the Lender and the Borrower shall be *prima facie* evidence that the balance or amount thereof appearing due to the Lender is so due.

ARTICLE 4 - DEMAND AND INTEREST

4.1 Demand and Interest. The Lender shall be entitled to make demand upon the Guarantors at any time upon the occurrence of any Event of Default (as defined in the Mortgage) and upon such Event of Default the Lender may treat all Obligations as due and payable and may forthwith collect from the Guarantors the total amount guaranteed hereunder whether or not such Obligations are yet due and payable at the time of demand for payment hereunder. The Guarantors shall make payment to the Lender of the total amount guaranteed hereunder forthwith after demand therefor is made to the Guarantors. The Guarantors shall pay interest to the Lender at the Interest Rate (as defined in the Mortgage) on the unpaid portion of all amounts payable by the Guarantors under this Guarantee, such interest to accrue from and including the date of demand by the Lender on the Guarantors. The Lender shall not be bound or obligated to exhaust its recourse against

the Borrower or other Persons or any securities or collateral it may hold or take any other action before being entitled to demand payment from the Guarantors hereunder. In any claim by the Lender against the Guarantors, the Guarantors may not assert any set-off or counterclaim that either the Guarantors or the Borrower may have against the Lender. The Guarantors shall pay all reasonable costs and expenses incurred by the Lender in enforcing this Guarantee.

ARTICLE 5 - ASSIGNMENT, POSTPONEMENT AND SUBROGATION

5.1 Assignment, Postponement and Subrogation. All debts and liabilities, present and future, of the Borrower to any party comprising the Guarantors are hereby assigned to the Lender and postponed to the Obligations, and all money received by any party comprising the Guarantors in respect thereof shall be held in trust for the Lender and forthwith upon receipt shall be paid over to the Lender, the whole without in any way lessening or limiting the liability of the Guarantors hereunder and this assignment and postponement is independent of the Guarantee and shall remain in full force and effect until, in the case of the assignment, the liability of the Guarantors under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and paid in full. The Guarantors will not be entitled to subrogation until the Obligations are performed and paid in full.

ARTICLE 6 - GENERAL

6.1 Benefit of the Guarantee. The Guarantors acknowledge and agree that the Lender may hold the Loan, this Guarantee and the Loan Documents as custodian and agent for all persons having an ownership interest in the Loan from time to time and this Guarantee shall enure to the benefit of the Lender and each such person and their respective successors and assigns. The Guarantors agree that all enforcement actions or proceedings may be brought by the Lender under the Loan and this Guarantee on behalf of all persons having an ownership interest in the Loan and waives any requirement that any such person be a party thereto. This Guarantee shall be binding upon the Guarantors and their heirs, estate trustees, legal representatives, successors and assigns. Where any reference is made in this Guarantee to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to a trust, such reference shall be construed and applied for all purposes as if it referred to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to the trustees of the trust. This Guarantee may be transferred or assigned by the Lender without restriction and without notice to or the consent of the Guarantors.

6.2 Entire Agreement. This Guarantee constitutes the entire agreement between the Guarantors and the Lender with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between such parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties with respect to the subject

matter of this Guarantee except as expressly set forth herein. The Lender shall not be bound by any representations or promises made by the Borrower to the Guarantors and possession of this Guarantee by the Lender shall be conclusive evidence against the Guarantors that the Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with.

6.3 Amendments and Waivers. No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantors and the Lender. 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.

6.4 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.

6.5 Notices. Any demand, notice or other communication to be made or given to the Guarantors in connection with this Guarantee may be made or given by personal delivery, by registered mail or by facsimile transmission addressed to the last known address of the Guarantors as shown in the Lender's records. Any demand, notice or communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof, and if given by registered mail, on the third Business Day following deposit thereof in the mail, and if given by facsimile transmission, on the first Business Day following the transmittal thereof.

6.6 Financial Statements and Release of Information. Subject to the terms of the Commitment Letter, the Guarantors shall furnish to the Lender promptly upon demand by Lender from time to time financial statements detailing the assets and liabilities of the Guarantors, in form and substance reasonably acceptable to the Lender. The Guarantors hereby represent and warrant to the Lender that all financial statements and other information previously provided or to be provided to the Lender with respect to the Guarantors are and will be complete and correct in all material respects and include all material facts and circumstances concerning the financial or other condition or status of the Guarantors, their business and operations necessary to ensure all such statements and information are not misleading as of the date of delivery to such Lender Entity or as of such other date specified therein. The Guarantors acknowledge and agree that the Loan may be syndicated without further notice to or the consent of the Guarantor or any other Borrower Entity. Each Lender Entity may release, disclose, exchange, share, transfer and assign from time to time, as it may determine in its sole discretion, all information and materials (including financial statements and information concerning the status of the Loan, such as existing or potential Loan defaults, lease defaults or other facts or circumstances which might affect the performance of the Loan) provided to or obtained by the Lender relating to the Guarantors or any other Borrower Entity, the Property or the Loan (both before and after the Loan advance and/or default) without restriction and without notice to or the consent of the Guarantors or any other Borrower Entity as follows: (i) to any other Lender Entity; (ii) to any subsequent or proposed purchaser of the Loan, including any subsequent or proposed Lender Entity and their respective third party advisers and agents such as lawyers, accountants, consultants, appraisers, credit verification sources and servicers; and (iii) to any other Person in connection with the sale or assignment of the Loan or in connection with any collection or enforcement proceedings taken under or in

respect of the Loan and/or the Loan Documents. The Guarantors irrevocably consent to the

collection, obtaining, release, disclosure, exchange, sharing, transfer and assignment of all such information and materials.

6.7 Governing Law. This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein without application of any principle of conflict of laws which may result in laws other than the laws in force in such Province applying to this Guarantee; and the Guarantors consent to the jurisdiction of the courts of such Province and irrevocably agrees that, subject to the Lender's election in its sole discretion, all actions or proceedings arising out of or relating to this Guarantee shall be litigated in such courts and the Guarantors unconditionally accept the non-exclusive jurisdiction of the said courts and waives any defense of *forum non-conveniens*, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Guarantee, provided nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of the Lender to bring proceedings against the Guarantors or any other Borrower Entity in the courts of any other jurisdiction.

6.8 General. The Guarantors acknowledge having received and reviewed a copy of the Commitment Letter, the Mortgage and each of the other Loan Documents.

IN WITNESS WHEREOF the Guarantors have executed this Guarantee and acknowledges receipt of a fully executed copy thereof.

SIGNED, SEALED AND DELIVERED

in the presence of:

Witness

JIUBIN FENG

SIGNED, SEALED AND DELIVERED

in the presence of:

Witness

DIANYUAN ZHANG

SIGNED, SEALED AND DELIVERED

in the presence of:

Witness

XIAOXIN ZHANG

SCHEDULE**"A"****(Legal Description of Lands)****Municipal Address:**

10747 Bayview Avenue, Richmond Hill ON L4C 0K9

Legal Description:

Part of Lot 25, Concession 2, (MKM), designated as Parts 1 and 2, Plan 65R31680, in the Town of Richmond Hill, Ontario and being the whole of PIN 03186-4757 (LT).

robappl3410453.1

TAB T



DUCA Financial Services Credit Union Ltd.
 3300 Yonge Street, Toronto, ON M3M 3P9
 T: (416) 233-8879 | W: www.duca.com

COMMERCIAL MORTGAGE RENEWAL AGREEMENT ("Agreement")

Bayview Creek (CJM) LP 9140 Leslie Street, (Ints 310) Richmond Hill, ON L4B 0A9	Date: Mortgage Account #: Mortgaged Property:	April 12, 2017 922253.73 Macint Land at 10747 Bayview Ave Richmond Hill, ON
--	---	--

We are pleased to offer you an extension of your mortgage loan for the term selected by you from the options listed below subject to the terms of this Agreement. This Agreement supplements your registered charge/mortgage ("mortgage") and the Mortgage Loan Commitment ("commitment") and all other agreements and documents relating to your mortgage loan. The terms "we" and "you" used in this Agreement correspond to the terms "Mortgagee", "Chargee", "Lender", "DUCA Financial Services Credit Union Ltd." or "DUCA", and "Mortgagor", "Chargor" or "Borrower", respectively.

Maturity Date: May 1, 2017	Next Payment After Renewal: June 1, 2017
Balance at Maturity: \$20,720,000.00	

Term / Plan	Interest Rate Per Annum	Monthly Payments	Maturity Date	Renewal Fee
1 Year Open	DUCA Prime + 3.00%	Interest Only	May 1, 2018	\$103,500.00
Late renewal fee	\$207,200.00			
Annual Review Fee	N/A			
Additional Conditions	2015 Corporate Notice of Assessment for CJM Development Inc. to be provided			

Mortgage is due on Demand with a review date of December 31, 2017.

Mortgage is open for pre-payments without notice or bonus on any payment date.

Interest rates quoted above are indication rates only and are subject to change if our lending rates increase between the date of this Agreement and the date of your acceptance of this Agreement, if not signed and returned by the Maturity Date.

The Projected balance at Maturity being renewed on the Maturity Date is based on the regular payment due on that date having been paid and cleared by us.

Under the terms of your mortgage, both realty taxes and fire insurance on the Mortgaged Property must be kept current to maintain your mortgage in good standing. The insurance policy should indicate our interest as mortgagee.

The Renewal Fee must be paid by cheque upon acceptance of this Agreement or by way of debit to your account. The extension of your mortgage loan will not be processed until payment of this fee. There will be a LATE RENEWAL FEE (see above) for renewals received after the Maturity Date, payable in the same manner as a Renewal fee.

All the terms of your mortgage and the commitment shall remain in effect except as amended by this Agreement. If any of the terms of this Agreement are inconsistent with the terms of your mortgage or the commitment, the terms of this Agreement shall prevail with respect to interest rate, term, payments, accelerated payments and prepayments, and additional provisions attached hereto which form part of this Agreement and your mortgage and the commitment shall prevail with respect to all other matters. Words denoting the singular include the plural and vice versa and words denoting any gender include all genders.

As a condition of this Agreement, we reserve the right to demand at any time and from time to time copies of any new leases entered into on the Mortgaged Property.

Initials

Page 1 of 3



DUCA Financial Services Credit Union Ltd.
 3240 Yonge Street, Toronto, ON M2N 5P9
 T: (416) 221-9833 W: www.duca.com

You and any guarantor shall provide the following statements and information (collectively the "Statements") to us:

- review engagement reports or audited financial statements for the Borrower prepared by accountants acceptable to us within five months of each fiscal year-end; or
- Notice to reader financial statements for the Borrower within five months of each fiscal year-end for mortgage loans up to \$400,000.00 together with copies of all tax filings; and c) annual net worth statement for any guarantor together with supporting information prepared by accountants acceptable to us within five months of each fiscal year-end of the Borrower.

In the event that any of the Statements are not provided to us within the time limited thereof, we may assess penalty charges against the Borrower or any guarantor including deeming such failure to be a default ("default") under the commitment and mortgage entitling us to exercise our rights and remedies consequent upon default. We may request the Borrower or any guarantor to provide us with updated statements at any time during a fiscal year of the Borrower. The failure to provide the updated statements may be deemed by us to be a default.

The above-noted mortgage is being received on the understanding that the following documents/information indicated below will be required on an annual basis by December 1, 2017:

1. Notice to Reader Financial Statements with Corporate NOA prepared by accountants acceptable to the Lender within 5 months of each fiscal year end for Borrower
2. Notice of Assessment & Income tax return for Personal Guarantor
3. Updated signed and dated DUCA loan application from Personal Guarantor
4. Annual net worth statement of personal guarantor(s)
5. Confirmation that all property taxes are current and paid
6. Latest insurance policy indicating DUCA as loss payee covering the property

The following shall be maintained by the Borrower during the continuance of the commitment and mortgage and any renewals thereof, to be measured by us at such times and in such manner as we may, in our sole discretion, determine:

Debt Service Coverage	N/A
Debt/Equity Ratio	2.00X
Debt/Subordinated Debt plus Equity Ratio	N/A
Working Capital	N/A
Other	N/A

X

Guarantor financials and income may be considered in calculating the financial covenant(s). For details, see *Guarantor Financials* paragraph under "Definitions".

Definitions

Debt Service Coverage Ratio: For any fiscal year of the Borrower and/or Guarantor, using the ratio obtained where the numerator equals EBITDA for such fiscal year and the denominator equals the total of monthly installments of principal and interest paid by the Borrower and/or Guarantor for the same period. Any other additional voluntary principal payments will be excluded from this calculation.

EBITDA: Earnings (as defined in the Borrower's financial statements prepared by accountants with GAAP before interest expense, income taxes, depreciation, amortization and extraordinary/unusual non-recurring items (such other items to be determined by DUCA)).

Debt to Equity: the ratio obtained where the numerator equals total Debt plus liabilities and the denominator equals equity minus intangibles (e.g. goodwill, incorporation costs, patents etc.) plus operational surplus (as approved by DUCA).

Working Capital: This ratio obtained where the numerator equals current assets and the denominator equals current liabilities calculated in accordance with GAAP.

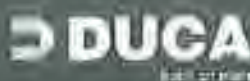
Guarantor Financials: In cases where Borrower financial performance cannot satisfy the financial covenant requirement, DUCA might approve the financial covenants based on one or more Borrowers' financials (at the discretion of DUCA) in addition to or in lieu of the Borrower's financials. In such case, the above check box related to guarantor financials will be explicitly checked. Borrower's debt balance, principal and interest obligations will be continued in the financial statements of Guarantor to calculate EBITDA, Debt to Equity and Working Capital as the case may be.

Initials

Borrower: Kuylen Creek (CM) (P)
 Commercial Mortgage Renewal Agreement dated April 12, 2017

Account No.: 822293.78

Page 2 of 3



DUCA Financial Services Credit Union Ltd.
 3790 Yonge Street, Toronto, ON M2M 1P9
 T: (416) 333-8337 W: www.duca.com

Please sign below where indicated and return the original to us should you choose to renew your mortgage.

PLEASE NOTE: If DUCA does not receive your acceptance of this renewal agreement within 30 days from the date hereof, then DUCA may demand payment of all monies due and owing under your mortgage.

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Sheh Sharma
 Account Manager

The Chargor accepts this offer of extension and agrees to the terms of this Agreement. The Chargor authorizes DUCA to debit its DUCA account for the payment of the Renewal Fee and any Late Renewal Fee and any amount indicated below to pay down the mortgage loan. If it has set up a pre-authorized debit with DUCA, the Chargor hereby authorizes DUCA to amend the same to reflect the new payments set out above.

The Chargor wishes to increase payments to \$ N/A (Bi-Weekly, Weekly, Semi-Monthly) and agrees that such payments cannot be decreased until the New Maturity Date.

The Chargor wishes to pay down the mortgage loan by \$ N/A

DATED this 26 day of April, 2017

BAYVIEW CREEK (CIM) LP by its General Partner, CIM Invests Development Inc.
 "We have authority to bind the Partnership"

Jabin Feng
 President

The undersigned guarantor of the mortgage loan hereby acknowledges, accepts and agrees to the terms of this Agreement and agrees that his guarantee extends to the mortgage and commitment is extended and amended by this Agreement.

DATED this _____ day of _____, 20____

Jabin Feng
 Guarantor

Dianyuan Zhang
 Guarantor

Xiaodan Zhang
 Guarantor

Initials: _____
 Borrower: Bayview Creek (CIM) LP
 Commercial Mortgage Renewal Agreement dated April 12, 2017

Account No.: 92229573

Page 3 of 3

TAB U

EXHIBIT "U"



Head Office
5290 Yonge Street
Toronto, ON M2N 5P9
T 416.223-8502
F 416.223.2575
E ducainfo@duca.com
www.duca.com

April 26, 2018

Bayview Creek (CIM) LP by its General Partner,
CIM Invests Development Inc.
9140 Leslie Street, Unit 310
Richmond Hill, ON
L4B 0A9

Attention: Mr. Jiubin Feng

Dear Feng:

Reference is made to the commitment letter entered into among DUCA Financial Services Credit Union Ltd. (the "Lender"), Bayview Creek (CIM) LP (the "Borrower"), and Jiubin Feng, Dianyuan Zheng and Xiaoxin Zhang (collectively, the "Guarantors") dated April 15, 2016, as amended by letter agreement dated April 12, 2017 (collectively, the "Commitment"). All capitalized terms used herein shall have the meanings ascribed thereto in the Commitment unless otherwise indicated.

The Lender has approved the following amendments to the Commitment:

1. From and after May 1, 2018, under the heading **CLOSING DATE**, reference to "May 1, 2018" is hereby deleted and replaced with "May 1, 2019".
2. From and after May 1, 2018, under the heading **INTEREST RATE AND PAYMENTS**, reference to "3.0%" in section (a) is hereby deleted and replaced with "3.5%".
3. From and after May 1, 2018, Section 8 of the Commitment under the heading **PREPAYMENT** is hereby deleted and replaced with the following "The Borrower may prepay the Credit Facility in whole or in part at any time upon 5 Business Days prior written notice to the Lender without bonus or penalty."
4. On acceptance of this Agreement and as a condition thereof, the Borrower shall deposit the sum of \$240,901 with the Lender to replenish the Interest Reserve. The Interest Reserve shall be held in a GIC for a one year term with DUCA.
5. On acceptance of this Agreement and as a condition thereof, the Borrower shall pay to the Lender an extension fee in the amount of \$103,600 which fee shall be fully earned by the Lender on the date of acceptance of this Agreement (the "Extension Fee").
6. The Borrower and the Guarantors shall be responsible for the legal fees and disbursements of the Lender in connection with the preparation and negotiation of this Agreement which

amount shall be paid forthwith on demand and shall be secured by the security delivered in connection with the Commitment.

7. This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein. The Borrower and Guarantors irrevocably submit to the non-exclusive jurisdiction of the courts of such Province and acknowledge the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.
8. This Amendment is supplemental to and shall be read with and be deemed to be part of the Commitment, which shall be deemed to be amended *mutatis mutandis* as herein provided. Any reference to the Commitment in any agreements or documents entered into in connection with the Commitment shall mean the Commitment as amended hereby and all such agreements and documents are also hereby amended *pro tanto* to give effect to this Amendment.
9. All the terms and conditions of the Commitment, except insofar as the same are amended by the express provisions of this Amendment, are confirmed and ratified in all respects, shall survive and shall not merge with or be extinguished by the execution and delivery of this Amendment and shall hereafter continue in full force and effect, as amended.
10. This Amendment may be executed in any number of separate counterparts by any one or more of the parties hereto, and all of said counterparts taken together shall constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by telecopier, PDF or by other electronic means shall be as effective as delivery of a manually executed counterparts.

[The remainder of this page is blank. Signature page follows.]

Yours truly,

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Per: 

Name: Riz Ahmad

Title: Chief Risk Officer

Per: 

Name: Kyle Yatabe

Title: Account Manager, Corporate Finance

ACCEPTED on: April 27, 2018

**BAYVIEW CREEK (CIM) LP, by its general partner,
CIM INVESTS DEVELOPMENT INC.**


Per: 

Name: Jiubin Feng

Title: President

The undersigned Guarantors have read, understand and accept the terms and conditions of this Commitment.

ACCEPTED on: April 27, 2018

Witness 

Name: Jiubin Feng

Witness 

Name: Dianyuan Zhang

Witness 

Name: Xiaoxin Zhang

TAB V

EXHIBIT "V"



Head Office
5290 Yonge Street
Toronto, ON M2N 5P9
T 416.223-8502
F 416.223.2575
E duca.info@duca.com
www.duca.com

June 14, 2018

Bayview Creek (CIM) LP,
CIM Invests Development Inc. and
CIM Bayview Creek Inc.

502 – 55 Commerce Valley Drive West
Markham, ON L3T 7V9

Attention: Mr. Jiubin Feng

Dear Feng:

Reference is made to the commitment letter entered into among DUCA Financial Services Credit Union Ltd. (the “**Lender**”), Bayview Creek (CIM) LP (the “**Borrower**”), and Jiubin Feng, Dianyuan Zheng and Xiaoxin Zhang (collectively, the “**Guarantors**”) dated April 15, 2016, as amended by letter agreements dated April 12, 2017, and April 26, 2018 (collectively, the “**Commitment**”). All capitalized terms used herein shall have the meanings ascribed thereto in the Commitment unless otherwise indicated.

We confirm that you have asked the Lender to consent to the transfer of registered title to the Property from CIM Invests Development Inc. to CIM Bayview Creek Inc. (the “**Transfer**”). In this regard, the Lender has approved the following amendments to the Commitment and the parties hereto hereby agree as follows:

1. Subject to the provisions of this Agreement, the Lender hereby consents to the Transfer.
2. Each of CIM Invests Development Inc. and CIM Bayview Creek Inc. hereby acknowledge that they have each received a copy of the Commitment and the Security.
3. Effective the date hereof, Borrower shall mean collectively and on a joint and several basis, Bayview Creek (CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. as though each were an original party to the Commitment and the Security. For greater certainty, for the purposes of this section, the Security includes items 2, 3, 6 (including, without limitation, in respect of CIM Developments Inc. and CIM Invests Development Inc.), 7, 9, 10, 11 and 13 (including, without limitation, the Undertaking and Acknowledgment, the Certificate (re Representations and Warranties) and the Assignment of Material Contracts) thereof.
4. Effective the date hereof, Security item 4 and the definition of Charge as set out in Schedule A to the Commitment are hereby amended by replacing “the Borrower” with “CIM Bayview Creek Inc.” and CIM Bayview Creek Inc. hereby acknowledges receipt of and agrees to be bound by Standard Charge Terms 201418.

5. In furtherance of section 2, each of CIM Invests Development Inc. and CIM Bayview Creek Inc. hereby assume, on a joint and several basis with Bayview Creek (CIM) LP, the outstanding indebtedness owing to the Lender under the Commitment and the Security (the "**Indebtedness**") and promise to pay to the Lender the Indebtedness in accordance with its terms.
6. Each of CIM Invests Development Inc. and CIM Bayview Creek Inc. hereby covenants, promises and agrees, on a joint and several basis with Bayview Creek (CIM) LP, to and with the Lender to observe, perform, be liable under and be bound by every covenant, term, condition, agreement, undertaking, obligation and proviso contained in the Commitment and the Security to the same extent as if it had been the Borrower prior to the date hereof and, as such, had executed the same as an original party thereto including, without limitation, as Indemnitor (as defined in Security item 7).
7. Effective the date hereof, the Trustee and Beneficial Owner Agreement dated May 13, 2016, contemplated by Security item 10, is hereby amended to replace all references to "CIM Invests Development Inc." with "CIM Bayview Creek Inc." as though CIM Bayview Creek Inc. was an original party thereto.
8. The Guarantors hereby acknowledge and agree that the Borrower, as defined in the Guarantee dated May 13, 2016, shall be collectively Bayview Creek (CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc.
9. The Borrower and the Guarantors agree to execute such further assurances with respect to this Agreement, the Commitment and the Security, as may be required to evidence the true intent and meaning of this Agreement including, without limitation, replacement security substantially in the form of the Security, within 5 Business Days of request therefore failing which there shall be a Default under the Commitment and the Security.
10. The Borrower and the Guarantors shall be responsible for the legal fees and disbursements of the Lender in connection with the preparation and negotiation of this Agreement which amount shall be paid forthwith on demand and shall be secured by the Security.
11. This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein. The Borrower and Guarantors irrevocably submit to the non-exclusive jurisdiction of the courts of such Province and acknowledge the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.
12. This Amendment is supplemental to and shall be read with and be deemed to be part of the Commitment and the Security, which shall be deemed to be amended *mutatis mutandis* as herein provided. Any reference to the Commitment or the Security in any agreements or documents entered into in connection with the Commitment or the Security shall mean the Commitment and the Security as amended hereby and all such agreements and documents are also hereby amended *pro tanto* to give effect to this Amendment.

13. All the terms and conditions of the Commitment and the Security, except insofar as the same are amended by the express provisions of this Amendment, are confirmed and ratified in all respects, shall survive and shall not merge with or be extinguished by the execution and delivery of this Amendment and shall hereafter continue in full force and effect, as amended.
14. This Amendment may be executed in any number of separate counterparts by any one or more of the parties hereto, and all of said counterparts taken together shall constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by telecopier, PDF or by other electronic means shall be as effective as delivery of a manually executed counterparts.

[The remainder of this page is blank. Signature page follows.]

Yours truly,

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Per: _____

Name: Riz Ahmad

Title: Chief Risk Officer

Per: _____

Name: Kyle Yatabe

Title: Account Manager, Corporate Finance

ACCEPTED on: June 18, 2018

**BAYVIEW CREEK (CIM) LP, by its general partner,
CIM INVESTS DEVELOPMENT INC.**

Per: _____

Name: Jiubin Feng

Title: President

CIM INVESTS DEVELOPMENT INC.

Per: _____

Name: Jiubin Feng

Title: President

CIM BAYVIEW CREEK INC.

Per: _____

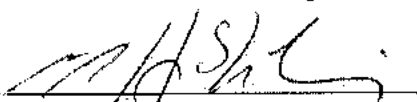
Name: Jiubin Feng

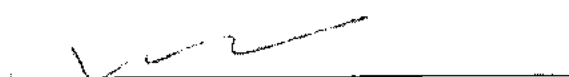
Title: President

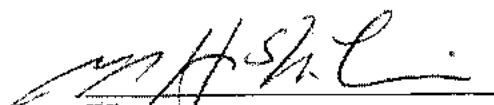
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The undersigned Guarantors have read, understand and accept the terms and conditions of this Agreement.

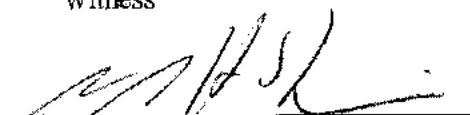
ACCEPTED on: June 18, 2018

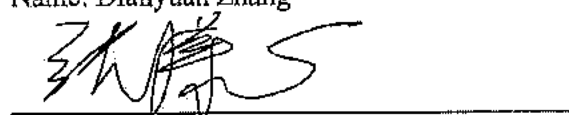

Witness


Name: Jiubin Feng


Witness


Name: Dianyuan Zhang


Witness


Name: Xiaoxin Zhang

TAB W

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

yyyy mm dd Page 1 of 5

Properties

PIN 03186 - 4757 LT
 Description PT LT 25, CON 2, (MKM),PTS 1 & 2, PL 65R31680;; TOWN OF RICHMOND HILL
 Address 10747 BAYVIEW AVENUE
 RICHMOND HILL

Consideration

Consideration \$2.00

Applicant(s)

The notice is based on or affects a valid and existing estate, right, interest or equity in land

Name CIM BAYVIEW CREEK INC.
 Address for Service 55 Commerce Valley Drive West, Unit
 502
 Markham, Ontario L3T 7V9
 I, JIUBIN FENG, President, have the authority to bind the corporation.
 This document is not authorized under Power of Attorney by this party.

Party To(s)

Capacity

Share

Name DUCA FINANCIAL SERVICES CREDIT UNION LTD.
 Address for Service 5290 Yonge Street
 Toronto ON M2N 5P9

I, Sergiu Cosmin, Senior Manager, Special Accounts, Riz Ahmed, Chief Risk Officer, have the authority to bind the corporation
 This document is not authorized under Power of Attorney by this party.

Statements

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, YR2473036 registered on 2016/05/18 to which this notice relates is deleted

Schedule: See Schedules

This document relates to registration number(s)YR2473036, YR2473037

Signed By

Oren Haim Chaimovitch 100-95 Barber Greene Rd. acting for Signed 2019 03 12
 Toronto Applicant(s)
 M3C 3E9

Tel 416-449-1400

Fax 416-449-7071

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

Submitted By

DEVRY, SMITH & FRANK 100-95 Barber Greene Rd. 2019 03 12
 Toronto
 M3C 3E9

Tel 416-449-1400

Fax 416-449-7071

Fees/Taxes/Payment

Statutory Registration Fee \$64.40
 Total Paid \$64.40

CHARGE AMENDING AND CONFIRMING AGREEMENT

THIS AGREEMENT made as of the 8th day of March, 2019.

BETWEEN:

CIM BAYVIEW CREEK INC.
(hereinafter called the "Chargor")

OF THE FIRST PART

- and -

DUCA FINANCIAL SERVICES CREDIT UNION LIMITED
(hereinafter called the "Chargee")

OF THE SECOND PART

WHEREAS:

A. By a charge/mortgage of land registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) (the "LRO") as Instrument No. YR2473036 (the "2016 Charge") CIM Invests Development Inc. charged the land municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario and more particularly described in Schedule "A" attached hereto (the "Charged Land") to the Chargee.

B. By a Transfer of land registered on June 21, 2018 in the Land Registry Office for the Land Titles Division of York Region (No. 65) (the "LRO") as Instrument No. YR2840443, CIM Invests Development Inc. conveyed the Charged Lands to the Chargor.

C. The Chargor and the Chargee wish to amend, ratify and confirm the 2016 Charge.

NOW THEREFORE THIS CHARGE AMENDING AND CONFIRMING AGREEMENT WITNESSES that in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. The parties hereto acknowledge and agree that the 2016 Charge is hereby amended to reflect and incorporate the following:

(a) "Interest Rate" is amended by deleting "Prime Rate plus 3.00%" and replacing the same with "Prime Rate plus 5.50%".

2. This amending and confirming agreement is supplemental to and shall be read with and be deemed to be part of the 2016 Charge, and the 2016 Charge shall be deemed to be amended as herein provided, and all changes made apply, mutatis mutandis, to the 2016 Charge.

3. All the terms and conditions of the 2016 Charge, except only insofar as the same are amended by the express provisions of this amending and confirming agreement, are confirmed and ratified in all respects and shall hereafter continue in full force and effect as amended.

4. The 2016 Charge shall henceforth be read in conjunction with this amending and confirming agreement, and the 2016 Charge and this amending and confirming agreement shall have effect, so far as is practical, as if all the provisions of the 2016 Charge and this amending and confirming agreement were contained in one instrument.

5. The 2016 Charge and all the terms, conditions, provisos, rights and obligations therein, except only insofar as the same are amended hereby, shall survive and shall not merge or be extinguished by the execution and delivery of this amending and confirming agreement, and shall remain in full force and effect thereafter. The Chargor hereby ratifies, confirms and acknowledges the terms of the 2016 Charge as hereby amended, and agrees to be bound by the

terms, conditions, provisos and obligations contained therein and in this amending and confirming agreement.

6. The assignment of rents, notice of which was registered on May 18, 2016 in the LRO as Instrument No. YR2473037, shall be deemed to be amended to reflect the changes made herein to the 2016 Charge.

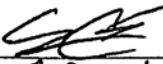
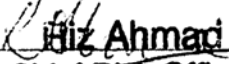
7. The Chargor shall, at its expense, from time to time and at all times hereafter, upon every reasonable request of the Chargee, make, do, execute and deliver or cause to be made, done executed and delivered all such further acts, deeds, assurances and things as may be necessary, in the opinion of the Chargee, for more effectually implementing and carrying out the true intent and meaning of this amending and confirming agreement.

8. This amending and confirming agreement may be signed in any number of counterparts and the signatures delivered by telecopy, each of which shall be deemed to be an original, with the same effect as if the signatures thereto were upon the same instrument and delivered in person. This amending and confirming agreement shall become effective when each party hereto shall have received a counterpart thereof signed by the other party hereto. In the case of delivery by telecopy by any party, that party shall forthwith deliver a manually executed original to the other party upon request.

9. The parties hereto agree that this amending and confirming agreement may be transmitted by facsimile or such similar device and that the reproduction of signatures by facsimile or such similar device will be treated as binding as if originals.

10. This amending and confirming agreement shall be binding upon and enure to the benefit of the parties herein and their respective heirs, estate trustees, personal representatives, successors and assigns.

**DUCA FINANCIAL SERVICES CREDIT
UNION LTD.**

Per: 
Name: Sergey Lesmin
Title: Senior Mgt Special Assets
Per: 
Name: Riz Ahmad
Title: Chief Risk Officer
I/We have authority to bind the Corporation

CIM BAYVIEW CREEK INC.

Per: _____
Jiubin Feng - President
I have authority to bind the Corporation

terms, conditions, provisos and obligations contained therein and in this amending and confirming agreement.

6. The assignment of rents, notice of which was registered on May 18, 2016 in the LRO as Instrument No. YR2473037, shall be deemed to be amended to reflect the changes made herein to the 2016 Charge.

7. The Chargor shall, at its expense, from time to time and at all times hereafter, upon every reasonable request of the Chargee, make, do, execute and deliver or cause to be made, done executed and delivered all such further acts, deeds, assurances and things as may be necessary, in the opinion of the Chargee, for more effectually implementing and carrying out the true intent and meaning of this amending and confirming agreement.

8. This amending and confirming agreement may be signed in any number of counterparts and the signatures delivered by telecopy, each of which shall be deemed to be an original, with the same effect as if the signatures thereto were upon the same instrument and delivered in person. This amending and confirming agreement shall become effective when each party hereto shall have received a counterpart thereof signed by the other party hereto. In the case of delivery by telecopy by any party, that party shall forthwith deliver a manually executed original to the other party upon request.

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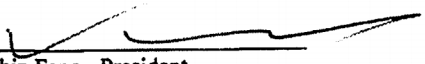
10. This amending and confirming agreement shall be binding upon and enure to the benefit of the parties herein and their respective heirs, estate trustees, personal representatives, successors and assigns.

**DUCA FINANCIAL SERVICES CREDIT
UNION LTD.**

Per: _____
Name:
Title:

Per: _____
Name:
Title:
I/We have authority to bind the Corporation

CIM BAYVIEW CREEK INC.

Per: 
Jiubin Feng - President
I have authority to bind the Corporation

SCHEDULE "A"

LEGAL DESCRIPTION

10747 Bayview Avenue, Richmond Hill, Ontario

PT LT 25, CON 2, (MKM), PTS 1 & 2, PL 65R31680;; TOWN OF RICHMOND HILL

PIN: 03186-4757 (LT)

TAB X

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

yyyy mm dd Page 1 of 5

Properties

PIN 03186 - 4757 LT Interest/Estate Fee Simple
 Description PT LT 25, CON 2, (MKM),PTS 1 & 2, PL 65R31680;; TOWN OF RICHMOND HILL
 Address 10747 BAYVIEW AVENUE
 RICHMOND HILL

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 CIM INVESTS DEVELOPMENT INC.
 Address for Service 55 Commerce Valley Drive West,
 Unit 502,
 Markham, Ontario, L3T 7V9

I, Jiubin Feng (President), have the authority to bind the corporation.
 This document is not authorized under Power of Attorney by this party.

Chargee(s)

Capacity

Share

Name ADJ HOLDINGS INC.
 Address for Service 2068 Piper Lane,
 London, Ontario, N6H 3N6

Statements

Schedule: See Schedules

Provisions

Principal \$12,000,000.00 Currency CDN
 Calculation Period monthly, not in advance
 Balance Due Date ON DEMAND
 Interest Rate 15.0% per annum
 Payments
 Interest Adjustment Date
 Payment Date ON DEMAND
 First Payment Date
 Last Payment Date
 Standard Charge Terms 201604
 Insurance Amount Full insurable value
 Guarantor Jiubin Feng

Signed By

Mark Kevin Lathem 1401-480 University Ave acting for Signed 2017 11 17
 Toronto
 M5G 1V2
 Chargor(s)

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

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

Submitted By

HIMELFARB, PROSZANSKI LLP 1401-480 University Ave 2017 11 17
 Toronto
 M5G 1V2

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

Fees/Taxes/Payment

Statutory Registration Fee	\$63.65
Total Paid	\$63.65

File Number

Chargee Client File Number :	85246-51 MJW/CJL
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SCHEDULE

ADDITIONAL PROVISIONS to a Charge/Mortgage between:

CIM Invests Development Inc. (the "Chargor")

- and -

ADJ Holdings Inc. (the "Chargee")

INTEREST ONLY PAYMENTS

The Chargor agrees to make interest only payments for the full term of the Charge/Mortgage, commencing one month after the earlier of (i) the Interest Adjustment Date; and (ii) the date of registration of this Charge/Mortgage, subject in either case to any reduction of the payment amount contemplated herein.

COMMITMENT LETTER

This Charge/Mortgage shall be subject to the terms and conditions contained in the Commitment Letter between Chargor and Chargee dated the 8th day of November, 2017 (the "Commitment Letter"), such terms being incorporated into this Charge/Mortgage by reference. Any default by the Chargor (or any one of them if more than one) under any terms of the Commitment Letter, or under any other security given by the Chargor (or any one of them if more than one) to the Chargee as security for the loan secured by this Charge/Mortgage, shall constitute default under this Charge/Mortgage. The Chargee hereby agrees to produce a copy of said Commitment Letter upon request, and the Chargor irrevocably consents to the production of same.

NON TRANSFERABLE

The Charge/Mortgage shall be non-transferable and in the event of the sale, transfer or conveyance of title to the subject property, the within Charge/Mortgage shall become immediately due and payable to the Chargee.

NO FURTHER ENCUMBERING

The Chargor shall not further charge or otherwise encumber the subject property without the prior written consent of the Chargee.

PREPAYMENT

The Chargor shall have such prepayment rights as are provided in the Commitment Letter. The Chargor shall have no prepayment right other than as provided therein.

PAYMENTS

Any payments including prepayment or full discharge shall be received by the Chargee no later than 1:00 p.m. on a business day (being a day not being a Saturday, Sunday or a holiday in the Province of Ontario), failing which additional interest shall be calculated and added to the discharge amount as of the next business day.

CONFIRMATION OF PAYMENT OF TAXES

The Chargor shall, both upon each anniversary of the registration of this Charge/Mortgage and additionally within seven (7) days of the Chargee demanding same, provide confirmation to the Chargee that the realty taxes have been paid; otherwise the Charge/Mortgage shall be deemed in default. In the event of non-payment of property taxes as required herein, the Chargee is entitled to charge a fee equal to Five Hundred (\$500.00) 00/100 Dollars to compensate it therefore, in addition to the other remedies provided under this Charge/Mortgage.

PROPERTY INSURANCE

Provided further that the Chargor shall, both upon each anniversary of the registration of this Charge/Mortgage and additionally within seven (7) days of the Chargee demanding same, provide confirmation to the Chargee that the subject property is covered by a fire and general property insurance showing the loss payable to the Chargee, on terms acceptable to the Chargee. It shall be a term of the mortgage that if the Chargor allows the insurance to lapse on the subject property and the Chargee is required to pay the insurance to prevent it from lapsing or if the Chargee places insurance on the property, the insurance payment shall be added to the principal of the Charge/Mortgage, and in addition, the Chargee is also entitled to charge a fee equal to Five Hundred (\$500.00) 00/100 Dollars to compensate it therefore, in addition to the other remedies provided under this Charge/Mortgage.

LEGAL PROCEEDINGS

In the event that collection, or other legal proceedings, are taken in connection with, or to realize upon the security granted by this Charge/Mortgage, an administration fee of One Thousand (\$1,000.00) 00/100 Dollars shall be added to the Charge/Mortgage debt on each occasion such proceedings are taken and said fees shall form a charge upon the subject property in favour of the Chargee, to be added to the principal of the Charge/Mortgage, which fee shall be in addition to the other remedies provided under this Charge/Mortgage.

The Chorgor agrees that in the event that this Charge/Mortgage is in arrears, the Chargee shall be entitled to a fee of One Thousand (\$1,000.00) 00/100 Dollars, to be added to the principal of the Charge/Mortgage on each such occasion and said fees shall form a charge upon the mortgage property in favour of the Chargee, which fees shall be in addition to the other remedies provided under this Charge/Mortgage.

Provided that in the event of default in payment under the Charge/Mortgage and the Chargee is in possession of the subject property, the Chargee shall be entitled to charge a fee for the administration and management of the subject property of an amount equal to Five (5.0%) Percent of the outstanding principal of the Charge/Mortgage per annum, calculated and payable daily for each day the Chargee is in possession.

DISCHARGE AND OTHER FEES

The Chorgor agrees that in the event the Chargee is required to provide a Mortgage Statement and/or Amortization Schedule, the Chorgor agrees to pay the Chargee's then current administration fee for each such statement.

The Chorgor agrees to pay to the Chargee or the Chargee's agent, upon satisfaction of the principal and interest accruals hereunder, the then current fee charged by or to the Chargee or the Chargee's agent for the calculation of discharge figures and execution and delivery of discharge documentation.

The Chorgor agrees to pay to the Chargee's legal fees and disbursements, on a solicitor and his or her own client full indemnity basis, for all matters related, directly or indirectly, to this Charge/Mortgage and/or the Commitment Letter.

In all matters, the Chorgor agrees to pay the Chargee's then current administrative fees as levied from time to time by the Chargee. The Chorgor further agrees that any fee shall be immediately due and payable and, if not immediately paid, shall be added to the principal of the Charge/Mortgage on each occasion, which fees shall be in addition to the other remedies provided under this Charge/Mortgage.

GUARANTORS

Each Guarantor (if any) agrees to be bound by the terms and conditions of this Charge/Mortgage, including the terms of the Commitment Letter and any standard charge terms incorporated into this Charge/Mortgage either by reference pursuant to the *Land Registration Reform Act* or by attaching the standard charge terms directly to this Charge/Mortgage.

REQUIREMENTS OF SECTION 8 OF THE INTEREST ACT (CANADA)

To the extent that Section 8 of the Interest Act (Canada), or any other section thereof, is at any time applicable to the Loan secured by this Charge/Mortgage, the Chorgor and each Guarantor acknowledge for the purposes of fulfilling the Chargee's obligations under that Act, that the Chargee has provided the equivalent rate of interest directly to the Chorgor, the receipt of which the Chorgor and any Guarantor hereby acknowledges, and which equivalent rate is incorporated into this Charge/Mortgage by reference.

MISCELLANEOUS

In the event that any sum is or may be added to the principal of the Charge/Mortgage, any such sum shall accrue interest at the same rate of interest as the principal sum and be payable by the Chorgor to the Chargee in the same manner as the principal sum secured by this Charge/Mortgage.

These Additional Provisions form part of the Charge/Mortgage. In the event of any inconsistency between these Additional Provisions, the Commitment Letter, the Charge/Mortgage and the standard charge terms, the provisions of these documents shall apply in the following order of precedence to resolve the inconsistency or conflict: (i) the Commitment Letter, including all schedules thereto; (ii) these Additional Provisions; (iii) the Charge/Mortgage; and (iv) the standard charge terms (whether incorporated by reference pursuant to the *Land Registration Reform Act* or by attaching the standard charge terms directly to this Charge/Mortgage).

- 3 -

Unless otherwise described herein or elsewhere in the Charge/Mortgage, for the purposes of the standard charge terms this Charge/Mortgage is a Fixed Rate Closed Loan and an Interest-Only Mortgage.

If any term, covenant or obligation contained in this Mortgage/Charge, or the application thereof to any person or circumstance, shall be invalid or unenforceable to any extent, the remaining provisions hereof or the application of such term, covenant or obligation to such other persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or obligation contained herein and in any schedule hereto shall be separately valid and enforceable to the fullest extent permitted by law.

In construing this document, the words "Charger" and "Chargee" and all personal pronouns shall be read as the number and gender of the party or parties referred to herein requires and all necessary grammatical changes, as the context requires, shall be deemed to be made.

The provisions of this document shall survive to and be binding upon the executors, administrators, successors and assigns of each party and all covenants, liabilities and obligations of the Charger shall, if there is more than one, be joint and several as between them.

7126488.2



TAB Y

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

yyyy mm dd Page 1 of 3

Properties

PIN 03186 - 4757 LT
 Description PT LT 25, CON 2, (MKM),PTS 1 & 2, PL 65R31680;; TOWN OF RICHMOND HILL
 Address 10747 BAYVIEW AVENUE
 RICHMOND HILL

Applicant(s)

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

Name CIM INVESTS DEVELOPMENT INC.
 Address for Service 55 Commerce Valley Drive West,
 Unit 502,
 Markham, Ontario L3T 7V9

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

Party To(s)

Capacity

Share

Name ADJ HOLDINGS INC.
 Address for Service 2068 Piper Lane,
 London, Ontario N6H 3N6

Statements

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

This notice may be deleted by the Land Registrar when the registered instrument, YR2760955 registered on 2017/11/17 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Qian Li 1401-480 University Ave acting for Signed 2017 11 17
 Toronto
 M5G 1V2 Applicant(s)

Tel 416-599-8080

Fax 416-599-3131

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

Matthew John Wilson 80 Dufferin Ave. acting for Signed 2017 11 17
 London, ON Party To(s)
 N6A 4G4

Tel 519-672-4131

Fax 519-672-3554

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

Submitted By

HIMELFARB, PROSZANSKI LLP 1401-480 University Ave 2017 11 17
 Toronto
 M5G 1V2

Tel 416-599-8080

Fax 416-599-3131

Fees/Taxes/Payment

Statutory Registration Fee \$63.65
 Total Paid \$63.65

File Number

Party To Client File Number : 85246-51 MJW/CJL

GENERAL ASSIGNMENT OF RENTS

THIS AGREEMENT made this 16th day of November, 2017.

BETWEEN:

CIM Invests Development Inc.

hereinafter called the "Assignor"

OF THE FIRST PART

-and-

ADJ Holdings Inc.

hereinafter called the "Chargee"

OF THE SECOND PART


Now therefore it is hereby covenanted, agreed and declared as follows:

1. In this agreement, unless there is something in the subject matter or context inconsistent therewith,

- a. "Charge" means a charge of the Lands from the Assignor to the Chargee securing the principal sum of \$11,000,000.00 plus interest thereon, and any other monies which may become owing to the Chargee under the Charge;
 - b. "Lands" means the lands and premises (hereinafter as "Richmond Hill" and municipally known as 10787 Bayview Avenue, Richmond Hill, Ontario L4C 0A9. The lands and premises is further described in the "Particulars" section of the document to which this schedule is attached;
 - c. "Leases" includes:
 - i. every existing and future lease and agreement to lease in respect of the whole or any portion of the Lands;
 - ii. every existing and future tenancy, agreement as to use or occupation and license in respect of the whole or any portion of the Lands, whether or not pursuant to any written lease, agreement or tenancy;
 - iii. every existing and future guarantee of all or any of the obligations of any existing or future tenant, user, occupier or licensee of the whole or any portion of the Lands; and
 - iv. every existing and future assignment of, and agreement to assume, the obligations of tenants of the whole or any portion of the Lands;
 - d. "Rents" means all royalties, moneys, income, debts, deposits, rents, additional moneys, interest monies and other monies of any nature and kind whatsoever arising from, payable under or assigned to the Leases, whether past due, now due or hereafter to become due and the benefit of all revenues of tenants, users, occupiers, licensees and guarantors under or in respect of the Leases.
2. The Chargee has assigned a second Charge (the "Charge") against the Lands. The Assignor is the owner of the Lands subject to the Charge and has agreed to enter into this agreement with the Chargee as reflected herein for the due payment of the Charge.
 3. The Assignor hereby assigns to the Chargee, its successors and assigns, its security for the principal, interest, and other amounts payable by the Chargee and until the monies due under and by virtue of the Charge have been fully paid and satisfied. In the Leases and all benefits and advantages to be derived therefrom with full power and authority to use the name of the Assignor or the owner from time to time of the Lands or the name of the Chargee, as the Chargee may elect in its sole discretion, in enforcing the covenants and agreements in the terms of the monies contained therein, and in the Rents, with full power and authority to demand, collect, and for, receive, receive and give receipts for the Rents and to enforce payment thereof in the name of the Assignor or the owner from time to time of the Lands or in the name of the Chargee, as the Chargee may elect in its sole discretion.
 4. The Assignor hereby represents, warrants, covenants and agrees that:
 - a. complete and true copies of all of the presently existing non-residential Leases have been delivered to the Chargee;
 - b. the Assignor will not without the prior written consent of the Chargee perform, or enter to perform, any act having the effect of terminating, cancelling or accepting surrender of any of the non-residential Leases or of waiving, releasing, reducing or abating any rights or remedies of the Assignor or any obligations of any other party (hereinafter as "non-residential Leases" of the Assignor's rights) hereunder, including the right to receive the Rents, will be altered, varied or amended;

- d. none of the Rents has been or will be paid more than one month in advance (except, if as provided in the lease or agreement, for payment of rent for the last month of the term not have they been advanced, released, waived, anticipated or otherwise discharged);
 - e. there has been no default of a material nature which has not been remedied under any of the Leases by any of the parties hereto;
 - f. there is no outstanding dispute under any of the Leases by any party hereto; and
 - g. the Assignor will observe and perform all of the Assignor's obligations under each of the Leases.
5. Subject to the provisions of paragraph 3 above, the Assignor shall be permitted to collect and receive the Rents as And when they shall become due and payable according to the terms of each of the Leases unless and until the Chargee shall give notice in the manner, time, manner, manner or guarantee there under requiring payment to the Chargee.
 6. Nothing contained herein or in any statute shall have the effect of making the Chargee, the successors or assigns, responsible for the collection of Rents or any of them or for the performance of the covenants, obligations or conditions under or in respect of the Leases or any of them to be observed or performed by the Assignor, and the Chargee shall not, by virtue of this agreement or its receipt of the Rents or any of them, become or be deemed a chargee or possessor of the Lands or the charged premises and the Chargee shall not be under any obligation to take any action to remedy any remedy in the collection or recovery of the Rents or any of them or to see to or enforce the performance of the obligations and liabilities of any person under or in respect of the Leases or any of them, and the Chargee shall be liable (in respect) only for such matters as shall actually come into its hands, and all costs and expenses and other proper indemnities.
 7. The Assignor hereby agrees to execute such further documents as may be reasonably required by the Chargee from time to time to perfect this agreement and assignment. The Assignor will from time to time at the reasonable request of the Chargee furnish to the Chargee a copy of the current rent roll of the building on the Lands showing the names of all Leases and, if requested by the Chargee, give the Chargee a specific assignment of the Rents thereunder in form satisfactory to the Chargee.
 8. The Assignor further agrees that the Assignor will not lease or agree to lease any part of the Lands except at a rent, on terms and conditions, and to tenants, which are not less favourable or desirable than those which a prudent landlord would expect in respect of the premises in its hands.
 9. The Assignor hereby agrees to indemnify at all times and from time to time and save the Chargee harmless from any and all demands, claims, damages, actions, proceedings, losses, costs, expenses, or payments incurred which the Chargee may sustain or incur by reason of the Assignor's failure to charge legal costs or by reason of accidental or other claims by any tenant under any lease in the building on the Lands or by any other tenant of the building and agrees that all costs charged with respect to the Lands or any part thereof will be lawful costs payable in any applicable legislation from time to time respecting residential housing and further agrees that it will file all forms required to be filed by such legislation in a timely, accurate and complete way.
 10. It is understood and agreed that this agreement and assignment is being taken as evidence solely for the due payment of any sum due under the Charge and that none of the rights or remedies of the Chargee under the Charge shall be delayed or in any way prejudiced by these payments; and that following completion of a discharge of the Charge this agreement and assignment shall be of no further force or effect, and such discharge shall act as a release and assignment of the assignments hereto.
 11. In this agreement words denoting the singular include the plural where appropriate and vice versa and words denoting any gender include all genders.
 12. This agreement and everything herein contained shall stand in, bind and secure to the benefit of the respective heirs, executors, administrators, successors and assigns of each of the parties hereto.

CIM INVEST'S DEVELOPMENT INC.

Per: 
Name: Jiubin Feng
Title: President

TAB Z

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

yyyy mm dd Page 1 of 24

Properties

PIN 03186 - 4757 LT *Interest/Estate* Fee Simple
Description PT LT 25, CON 2, (MKM),PTS 1 & 2, PL 65R31680;; TOWN OF RICHMOND HILL
Address 10747 BAYVIEW AVENUE
RICHMOND HILL

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 CIM BAYVIEW CREEK INC.
Address for Service 55 Commerce Valley Drive West, Unit
502
Markham, Ontario
L3T 7V9

I, JIUBIN FENG, President, have the authority to bind the corporation.

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

Chargee(s)*Capacity**Share*

Name ROMSPEN INVESTMENT CORPORATION
Address for Service 162 Cumberland Street
Suite 300
Toronto, Ontario
M5R 3N5

Statements

Schedule: See Schedules

Provisions

Principal \$15,000,000.00 *Currency* CDN
Calculation Period Monthly
Balance Due Date 2019/05/01
Interest Rate 13.0% per annum
Payments
Interest Adjustment Date 2018 12 01
Payment Date
First Payment Date 2019 01 01
Last Payment Date 2019 05 01
Standard Charge Terms
Insurance Amount Full insurable value
Guarantor

Signed By

Steven Peter Jeffery 2 Queen Street East Suite 1500 acting for Signed 2018 11 16
Toronto
M5C 3G5
Chargor(s)

Tel 416-593-1221

Fax 416-593-5437

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

Submitted By

BLANEY MCMURTRY LLP 2 Queen Street East Suite 1500 2018 11 16
Toronto
M5C 3G5

Tel 416-593-1221

Fax 416-593-5437

Fees/Taxes/Payment

Statutory Registration Fee	\$64.40
Total Paid	\$64.40

File Number

Chargee Client File Number :	1004530050
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TAB AA

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

yyyy mm dd Page 1 of 1

Properties

PIN 03186 - 4757 LT
Description PT LT 25, CON 2, (MKM),PTS 1 & 2, PL 65R31680;; TOWN OF RICHMOND HILL
Address 10747 BAYVIEW AVENUE
RICHMOND HILL

Document to be Discharged

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
YR2760955	2017 11 17	Charge/Mortgage

Discharging Party(s)

This discharge complies with the Planning Act. This discharge discharges the charge.

Name ADJ HOLDINGS INC.
Address for Service 2068 Piper Lane,
London, Ontario N5V 3N6
I, Andrew Charabin, President, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.
The party giving this discharge is the original chargee and is the party entitled to give an effective discharge

Document(s) to be Deleted

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
YR2760956	2017/11/17	Notice Of Assignment Of Rents-General

Signed By

CathyJo Anne Lombardi	680 Waterloo Street London N6A 3V8	acting for Applicant(s)	Signed	2018 11 16
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Tel 519-672-2121

Fax 519-672-6065

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

Submitted By

SISKINDS LLP	680 Waterloo Street London N6A 3V8	2018 11 16
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Tel 519-672-2121

Fax 519-672-6065

Fees/Taxes/Payment

<i>Statutory Registration Fee</i>	\$64.40
<i>Total Paid</i>	\$64.40

File Number

Discharging Party Client File Number : 858696 SISKINDS LLP

TAB BB



DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

Oren.Chaimovitch@devrylaw.ca

February 4, 2019

VIA REGISTERED AND REGULAR MAIL

Bayview Creek (CIM) LP
502-55 Commerce Valley Drive West
Markham, ON L3T 7V9

CIM Invests Development Inc.
502-55 Commerce Valley Drive West
Markham, ON L3T 7V9

CIM Bayview Creek Inc.
502-55 Commerce Valley Drive West
Markham, ON L3T 7V9

Dear Sirs:

**Re: DUCA Financial Services Credit Union Ltd. and Bayview Creek (CIM)
LP, CIM Invests Development Inc. and CIM Bayview Creek Inc.**

We act as solicitors for DUCA Financial Services Credit Union Ltd. ("DUCA"). According to our records, you are jointly and severally indebted to DUCA as of February 4, 2019 in the principal amount of \$20,720,000.00 with accrued interest thereon in the amount of \$143,791.12, a discharge fee of \$1,000.00 and an interest penalty in the amount of \$380,623.50 for a total amount owing as at February 4, 2019 of \$21,245,414.62.

Interest continues to accrue from February 4, 2019 to the date of payment at the Bank's prime rate of interest in effect from time to time plus 3.5%. The prime rate is currently 3.95% per annum.

Your indebtedness to the Bank is secured, *inter alia*, by a General Security Agreement dated May 13, 2016, as well as a Charge/Mortgage of Land registered in the Land Registry Office for the Land Titles Division of York Region (No. 65) on the May 18, 2016, as Instrument No. YR2473036 on the property municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario.

You are in default under your obligations to DUCA. We hereby demand payment of your indebtedness to our client. Unless payment of the total sum owing as aforesaid together with additional interest accrued and legal costs actually incurred to the date of payment or other satisfactory arrangements therefor are made within 15 days from the date thereof, DUCA shall take such steps as it deems necessary or desirable to recover payment of your indebtedness in full without further demand upon or notice to you. Such proceedings may include enforcement of DUCA's security.

Enclosed please find our client's Notice of Intention to Enforce Security which is served upon you pursuant to section 244(1) of the *Bankruptcy and Insolvency Act*, as well as notice being provided to you pursuant to Section 63(4) of the *Personal Property Security Act*, R.S.O. 1990, as amended.

Govern yourself accordingly.

Yours truly,

DEVRY SMITH FRANK LLP

A handwritten signature in black ink, appearing to read 'Oren Chaimovitch', with a stylized flourish at the end.

Oren Chaimovitch (Devry)
OHC:tm

Encl.

NOTICE OF INTENTION TO ENFORCE SECURITY
Bankruptcy and Insolvency Act (Canada)
(Subsection 244(1))

TO: Those persons set forth in Schedule "A" annexed hereto (the "Debtors"), each an insolvent person

Take Notice That:

1. DUCA FINANCIAL SERVICES CREDIT UNION LTD. ("DUCA"), a secured creditor, intends to enforce its security on the property of the above-mentioned insolvent person. The property is described as a collateral Charge/Mortgage given in support of the debts and obligations of the Debtors.
2. The security that is to be enforced is in the form of the following (the "Security"):
 - (a) a General Security Agreement dated May 13, 2016 in respect of which a financing statement was registered under the Personal Property Security Act (Ontario); and
 - (b) a Collateral Charge/Mortgage registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument No. YR2473036 made by CIM Invests Development Inc. as Chargor(s), in favour of DUCA.
3. The total amount of indebtedness secured by the Security is \$21,245,414.62, inclusive of principal and interest to February 4, 2019, plus costs and further interest accruing to the date of payment.
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 15 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Toronto, Ontario, this 4th day of February, 2019.

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

by its solicitors

DEVRY, SMITH & FRANK LLP

95 Barber Greene Road, Suite 100

Toronto, Ontario M3C 3E9

Per: _____


 OREN CHAIMOVITCH

SCHEDULE "A"

Bayview Creek (CIM) LP
502-55 Commerce Valley Drive West
Markham, Ontario
L3T 7V9

CIM Invests Development Inc.
502-55 Commerce Valley Drive West
Markham, Ontario
L3T 7V9

CIM Bayview Creek Inc.
502-55 Commerce Valley Drive West
Markham, Ontario
L3T 7V9

**NOTICE PURSUANT TO SECTION 63(4) OF THE
PERSONAL PROPERTY SECURITY ACT**

TO: Those persons set forth in Schedule "A" annexed hereto

TAKE NOTICE that default has been made in the payment of monies secured under the following security agreement (the "Security") granted by Bayview Creek (CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. (the "Debtors") to DUCA Financial Services Credit Union Ltd. ("DUCA"):

- (a) a General Security Agreement dated May 13, 2016 in respect of which a financing statement was registered under the Personal Property Security Act (Ontario).

The collateral covered by the Security comprises all the undertaking, property and assets of the Debtors. (the "Collateral").

AND TAKE NOTICE that DUCA intends to dispose of the Collateral unless redeemed.

1. The amount required to satisfy the obligations secured by the Security as at February 4, 2019 in the amount of \$21,245,414.62 as more particularly set forth in Schedule "B" hereto.
2. The estimated expenses of DUCA in taking, holding, preparing for disposition and disposing of the Collateral is \$5,000.00.
3. Upon receipt of payment, the payer will be credited with any rebates or allowances to which the Debtors. may be entitled.
4. DUCA hereby gives you notice that upon payment of the amounts due as above-described together with additional interest accrued and expenses actually incurred to the date of payment you may redeem the Collateral.
5. Unless payment of the amounts due as above-described is received by the earlier of 15 days from the date you actually receive this notice or 25 days after this notice is served upon you by registered mail, DUCA will dispose of the Collateral by private sale, public tender, public auction or otherwise and the Debtors., as well as any other person liable for payment of the obligations secured will be liable for any deficiency.

This notice is given to you because you may have an interest in the Collateral and you may be entitled to redeem the same.

2

DATED at Toronto, Ontario, this 4th day of February, 2019.

DUCA FINANCIAL SERVICES CREDIT
UNION LTD.

by its lawyers,

Messrs. Devry Smith Frank LLP
95 Barber Greene Road, Suite 100
Toronto, Ontario M3C 3E9



Per: _____

OREN CHAIMOVITCH

SCHEDULE "A"

Bayview Creek (CIM) LP
502-55 Commerce Valley Drive West
Markham, Ontario
L3T 7V9

CIM Invests Development Inc.
502-55 Commerce Valley Drive West
Markham, Ontario
L3T 7V9

CIM Bayview Creek Inc.
502-55 Commerce Valley Drive West
Markham, Ontario
L3T 7V9

Jiubin Feng
35 Penwood Crescent
Toronto, Ontario
M3B 3B1

Dianyuan Zhang
5 Fairfield Place
Thornhill, Ontario
L3T 7M7

Xiaoxin Zhang
5 Fairfield Place
Thornhill, Ontario
L3T 7M7

SCHEDULE “B”

1.	Principal	\$20,720,000.00
	Accrued Interest to Feb 4/19	143,791.12
	Discharge Fee	1,000.00
	Interest Penalty	<u>380,623.50</u>
		\$21,245,414.62
	per diem:	\$4,229.15



DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

Oren.Chaimovitch@devrylaw.ca

February 4, 2019

VIA REGISTERED AND REGULAR MAIL

Jiubin Feng
35 Penwood Crescent
Toronto, Ontario
M3B 3B1

Dear Jiubin Feng:

**Re: DUCA Financial Services Credit Union Ltd. and Bayview Creek (CIM)
LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. (the “Debtors”)**

We are the solicitors for DUCA Financial Services Credit Union Ltd. (“DUCA”).

Please find enclosed a copy of our letter dated February 4, 2019 to the Debtors demanding payment of its indebtedness and liabilities to DUCA. We also enclose with this correspondence the Notice of Sale pursuant to the *Personal Property Security Act* and Notice of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act*.

Payment of all debts and liabilities owing the Debtors were guaranteed by you pursuant to a Guarantee dated May 13, 2016 (the “Guarantee”). You are personally responsible to pay under the said Guarantee the amount of \$20,720,000.00, the accrued interest thereon in the amount of \$143,791.12, the discharge fee of \$1,000.00 and the interest penalty in the amount of \$380,623.50 together with interest thereon at a rate of Bank prime in effect from time to time plus 3.5% per annum from the date of the demand for payment.

We hereby demand payment under your Guarantee as well as legal fees incurred to date.

Please be advised that unless payment or satisfactory arrangements therefor are made within 10 days from the date of this correspondence, DUCA shall take such steps as it deems necessary or desirable in order to recover payment under your Guarantee without demand upon or notice to you.

Please govern yourself accordingly.

Yours truly,

DEVRY SMITH FRANK *LLP*

A handwritten signature in black ink, appearing to read 'Oren Chaimovitch', with a stylized flourish at the end.

Oren Chaimovitch (Devry)
OHC:tm



DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

Oren.Chaimovitch@devrylaw.ca

February 4, 2019

VIA REGISTERED AND REGULAR MAIL

Dianyuan Zhang
5 Fairfield Place
Thornhill, Ontario
L3T 7M7

Dear Dianyuan Zhang:

**Re: DUCA Financial Services Credit Union Ltd. and Bayview Creek (CIM)
LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. (the “Debtors”)**

We are the solicitors for DUCA Financial Services Credit Union Ltd. (“DUCA”).

Please find enclosed a copy of our letter dated February 4, 2019 to the Debtors demanding payment of its indebtedness and liabilities to DUCA. We also enclose with this correspondence the Notice of Sale pursuant to the *Personal Property Security Act* and Notice of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act*.

Payment of all debts and liabilities owing the Debtors were guaranteed by you pursuant to a Guarantee dated May 13, 2016 (the “Guarantee”). You are personally responsible to pay under the said Guarantee the amount of \$20,720,000.00, the accrued interest thereon in the amount of \$143,791.12, the discharge fee of \$1,000.00 and the interest penalty in the amount of \$380,623.50 together with interest thereon at a rate of Bank prime in effect from time to time plus 3.5% per annum from the date of the demand for payment.

We hereby demand payment under your Guarantee as well as legal fees incurred to date.

Please be advised that unless payment or satisfactory arrangements therefor are made within 10 days from the date of this correspondence, DUCA shall take such steps as it deems necessary or desirable in order to recover payment under your Guarantee without demand upon or notice to you.

Please govern yourself accordingly.

Yours truly,

DEVRY SMITH FRANK LLP

A handwritten signature in black ink, appearing to be 'Oren Chaimovitch', written in a cursive style.

Oren Chaimovitch (Devry)
OHC:tm

encl.



DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

Oren.Chaimovitch@devrylaw.ca

February 4, 2019

VIA REGISTERED AND REGULAR MAIL

Xiaoxin Zhang
5 Fairfield Place
Thornhill, Ontario
L3T 7M7

Dear Xiaoxin Zhang:

**Re: DUCA Financial Services Credit Union Ltd. and Bayview Creek (CIM)
LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. (the “Debtors”)**

We are the solicitors for DUCA Financial Services Credit Union Ltd. (“DUCA”).

Please find enclosed a copy of our letter dated February 4, 2019 to the Debtors demanding payment of its indebtedness and liabilities to DUCA. We also enclose with this correspondence the Notice of Sale pursuant to the *Personal Property Security Act* and Notice of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act*.

Payment of all debts and liabilities owing the Debtors were guaranteed by you pursuant to a Guarantee dated May 13, 2016 (the “Guarantee”). You are personally responsible to pay under the said Guarantee the amount of \$20,720,000.00, the accrued interest thereon in the amount of \$143,791.12, the discharge fee of \$1,000.00 and the interest penalty in the amount of \$380,623.50 together with interest thereon at a rate of Bank prime in effect from time to time plus 3.5% per annum from the date of the demand for payment.

We hereby demand payment under your Guarantee as well as legal fees incurred to date.

Please be advised that unless payment or satisfactory arrangements therefor are made within 10 days from the date of this correspondence, DUCA shall take such steps as it deems necessary or desirable in order to recover payment under your Guarantee without demand upon or notice to you.

Please govern yourself accordingly.

Yours truly,

DEVRY SMITH FRANK LLP

A handwritten signature in black ink, appearing to read 'Oren Chaimovitch', with a stylized flourish at the end.

Oren Chaimovitch (Devry)

OHC:tm

TAB CC

EXHIBIT "CC"**NOTICE OF SALE UNDER CHARGE**

TO: SEE SCHEDULE "A" ATTACHED

TAKE NOTICE that default has been made in payment of monies due under a certain Charge made between DUCA FINANCIAL SERVICES CREDIT UNION LTD. as Chargee and CIM INVESTS DEVELOPMENT INC., as Chargor upon the following property, namely:

PT LT 25, CON 2, (MKM), PTS 1 & 2, PL65R31680; TOWN OF RICHMOND HILL
Municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario

(the "Charge") which Charge was registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2473036 and which Charge was assumed by CIM BAYVIEW CREEK INC.

AND DUCA FINANCIAL SERVICES CREDIT UNION LTD. hereby gives you notice that the amounts due on the Charge for principal money, interest, costs and the other items hereinafter shown, respectively are as follows:

(a) Principal balance	\$20,720,000.00
(b) Interest to February 26, 2019	105,728.76
(c) Discharge Fee	1,000.00
(d) Interest Reserve	(330,824.01)
(e) Interest Penalty	380,623.50
(f) Legal Fees/disb incurred, including in forwarding this notice (including HST)	<u>5,100.00</u>
Total Due	\$20,881,628.25
E.&O.E.	

(such amount for costs being up to and including the service of this Notice only, and thereafter, such further costs and disbursements will be charged as may be proper),

together with interest at the Chargee's prime rate of interest in effect from time to time plus 3.5% per annum, and interest on overdue interest, at the same rate, calculated and payable in the same way, on the principal, interest and costs hereinbefore mentioned, from February 26, 2019 to the date of payment.

AND unless the said sums are paid on or before April 4, 2019, DUCA FINANCIAL SERVICES CREDIT UNION LTD. shall sell the property covered by the said Charge under the provisions contained in it.

THIS NOTICE is given to you as you appear to have an interest in the charged property and may be entitled to redeem the same.

DATED at Toronto, this 26th day of February, 2019.

DUCA FINANCIAL SERVICES CREDIT
UNION LTD. by its solicitors,
DEVRY SMITH FRANK LLP



REPLY TO: Devry Smith Frank LLP
100-95 Barber Greene Road
Toronto, ON M3C 3E9
Att'n Oren Chaimovitch (416) 446-3342

SCHEDULE "A"

- To: CIM INVESTS DEVELOPMENT INC.
9140 Leslie Street
Unit 310
Richmond Hill, Ontario
L4B 0A9
- To: CIM INVESTS DEVELOPMENT INC.
502-55 Commerce Valley Drive West
Markham, Ontario
L3T 7V9
- To: Bayview Creek (CIM) LP
502-55 Commerce Valley Drive West
Markham, Ontario
L3T 7V9
- To: CIM Invests Development Inc.
502-55 Commerce Valley Drive West
Markham, Ontario
L3T 7V9
- To: CIM Bayview Creek Inc.
502-55 Commerce Valley Drive West
Markham, Ontario
L3T 7V9
- To: Xiaoxin Zhang
5 Fairfield Place
Thornhill, Ontario
L3T 7M7
- To: Jiubin Feng
35 Penwood Crescent
Toronto, Ontario
M3B 3B1
- To: Dianyuan Zhang
5 Fairfield Place
Thornhill, Ontario
L3T 7M7
- To: Romspen Investment Corporation
162 Cumberland Street
Suite 300
Toronto, Ontario
M5R 3N5

TAB DD

EXHIBIT "DD"



DEVRY SMITH FRANK LLP
Lawyers & Mediators

Green.Chaimovich@dsfllp.ca

March 6, 2019

Bayview Creek (CIM) LP
502-55 Commerce Valley Drive West
Markham, ON L3T 7V9

CIM Invests Development Inc.
502-55 Commerce Valley Drive West
Markham, ON L3T 7V9

CIM Bayview Creek Inc.
502-55 Commerce Valley Drive West
Markham, ON L3T 7V9

Xiaowin Zhang
5 Fairfield Place
Thornhill, Ontario L3T 7M7

Jiubin Feng
35 Penwood Crescent
Toronto, Ontario M3B 3B1

Dianyuan Zhang
5 Fairfield Place
Thornhill, Ontario L3T 7M7

Dear Sirs:

Re: DUCA Financial Services Credit Union Ltd. credit facility in favour of Bayview Creek (CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. secured, *inter alia*, by a Charge/Mortgage of Land registered in the Land Registry Office for the Land Titles Division of York Region (No. 65) on May 18, 2016, as Instrument No. YR2473036 (the "Charge") on the property municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario (the "Property")

As you know, we are solicitors for DUCA Financial Services Credit Union Ltd. Reference is made to the commitment letter entered into among DUCA Financial Services Credit Union Ltd. (the "Lender"), Bayview Creek (CIM) LP by its general partner, CIM Invests Development Inc.,

and Jiebin Fong, Diayuan Zheng and Xiaoxin Zhang (collectively, the "Guarantors") dated April 15, 2016, as amended by letter agreements dated April 12, 2017, April 26, 2018 and June 14, 2018 (collectively, the "Commitment"). All capitalized terms used herein shall have the meanings ascribed thereto in the Commitment unless otherwise indicated.

As you also know, the Property was transferred from CIM Invests Development Inc. to CIM Bayview Creek Inc. and pursuant to the letter agreement dated June 14, 2018, Bayview Creek (CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. agreed that the Borrower, as defined in the Commitment means all three of them collectively on a joint and several basis as though each were an original party to the Commitment.

As you are also aware, events of Default have occurred and are continuing and we have demanded repayment of your indebtedness to the Lender and issued a Notice of Sale under the Charge. In accordance with our discussion with your lawyers, we confirm that the Lender is prepared to forebear from enforcing the Security and Charge until the earlier of (i) the occurrence of a further event of Default (which includes the events of Default as defined in the Commitment as well as any non-compliance with your obligations hereunder); and (ii) May 31, 2019 (the "Forbearance Deadline" and the period until the Forbearance Deadline is sometimes referred to as the "Forbearance Period") on the following basis:

1. You shall pay Lender \$109,000.00 on or before March 7, 2019 to be applied as follows:
 - a. a Forbearance Fee of \$100,000.00. The Forbearance Fee is payable in addition to the regular interest and other amounts payable under the Commitment;
 - b. the amount of \$9,000.00 to be applied as payment of towards legal costs incurred by the Lender;
 by certified cheque or bank draft made payable to Devry Smith Frank LLP, in trust.
2. You agree that from and after May 1, 2019, the Borrower will pay interest at a rate per annum equal to the Prime Rate plus 5.5% for the Credit Facility calculated and payable monthly on the first day of each month not in advance both before and after maturity, default and judgment.
3. As a condition to the Lender's obligation to forbear (as provided herein), you must:
 - a. provide by not later than March 11, 2019 in registerable form a Charge Amending Agreement increasing the rate of interest provided for in the Charge to the Lender's the Prime Rate plus 5.5% (the "Charge Amending Agreement") in the form attached as Schedule A hereto;
 - b. provide by not later than March 11, 2019 in registerable form a postponement by Romsper Investment Corporation ("Romsper") of its charge on the Property registered as Instrument YR2898574 to the Charge Amending Agreement in the form attached as Schedule B hereto;

- c. provide by not later than March 11, 2019 a Subordination and Standstill Agreement in the form attached hereto as Schedule C signed by Romspen, the Borrower and the Guarantors; and
 - d. otherwise comply with all of your obligations to the Lender set out in the Commitment and the Security save and except as may be provided herein.
4. By signing below, you acknowledge and agree that:
- a. you have received the demand letters (the "**Demands**") and the Notice of Intention to Enforce Security (the "**Notice**") issued by Devry Smith Frank LLP dated February 4, 2019 and the Notice of Sale under Mortgage (the "**Notice of Sale**") dated February 26, 2019. You agree that the issuance of Demands, the Notice and the Notice of Sale and their delivery were proper in all respects, the Indebtedness as set out therein is correct and that the Demands and the Notice not been withdrawn but remain and will continue to remain in full force and effect. If an additional event of Default occurs under the Commitment or you default in your obligations hereunder, the Lender shall be permitted to use and rely on the Demands and the Notice and shall not be required to issue a fresh demand for payment or Notice of Intention to Enforce Security prior to enforcing its Security.
 - b. Each of you hereby waives any rights to have any of the Indebtedness waived or the costs included therein assessed.
 - c. You have no defences, counterclaims or rights of set off or reduction against the Indebtedness (or to enforcement of the Security) whatsoever and all such defences, counterclaims or set off rights are expressly waived.
 - d. None of the rights and remedies under the Commitment and/or the Security and none of the existing events of Default are waived or shall be deemed to be waived by the agreement formed by this letter. However, the Lender will agree to withdraw its or Notice of Sale and take no further steps in enforcement of its rights and remedies under the Security during the Forbearance Period, provided no further events of Default occur. If a further Default does occur, or if the Lender in its discretion believes its Security is in jeopardy, the full amount of the Indebtedness shall immediately become due and payable and the Lender may immediately and without further notice to you exercise any or all of its rights, including enforcing the Security.
5. All of the Indebtedness (which when used herein means the Credit Facility and all fees, costs, interest and other amounts which may be owing to the Lender in accordance with the Commitment and Security) will be paid in full by the Forbearance Deadline. At that time, any additional legal costs incurred or amounts not paid in accordance with the terms of this letter shall be paid in full.

6. The agreement formed by this letter be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein. The Borrower and Guarantors irrevocably submit to the non-exclusive jurisdiction of the courts of such Province and acknowledge the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.
7. The agreement formed by this letter is supplemental to and shall be read with and be deemed to be part of the Commitment and the Security, which shall be deemed to be amended *mutatis mutandis* as herein provided. Any reference to the Commitment or the Security in any agreements or documents entered into in connection with the Commitment or the Security shall mean the Commitment and the Security as amended hereby and all such agreements and documents are also hereby amended *pro tanto* to give effect to the agreement formed by this letter. All the terms and conditions of the Commitment and the Security, except insofar as the same are amended by the express provisions of the agreement formed by this letter, are confirmed and ratified in all respects, shall survive and shall not merge with or be extinguished by the execution and delivery of the agreement formed by this letter and shall hereafter continue in full force and effect, as amended.
8. The agreement formed by this letter may be executed in any number of separate counterparts by any one or more of the parties hereto, and all of said counterparts taken together shall constitute one and the same instrument. Delivery of an executed counterpart of the agreement formed by this letter by telecopier, PDF or by other electronic means shall be as effective as delivery of a manually executed counterpart.

The above offer is open for acceptance until March 7, 2019 at 4 pm. We require you to acknowledge acceptance by signing this letter in the space indicated below, and returning it to our office along with the funds required in paragraph 1, above, by that time.

Yours truly,
DEVRY SMITH FRANK LLP



Oren Chaimovitch (Devry)

/ohc

We hereby accept the above terms and conditions this 7th day of March, 2019

**BAYVIEW CREEK (CIM) LP, by its general partner,
CIM INVESTS DEVELOPMENT INC.**

Per:


Rubin Feig - President

I have authority to bind the Corporation

CIM INVESTS DEVELOPMENT INC.

Per: 

Jiubin Feng - President



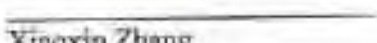
I have authority to bind the Corporation.

CIM BAYVIEW CREEK INC.

Per: 

Jiubin Feng - President

I have authority to bind the Corporation.


Jiubin Feng
Dianyu Zhang
Xiaoxin Zhang

SCHEDULE "A"

ACKNOWLEDGEMENT AND DIRECTION

TO: All Lawyers within the Firm of Devry Smith Frank LLP

AND TO: Any and all assignees of the above

RE: DUCA Financial Services Centre Union Ltd. credit facility in favour of Bayview Creek (CBA) LP, CIM Invest Development Inc. and CIM Bayview Creek Inc. secured, inter alia, by a Charge/Mortgage of Land registered in the Land Registry Office for the Land Titles Division of York Region (No. 65) on May 18, 2016, as Instrument No. YR2475036 (the "Charge") on the property municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario (the "Property")

This will confirm that:

1. We have reviewed the information contained on the documents attached hereto and this information is accurate;
2. You are authorized and directed to sign and register electronically on our behalf the following document(s), a copy(ies) of which in/are attached hereto:

A Notice - Charge Attending and Confirming Agreement of the land described above

3. The effect of the electronic documents described in this Acknowledgement and Direction has been fully explained to us and we understand that we are a party to and bound by the terms and provisions of these electronic documents to the same extent as if we had signed these documents;
4. We are in fact a party named in the electronic documents described in this Acknowledgement and Direction and we have not misrepresented our identity to you;
5. We hereby authorize Devry Smith Frank LLP to make any minor, non-material alterations that may be required by the Land Registry Office to effect certification of the electronic documents as described in this Acknowledgement and Direction by the Land Registry Office; and
6. We hereby confirm that the execution of the Acknowledgement and Direction by facsimile transmission shall be binding upon us and our successors and assigns and may be relied upon by you as if it were an original.

DATED this 7th day March, 2019.

CIM BAYVIEW CREEK INC.

Per: [Signature]
Ruimin Feng - President

I have authority to bind the Corporation

(R018 00) Notice

A prepared on 2018-09-05 at 10:32

This document has not been submitted and may be incomplete

YYY YYY YY Page 1 of 8

Properties

File C015E-4757 - LT
Description PT LT 25, CON 3, (MCM) PTS 1 & 2, PL BERRIBOU, TOWNSHIP OF RICHMOND HILL
Address 10747 BAYVIEW AVENUE
 RICHMOND HILL

Consideration

Consideration \$1.00

Applicant(s)

The notice is based on an estate, a vest and existing estate, right, interest or equity in land

Name C/O BAYVIEW CREEK INC.
 Acting as a company
Address for Service 88 Commerce Valley Drive West, Unit 202
 Markham, Ontario L3T 7V9
 I, JUDITH FENG, President, have the authority to bind the corporation.
 This document is not authorized under Power of Attorney by the party.

Party To(s)

Capacity

Share

Name DUCA FINANCIAL SERVICES CREDIT UNION LTD.
 Acting as a company
Address for Service 5200 Yonge Street
 Toronto, ON M2N 5P6

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

Statements

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, Y10473030 registered on 2018/09/18, to which this notice relates is deleted.

Schedule: See Schedule

This document relates to registration number Y10473030, Y10473037

CHARGE AMENDING AND CONFIRMING AGREEMENT

THIS AGREEMENT made as of the 7th day of March, 2019

BETWEEN:

CIM BAYVIEW CREEK INC.
(hereinafter called the "Charger")

OF THE FIRST PART

- and -

DUCA FINANCIAL SERVICES CREDIT UNION LIMITED
(hereinafter called the "Chargee")

OF THE SECOND PART

WHEREAS:

A. By a charge/mortgage of land registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) (the "LRO") as Instrument No. YR2473836 (the "2016 Charge") CIM Invers Development Inc. charged the land municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario and more particularly described in Schedule "A" attached hereto (the "Charged Land") to the Chargee.

B. By a Transfer of land registered on June 21, 2018 in the Land Registry Office for the Land Titles Division of York Region (No. 65) (the "LRO") as Instrument No. YR1840441, CIM Invers Development Inc. conveyed the Charged Land to the Charger.

C. The Charger and the Chargee wish to amend, ratify and confirm the 2016 Charge.

NOW THEREFORE THIS CHARGE AMENDING AND CONFIRMING AGREEMENT WITNESSES that in consideration of the premises and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. The parties hereto acknowledge and agree that the 2016 Charge is hereby amended to reflect and incorporate the following:

(a) "Interest Rate" is amended by deleting "Prime Rate plus 3.00%" and replacing the same with "Prime Rate plus 5.50%".

2. This amending and confirming agreement is supplemental to and shall be read with and be deemed to be part of the 2016 Charge, and the 2016 Charge shall be deemed to be amended as herein provided, and all changes made apply, mutatis mutandis, to the 2016 Charge.

3. All the terms and conditions of the 2016 Charge, except only insofar as the same are amended by the express provisions of this amending and confirming agreement, are confirmed and ratified in all respects and shall hereafter continue in full force and effect as amended.

4. The 2016 Charge shall hereafter be read in conjunction with this amending and confirming agreement, and the 2016 Charge and this amending and confirming agreement shall have effect, so far as is practical, as if all the provisions of the 2016 Charge and this amending and confirming agreement were contained in one instrument.

5. The 2016 Charge and all the terms, conditions, provisions, rights and obligations therein, except only insofar as the same are amended hereby, shall survive and shall not merge or be extinguished by the execution and delivery of this amending and confirming agreement, and shall remain in full force and effect thereafter. The Charger hereby ratifies, confirms and acknowledges the terms of the 2016 Charge as hereby amended, and agrees to be bound by the

terms, conditions, provisions and obligations contained therein and in this amending and confirming agreement.

6. The assignment of assets, notice of which was registered on May 18, 2016 in the LRD as Instrument No. VR2875037, shall be deemed to be amended to reflect the changes made herein to the 2016 Charge.

7. The Chargee shall, at its expense, from time to time and at all times hereafter, upon every reasonable request of the Charged, make, do, execute and deliver or cause to be made, done executed and delivered all such further acts, deeds, instruments and things as may be necessary, in the opinion of the Chargee, for more effectually implementing and carrying out the true intent and meaning of this amending and confirming agreement.

8. This amending and confirming agreement may be signed in any number of counterparts and the signatures delivered by telecopy, each of which shall be deemed to be an original, with the same effect as if the signatures thereto were upon the same instrument and delivered in person. This amending and confirming agreement shall become effective when each party hereto shall have received a counterpart hereof signed by the other party hereto. In the case of delivery by telecopy by any party, that party shall forthwith deliver a manually executed original to the other party upon request.

9. The parties hereto agree that this amending and confirming agreement may be transmitted by facsimile or such similar device and that the reproduction of signatures by facsimile or such similar device will be treated as binding as if originals.


10. This amending and confirming agreement shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, estate trustees, personal representatives, successors and assigns.

**DUCA FINANCIAL SERVICES CREDIT
UNION LTD.**

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____
I/We have authority to bind the Corporation

CIMBAYVIEW CREEK INC.

Per: 
Tishin Feng - President
I have authority to bind the Corporation

SCHEDULE "A"

LEGAL DESCRIPTION

10747 Bavview Avenue, Richmond Hill, Ontario

PT LT 25, CON 2, (MKM), PTS 1 & 2, PL 65R31680;; TOWN OF RICHMOND HILL

PIN: 03186-4757 (LT)

SCHEDULE "B"

ACKNOWLEDGEMENT AND DIRECTION

TO: All Lawyers within the Firm of Devry Smith Frank LLP

AND TO: Any and all designees of the above

RE: DUCFA Financial Services Credit Union Ltd. credit facility in favour of Bayview Creek (CIN) LP, CIN (Investor Development Inc. and CIN Bayview Creek Inc. second, inter alia, by a Charge/Mortgage of Land registered in the Land Registry Office for the Land Titles Division of York Region (No. 43) on May 18, 2016, as Instrument No. YB2473036 (the "Charge") on the property municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario (the "Property")

AND RE: Romspen Investment Corporation mortgage loan to CIN Bayview Creek Inc. secured by the Property

This will confirm that:

1. We have reviewed the information contained on the documents attached hereto and this information is accurate;
2. You are authorized and directed to sign and register electronically on our behalf the following document(s), a copy(ies) of which is(are) attached hereto:

A Postponement of Interest of the land described above

3. That effect of the electronic documents described in this Acknowledgement and Direction has been fully explained to us and we understand that we are a party to and bound by the terms and provisions of these electronic documents to the same extent as if we had signed these documents;
4. We are in fact a party named in the electronic documents described in this Acknowledgement and Direction and we have not misrepresented our identity to you;
5. We hereby authorize Devry Smith Frank LLP to make any minor, non-essential alterations that may be required by the Land Registry Office to effect certification of the electronic documents as described in this Acknowledgement and Direction by the Land Registry Office; and
6. We hereby confirm that the execution of the Acknowledgement and Direction by facsimile transmission shall be binding upon us and our successors and assigns and may be relied upon by you as if it were an original.

DATED this _____ day of _____, 2019

ROMSPEN INVESTMENT CORPORATION

Per: _____
Name:
Title:

I have authority to bind the Corporation

LHO 2-20 Postponement Of Interest

In jurisdiction on 2018-11-08 at 10:30

This document has not fully executed and may be incomplete

yyyy-mm-dd Page 1 of 1

Property

PIN: 001M-4737-17
 Description: PT 1 & 2, CON 2 (MGN)PTS 1 & 2, PL 6633830; TOWN OF RICHMOND HILL
 Address: 10741 BAYVIEW AVENUE
 RICHMOND HILL

Source Instruments

Registration No.	Date	Type of Instrument
YK2088874	2018-11-08	Charge/Mortgage

Party From(s)

Name: REDUSPEN INVESTMENT CORPORATION
 Acting as a company
 Address for Service: 150 Cumberland Street
 Suite 300
 Toronto, Ontario
 M5R 3N3

_____ have the authority to bind the corporation.

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

Party To(s)

Capacity

Share

Name: DUCA FINANCIAL SERVICES CREDIT UNION LTD.
 Acting as a company
 Address for Service: 5500 Yonge Street
 Toronto ON M2N 6P6

Statements

The applicant possesses the rights under the searched instrument to the rights under an instrument registered for notice: NOTICE 1

File Number

Party To Client File Number: RACAS027

SCHEDULE "C"

SUBORDINATION AND STANDSTILL AGREEMENT

THIS AGREEMENT made as of March ____, 2019 between DUCA Financial Services Credit Union Ltd. (the "Lender") and Romspen Investment Corporation (the "Subordinate Lender"),

Whereas the Subordinate Lender has made a credit facility available to CIM Bayview Creek Inc. ("CIM Bayview") which is secured by, among other things, a mortgage of the lands and premises described in Schedule "A" attached hereto (the "Property") and security interests in all present and after acquired personal property of CIM Bayview and its guarantors (the credit facility and all existing and future indebtedness and other obligations and liabilities owing by CIM Bayview to the Subordinate Lender thereunder from time to time are called the "Subordinate Indebtedness", and the security in respect of the Property including the security particularly described in Schedule "B" attached hereto, including all amendments, replacements and additions thereto and substitutions therefor, is called the "Subordinate Security");

And whereas as of the date hereof there is outstanding to the Subordinate Lender from CIM Bayview under the loan secured by the charge registered as Instrument No. YR28985745, as amended, the principal sum of \$15,000,000.00.

And whereas the Lender has made a loan (the "Loan") to Bayview Creek (CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. (the "Borrowers" and each a "Borrower") on the security of, among other things, a first mortgage registered as Instrument No. YR2473036 of the Property, as amended by a Charge Amending and Confirming Agreement registered as Instrument No. _____ (collectively, the "Mortgage"), as well as other security contemplated in the credit agreement between the Lender and the Borrowers dated as of April 15, 2016, as amended by letter agreements dated April 12, 2017, April 26, 2018, June 14, 2018 and March 6, 2019, and as may be amended from time to time (collectively, the "Credit Agreement"). All existing and future indebtedness and other obligations and liabilities owing by the Borrowers or any of them to the Lender from time to time pursuant to the Loan, including but not limited to the principal sum, all interest thereon, all future advances and all other amounts owing to the Lender thereunder from time to time, and including all reserves payable to the Lender relating to the Loan, are called the "Prior Indebtedness". The Mortgage, and all other additional or collateral security now or hereafter securing the Prior Indebtedness (including a first assignment of all rents and leases from or relating to the Property and a general security agreement with respect to all equipment and other personal property of the Borrowers or any of them comprising or used in connection with the operation of the Property) is called the "Prior Security".

And whereas the Subordinate Lender has agreed to subordinate and postpone the Subordinate Indebtedness and the Subordinate Security to and in favour of the Prior Indebtedness and the Prior Security. References herein to the Subordinate Indebtedness, Subordinate Security, Prior Indebtedness and Prior Security includes all renewals, extensions, amendments, modifications,

and restatements thereof or thereto from time to time that are permitted pursuant to this Agreement.

NOW THEREFORE for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the parties agree as follows:

1. Covenants, Representations and Warranties of the Subordinate Lenders. The Subordinate Lender consents to the Prior Indebtedness and the Prior Security and represent and warrant to the Lender that as of the date hereof (i) to the knowledge of the Subordinate Lender, CIM Bayview is not in default under the Subordinate Indebtedness and the Subordinate Security, (ii) they hold no security of any kind against the Property other than the Subordinate Security, (iii) the Subordinate Indebtedness and the Subordinate Security has been granted in their favour and they have full power, authority and legal right to enter into this agreement, (iv) the maximum total amount owing to the Subordinate Lender under the Subordinate Indebtedness will not exceed \$15,000,000.00 at the rate of thirteen (13%) percent per annum, calculated and payable monthly, not in advance, and all other fees, costs and expenses and other amounts that CIM Bayview may owe to the Subordinate Lender under the Subordinate Indebtedness and the Subordinate Security.

Upon request by the Lender from time to time, the Subordinate Lender shall provide to the Lender copies of the documents evidencing the Subordinate Security and/or a statement by the Subordinate Lender of the Subordinate Indebtedness then outstanding.

2. Covenants, Representations and Warranties of the Lender. The Lender consents to the Subordinate Indebtedness and the Subordinate Security and represents and warrants to the Subordinate Lender that as of the date hereof the maximum principal amount to be advanced by the Lender under the Prior Indebtedness will not exceed \$20,720,000.00, and all fees, costs and expenses and other amounts that the Borrowers may owe to the Lender under the Prior Indebtedness and the Prior Security. Upon request by the Subordinate Lender from time to time, the Lender shall provide to the Subordinate Lender copies of the documents evidencing the Prior Security and/or a statement by the Lender of the Prior Indebtedness then outstanding.

3. Subordination and Postponement. The Subordinate Lender hereby subordinates and postpones the Subordinate Security to the Prior Security and the Prior Indebtedness and agree with the Lender that, as between the Subordinate Security and the Prior Security, the Prior Security shall be a first priority lien and charge against the Property for the full amount of the Prior Indebtedness in full priority to the Subordinate Security. The subordination and postponement of the Subordinate Security to the Prior Security and the Prior Indebtedness shall include subordination of the Subordinate Indebtedness to the extent required to make the Prior Security and the Prior Indebtedness, as between the Subordinate Security and the Prior Security, a first priority lien and charge against the Property. No discharge, release or waiver by the Lender of any of its rights under the Prior Security against or in respect of the Property or any person or any amendment, renewal, extension, replacement, modification, supplement or restatement of any Prior Indebtedness and/or the Prior Security shall require notice to or the consent of the Subordinate Lender or otherwise affect the subordination and postponement, or the terms and conditions of, the Subordinate Security and the Subordinate Indebtedness granted

to and in favour of the Subordinate Lender, except for any amendment, replacement, modification, supplement or restatement thereof which is intended to or will increase the amount of the Prior Indebtedness (either by increasing the maximum principal amount of the Prior Indebtedness, or a change in the method of calculating the interest rate applicable thereto which results in an increase in the amount of interest payable during the term of the Loan, in which case, the prior written consent of the Subordinate Lender shall only be required with respect to, and only to the extent of, such increase of the amount of the Prior Indebtedness in order to maintain the priority of the Prior Security with respect to such increase. The Subordinate Lender shall not amend, modify, extend or renew the Subordinate Indebtedness or the Subordinate Security without the prior written consent of the Lender (which consent shall not be unreasonably withheld or delayed) if such amendment, modification, extension or renewal shall increase or accelerate the principal amount, interest rate or the amount or timing of any payments under the Subordinate Security or Subordinate Indebtedness or provide for additional fees, charges, an equity kicker or similar equity feature or other additional compensation of any nature and kind to the Subordinate Lender. The Subordinate Lender agrees to execute and deliver, upon request by the Lender and at the Borrowers' cost, such further instruments and agreements as may be reasonably required by the Lender to confirm and give effect to the provisions of this agreement and to register and record or file notice of this agreement and/or this subordination and postponement of the Subordinate Security in any office of public record as the Lender may consider necessary or desirable from time to time.

4. Payments. The Subordinate Lender agrees that no payments on account of the Subordinate Indebtedness, including interest, shall be made from the Property and/or the Loan without the prior written consent of the Lender once the Subordinate Lender receives written notice that the Prior Indebtedness is in default, until the earlier of the default being remedied and the date the Prior Indebtedness is paid in full, and if any such payments are received from the Property and/or the Loan, the Subordinate Lender shall immediately pay such amount to the Lender. All insurance, expropriation and condemnation proceeds relating to the Property shall be dealt with and applied, whether before or after any default under or in respect of the Prior Indebtedness or the Subordinate Indebtedness, in accordance with the provisions of the Prior Security notwithstanding any provision to the contrary in the Subordinate Security. The Lender and the Subordinate Lender shall provide reasonable cooperation to each other following the giving of such notice of default to ensure the provisions of this paragraph are complied with.

5. Standstill. The Subordinate Lender shall not take any Enforcement Action under or in respect of the Subordinate Security or the Subordinate Indebtedness with respect to all or any part of the Property or against the Borrowers or any of them without reasonable prior notice to and the written consent of the Lender, which consent may be given or withheld in its sole and unfettered discretion, until such time as ninety (90) days have expired following the delivery of written notice by the Subordinate Lender to the Lender of an unremedied default under the Subordinate Security entitling the Subordinate Lender to enforce same. For clarity, after the ninety (90) days aforesaid, the Subordinate Lender may take any Enforcement Action it deems appropriate without requiring the consent of the Lender. It is acknowledged and agreed that any Enforcement Action taken by the Lender shall always have priority over any Enforcement Action taken by the

Subordinate Lender. The Subordinate Lender shall not challenge, contest or bring into question the validity, priority or perfection of the Prior Security or any Enforcement Action taken by the Lender under or in respect of the Prior Security or Prior Indebtedness against the Borrowers or any of them or against all or any part of the Property. In this Section, "Enforcement Action" means the commencement of power of sale, foreclosure or other judicial or private sale proceedings, appointing or obtaining the appointment of a receiver, a manager or a receiver and manager or other person having similar powers in respect of any person or property, attachment of rents, taking possession or control of any property or undertaking or commencing any notice of intention to enforce security or any action or proceeding seeking payment or recovery of all or any part of any indebtedness or damages in lieu thereof, or accepting a transfer of any property in lieu of foreclosure, or the exercise of any other rights or remedies available to a creditor under its security or otherwise at law or in equity, including without limitation, any bankruptcy proceedings.

6. Assignment by Subordinate Lender. The Subordinate Lender agrees that it shall not sell, transfer, assign or otherwise dispose of any interest in the Subordinate Indebtedness or the Subordinate Security to any person or persons (the "Assignee") without the prior written consent of the Lender in its sole discretion, unless the Assignee assumes and agrees to be bound by this agreement, in which case the prior written consent of the Lender shall not be required. Any such assignment shall require the Assignee to assume and agree to be bound by the provisions of this agreement. Concurrently with any such sale, transfer, assignment or other disposition, the Subordinate Lender shall, if requested by the Lender, use its commercially reasonable efforts to cause each Assignee to enter into a subordination and standstill agreement with the Lender on the same terms and conditions as this agreement.

7. Further Assurances. The Subordinate Lender shall execute such further documents or instruments and take such further action as the Lender may reasonably require from time to time to carry out the intent of this agreement, including, without limitation, executing and delivering any short form subordination and postponement agreement or instrument required to register or record the subordination and postponement of the Subordinate Security and the Subordinate Indebtedness on title to the Property.

8. Notices. Any notice, demand or other communication which any party may desire or may be required to give to any other party shall be in writing and may be made or given by personal delivery, by registered mail or by facsimile transmission to the address for service of the recipient set forth below. Any demand, notice or communication made or given by personal delivery shall be conclusively deemed to have been made or given on the day of actual delivery thereof, and if made or given by registered mail, on the third business day following the deposit thereof in the mail, and if made or given by facsimile transmission, on the first business day following the transmittal thereof. The address for service for each party is as follows:

If to the Lender:

DUCA Financial Services Credit Union Ltd.
5290 Yonge Street
Toronto, ON M2N 5P9

with a copy to:

Devry Smith Frank LLP
Barristers and Solicitors
95 Barber Greene Road, Suite 100
Toronto ON M3C 3E9

Attention: Oren Chaimovitch
Fax: (416) 449-7071

If to the Subordinate Lender:

Romspen Investment Corporation
167 Cumberland Street
Suite 500
Toronto, Ontario M5R 3N5

With a copy to:

Blaney McMurtry LLP
2 Queen Street East Suite 1500
Toronto, ON M5C 3G5

Attention: Steven Peter Jeffery
Fax: 416-593-5437

If any party giving any demand, notice or other communication knows or reasonably ought to know of any difficulties with the postal system that might affect delivery of mail, such demand, notice or other communication shall not be mailed, but shall be given by personal delivery or by facsimile transmission. Any party hereto may change its address for service to which notices hereunder are required to be made or given by notice to other parties in accordance herewith.

9. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

10. Successors. The acknowledgements and agreements contained in this agreement shall extend to, be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns.

11. Joint and Several. All obligations, covenants, agreements and liabilities of the Subordinate Lender hereunder shall be joint and several.

12. Counterparts. This agreement may be executed in several counterparts and by facsimile signature, each of which when so executed shall be deemed to be an original and which counterparts together shall constitute one and the same instrument. Delivery of an executed

counterpart of the agreement formed by this letter by telecopier, PDF or by other electronic means shall be as effective as delivery of a manually executed counterpart.

IN WITNESS WHEREOF each of the parties has duly executed this agreement as of the date first above written.

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/We have authority to bind the Corporation.

ROMSPEN INVESTMENT CORPORATION

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/We have authority to bind the Corporation.

The Borrowers each hereby confirm to and agrees with the Lender and the Subordinate Lender that so long as any of the indebtedness of the Borrowers to Lender and the Subordinate Lender remains outstanding, they shall stand possessed of its assets so charged for Lender and the Subordinate Lender in accordance with their respective interests and priorities as herein set out and consent to the disclosure to such disclosure of information between the Lender and the Subordinate as provided for herein.

**BAYVIEW CREEK (CIM) LP, by its general partner,
CIM INVESTS DEVELOPMENT INC.**

Per: _____

Jubin Feng - President

I have authority to bind the Corporation.

CIM INVESTS DEVELOPMENT INC.Per: 

Jubin Feng - President

I have authority to bind the Corporation

CIM BAYVIEW CREEK INC.Per: 

Jubin Feng - President

I have authority to bind the Corporation

SCHEDULE "A"**LANDS**

Municipal Address:

10747 Bayview Avenue, Richmond Hill, ON

Legal Description:

PT LT 25, CON 2, (MKM), PTS 1 & 2, PL 65E31680; TOWN OF RICHMOND HILL; BEING
ALL 03186-4757(LT).

SCHEDULE "B"
SUBORDINATE SECURITY

Subordinate Mortgages and General Assignments of Rent:

Mortgage in the principal sum of \$15,000,000.00 registered as Instrument No. YR28985745 on November 16, 2018

Assignment of Rents registered as Instrument No. YR2898575 on November 16, 2018

Personal Property Security:

General Security Agreement, together with a financing statement filed under the Personal Property Security Act on November 16, 2018, as file no. _____ (Reg'n No. _____).

TAB EE



EXHIBIT "EE"

DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

Dean.Chaimovich@devrylaw.ca

April 18, 2019

Bayview Creek (CIM) LP
502-55 Commerce Valley Drive West
Markham, ON L3T 7V9

CIM Invests Development Inc.
502-55 Commerce Valley Drive West
Markham, ON L3T 7V9

CIM Bayview Creek Inc.
502-55 Commerce Valley Drive West
Markham, ON L3T 7V9

Xiaoxin Zhang
5 Fairfield Place
Thornhill, Ontario L3T 7M7

Jubin Feng
35 Penwood Crescent
Toronto, Ontario M3B 3B1

Dianyuan Zhang
5 Fairfield Place
Thornhill, Ontario L3T 7M7

Dear Sirs:

Re: DUCA Financial Services Credit Union Ltd. (the "Lender" or "DUCA"), credit facility in favour of Bayview Creek (CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. secured, *inter alia*, by a Charge/Mortgage of Land registered in the Land Registry Office for the Land Titles Division of York Region (No. 65) on May 18, 2016, as Instrument No. YR2473036 (the "Charge") on the property municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario (the "Property")

As you know, we are solicitors for DUCA Financial Services Credit Union Ltd.. We were provided with your letter to DUCA of April 15, 2019. We also make reference to the commitment letter

entered into among DUCA Financial Services Credit Union Ltd. (the "**Lender**"), Bayview Creek (CIM) LP by its general partner, CIM Invests Development Inc., and Jiubin Feng, Dianyuang Zhong and Xiaoxin Zhang (collectively, the "**Guarantors**") dated April 15, 2016, as amended by letter agreements dated April 12, 2017, April 26, 2018 and June 14, 2018, and our forbearance letter of March 6, 2019 (collectively, the "**Commitment**"). All capitalized terms used herein shall have the meanings ascribed thereto in the Commitment unless otherwise indicated.

The conditions to DUCA's the forbearance in the letter March 6, 2019 have not been met. Romspen Investment Corporation ("Romspen") did not provide a postponement of its charge on the Property registered as Instrument YR2898574 to the Charge Amending Agreement and did not provide the Subordination and Standstill Agreement.

That said, the Lender is prepared to forbear from enforcing the Security and Charge until the earlier of (i) the occurrence of a further event of Default (which includes the events of Default as defined in the Commitment as well as any non-compliance with your obligations hereunder); and (ii) November 21, 2019 (the "**Forbearance Deadline**" and the period until the Forbearance Deadline is sometimes referred to as the "**Forbearance Period**") on the following basis:

1. You shall pay the Lender \$200,000.00 on or before April 24, 2019 to be applied as follows:
 - a. a Forbearance Fee of \$150,000.00. The Forbearance Fee is payable in addition to the regular interest and other amounts payable under the Commitment;
 - b. the amount of \$45,000.00 to be added to the Interest Reserve and together with the current balance in the Interest Reserve of \$331,519.56, will be applied as payment towards interest payable to the Lender;
 - c. the amount of \$5,000.00 to be applied as payment of towards legal costs incurred by the Lender;


and to be paid by certified cheque or bank draft made payable to Devry Smith Frank LLP, in trust.

2. You are to provide on or before May 1, 2019:
 - a. A copy of the Letter of Intent provided by Firm Capital and the Agreement with Bryton Capital Corp. referred to in your letter of April 15, 2019;
 - b. The appraisal relied upon by Firm Capital in providing its Letter of Intent;
 - c. A undertaking signed by both the Borrower and Bryton Capital Corp. to provide DUCA with written progress reports on the severance process at 2 month intervals the form attached hereto as Schedule A. Default under the said undertaking by any party shall be deemed to be Default hereunder;

3. As a condition to the Lender's obligation to forbear (as provided herein), the following must occur:
 - a. by May 21, 2019 Bryton Capital Corp. ("Bryton") is to register a new second mortgage on the Property securing the amount of \$20,000,000, the proceeds of which shall repay and discharge the current mortgage in favour of Romspen;
 - b. the Borrower will provide by not later than May 21, 2019 a Subordination and Standstill Agreement in the form attached hereto as Schedule B signed by Bryton, the Borrower and the Guarantors;
 - c. the Borrower will by not later than May 21, 2019:
 - a. provide to the Lender the sum of \$1,000,000, to be held as cash security for the obligations of the Borrower under the Credit facility; and
 - b. provide to the Lender the sum of \$1,100,000, to be held as a further Interest Reserve in accordance with the terms of the Commitment Letter further security for the Credit facility;
4. You are to otherwise comply with all of your obligations to the Lender set out in the Commitment and the Security save and except as may be provided herein
5. By signing below, you acknowledge and agree that:
 - a. events of Default have occurred and are continuing and we have demanded repayment of your indebtedness to the Lender and issued a Notice of Sale under the Charge.
 - b. you have received the demand letters (the "**Demands**") and the Notice of Intention to Enforce Security (the "**Notice**") issued by Devry Smith Frank LLP dated February 4, 2019 and the Notice of Sale under Mortgage (the "**Notice of Sale**") dated March 14, 2019. You agree that the issuance of Demands, the Notice and the Notice of Sale and their delivery were proper in all respects, the Indebtedness as set out therein is correct and that the Demands and the Notice and the Notice of Sale have not been withdrawn but remain and will continue to remain in full force and effect. If an additional event of Default occurs under the Commitment or you default in your obligations hereunder, the Lender shall be permitted to use and rely on the Demands and the Notice and shall not be required to issue a fresh demand for payment or Notice of Intention to Enforce Security or Notice of Sale prior to enforcing its Security.
 - c. Each of you hereby waives any rights to have any of the Indebtedness waived or the costs included therein abated.
 - d. You have no defences, counterclaims or rights of set off or reduction against the Indebtedness (or to enforcement of the Security) whatsoever and all such defences, counterclaims or set off rights are expressly waived.


- None of the rights and remedies under the Commitment and/or the Security and none of the existing events of Default are waived or shall be deemed to be waived by the agreement formed by this letter. However, the Lender will agree to take no further steps in enforcement of its rights and remedies under the Security during the Forbearance Period, provided no further events of Default occur, the terms hereof are complied with and the conditions to forbearance set out herein are met. If a further Default does occur, or the terms hereof are complied with, or the condition to forbearance are not met, or if the Lender in its discretion believes its Security is in jeopardy, the full amount of the Indebtedness shall immediately become due and payable and the Lender may immediately and without further notice to you exercise any or all of its rights, including enforcing the Security.
6. All of the Indebtedness (which when used herein means the Credit Facility and all fees, costs, interest and other amounts which may be owing to the Lender in accordance with the Commitment and Security) will be paid in full by the Forbearance Deadline. At that time, any additional legal costs incurred or amounts not paid in accordance with the terms of this letter shall be paid in full.
 7. The agreement formed by this letter be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein. The Borrower and Guarantors irrevocably submit to the non-exclusive jurisdiction of the courts of such Province and acknowledge the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.
 8. The agreement formed by this letter is supplemental to and shall be read with and be deemed to be part of the Commitment and the Security, which shall be deemed to be amended *mutatis mutandis* as herein provided. Any reference to the Commitment or the Security in any agreements or documents entered into in connection with the Commitment or the Security shall mean the Commitment and the Security as amended hereby and all such agreements and documents are also hereby amended *pro tanto* to give effect to the agreement formed by this letter. All the terms and conditions of the Commitment and the Security, except insofar as the same are amended by the express provisions of the agreement formed by this letter, are confirmed and ratified in all respects, shall survive and shall not merge with or be extinguished by the execution and delivery of the agreement formed by this letter and shall hereafter continue in full force and effect, as amended.
 9. The agreement formed by this letter may be executed in any number of separate counterparts by any one or more of the parties hereto, and all of said counterparts taken together shall constitute one and the same instrument. Delivery of an executed counterpart of the agreement formed by this letter by telecopies, PDF or by other electronic means shall be as effective as delivery of a manually executed counterparts.

The above offer is open for acceptance until April 24, 2019 at 5 pm. We require you to acknowledge acceptance by signing this letter in the space indicated below, and returning it to our office along with the funds required in paragraph 1, above, by that time.




DEVRY SMITH FRANK LLP

Yours truly,
DEVRY SMITH FRANK LLP



Oren Chaimovitch (Devry)
/ohc

We hereby accept the above terms and conditions this 26th day of April, 2019


**BAYVIEW CREEK (CIM) LP, by its general partner,
CIM INVESTS DEVELOPMENT INC.**

Per: 
Jiubin Feng - President
I have authority to bind the Corporation

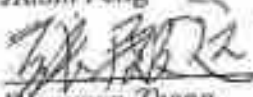
CIM INVESTS DEVELOPMENT INC.

Per: 
Jiubin Feng - President
I have authority to bind the Corporation

CIM BAYVIEW CREEK INC.

Per: 
Jiubin Feng - President
I have authority to bind the Corporation


Jiubin Feng


Manyuan Zhang


Xiaoxin Zhang

TAB FF

EXHIBIT "FF"



DEVRY SMITH FRANK LLP
Lawyers & Mediators

Oren.Chaimovitch@devrylaw.ca

May 22, 2019

Bayview Creek (CIM) LP
502-55 Commerce Valley Drive West
Markham, ON L3T 7V9

CIM Invests Development Inc.
502-55 Commerce Valley Drive West
Markham, ON L3T 7V9

CIM Bayview Creek Inc.
502-55 Commerce Valley Drive West
Markham, ON L3T 7V9

Xiaoxin Zhang
5 Fairfield Place
Thornhill, Ontario L3T 7M7

Jiubin Feng
35 Penwood Crescent
Toronto, Ontario M3B 3B1

Dianyuan Zhang
5 Fairfield Place
Thornhill, Ontario L3T 7M7

Dear Sirs:

Re: DUCA Financial Services Credit Union Ltd. (the "Lender" or "DUCA"), credit facility in favour of Bayview Creek (CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. (collectively, the "Borrower") secured, *inter alia*, by a Charge/Mortgage of Land registered in the Land Registry Office for the Land Titles Division of York Region (No. 65) on May 18, 2016, as Instrument No. YR2473036 (the "Charge") on the property municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario (the "Property")

As you know, we are solicitors for DUCA Financial Services Credit Union Ltd. This letter, once accepted, replaces our letter of April 18, 2019, as we understand you are unable to meet some of the timelines set out in that letter. We also make reference to the commitment letter entered into

among DUCA Financial Services Credit Union Ltd. (the "**Lender**"), Bayview Creek (CIM) LP by its general partner, CIM Invests Development Inc., and Jiubin Feng, Dianyuan Zheng and Xiaoxin Zhang (collectively, the "**Guarantors**") dated April 15, 2016, as amended by letter agreements dated April 12, 2017, April 26, 2018 and June 14, 2018, and our forbearance letter of March 6, 2019 (which together with our letter of April 18, 2019, are collectively referred to as the "**Commitment**"). All capitalized terms used herein shall have the meanings ascribed thereto in the Commitment unless otherwise indicated.

The conditions to DUCA's the forbearance in the letter March 6, 2019 have not been met. Romspen Investment Corporation ("Romspen") did not provide a postponement of its charge on the Property registered as Instrument YR2898574 to the Charge Amending Agreement and did not provide the Subordination and Standstill Agreement.

The Lender is prepared to forebear from enforcing the Security and Charge until the earlier of (i) the occurrence of a further event of Default (which includes the events of Default as defined in the Commitment as well as any non-compliance with your obligations hereunder); and (ii) May 21, 2020 (the "**Forbearance Deadline**" and the period until the Forbearance Deadline is sometimes referred to as the "**Forbearance Period**") on the following basis:

1. You have paid the Lender \$200,000.00 in accordance with paragraph 1 of our letter of April 18, 2019, which will be applied as follows:
 - a. a forbearance fee of \$150,000.00 (the "**Forbearance Fee**"). The Forbearance Fee is payable in addition to the regular interest and other amounts payable under the Commitment;
 - b. the amount of \$45,000.00 to be added to the Interest Reserve and together with the current balance in the Interest Reserve of \$331,519.56, will be applied as payment towards interest payable to the Lender;
 - c. the amount of \$5,000.00 to be applied as payment of towards legal costs incurred by the Lender;
2. You are to provide on or before May 24, 2019, an undertaking signed by the Borrower to provide DUCA with written progress reports on the severance process at 2 month intervals the form attached hereto as Schedule A. Default under the said undertaking shall be deemed to be Default hereunder;
3. As a condition to the Lender's obligation to forebear (as provided herein), the following must occur:
 - a. by May 31, 2019 Bryton Capital Corp. ("Bryton") is to register a new second mortgage on the Property securing the amount of \$20,000,000, the proceeds of which shall repay and discharge the current mortgage in favour of Romspen;
 - b. the Borrower will, by not later than May 31, 2019:

- i. provide to the Lender the sum of \$1,000,000, to be held as cash security (the "Cash Security") for the obligations of the Borrower under the Credit facility; If the Indebtedness is not repaid in full by November 21, 2019 and there has not been any further Default by that time, the Cash Security will be added to the Interest Reserve in accordance with the terms of the Commitment;
 - ii. provide to the Lender the sum of \$1,100,000, to be held as a further Interest Reserve in accordance with the terms of the Commitment as further security for the Credit facility; and
 - iii. provide to the Lender the sum of \$100,000 as a further forbearance fee (the "Further Forbearance Fee"). The Further Forbearance Fee is payable in addition to the regular interest and other amounts payable under the Commitment. One half of the Further Forbearance Fee would be refunded to the Borrower if there has not be any further Default and the Indebtedness is repaid in full by November 21, 2019.
4. You are to otherwise comply with all of your obligations to the Lender set out in the Commitment and the Security save and except as may be provided herein
5. By signing below, you acknowledge and agree that:
 - a. events of Default have occurred and are continuing and we have demanded repayment of your indebtedness to the Lender and issued a Notice of Sale under the Charge.
 - b. you have received the demand letters (the "**Demands**") and the Notice of Intention to Enforce Security (the "**Notice**") issued by Devry Smith Frank LLP dated February 4, 2019 and the Notice of Sale under Mortgage (the "**Notice of Sale**") dated March 14, 2019. You agree that the issuance of Demands, the Notice and the Notice of Sale and their delivery were proper in all respects, the Indebtedness as set out therein is correct and that the Demands and the Notice and the Notice of Sale have not been withdrawn but remain and will continue to remain in full force and effect. If an additional event of Default occurs under the Commitment or you default in your obligations hereunder, the Lender shall be permitted to use and rely on the Demands and the Notice and shall not be required to issue a fresh demand for payment or Notice of Intention to Enforce Security or Notice of Sale prior to enforcing its Security.
 - c. Each of you hereby waives any rights to have any of the Indebtedness waived or the costs included therein assessed.
 - d. You have no defences, counterclaims or rights of set off or reduction against the Indebtedness (or to enforcement of the Security) whatsoever and all such defences, counterclaims or set off rights are expressly waived.

- e. None of the rights and remedies under the Commitment and/or the Security and none of the existing events of Default are waived or shall be deemed to be waived by the agreement formed by this letter. However, the Lender will agree to take no further steps in enforcement of its rights and remedies under the Security during the Forbearance Period, provided no further events of Default occur, the terms hereof are complied with and the conditions to forbearance set out herein are met. If a further Default does occur, or the terms hereof are not complied with, or the condition to forbearance are not met, or if the Lender in its discretion believes its Security is in jeopardy, the full amount of the Indebtedness shall immediately become due and payable and the Lender may immediately and without further notice to you exercise any or all of its rights, including enforcing the Security.
6. All of the Indebtedness (which when used herein means the Credit Facility and all fees, costs, interest and other amounts which may be owing to the Lender in accordance with the Commitment and Security) will be paid in full by the Forbearance Deadline. At that time, any additional legal costs incurred or amounts not paid in accordance with the terms of this letter shall be paid in full.
7. The agreement formed by this letter be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein. The Borrower and Guarantors irrevocably submit to the non-exclusive jurisdiction of the courts of such Province and acknowledge the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.
8. The agreement formed by this letter is supplemental to and shall be read with and be deemed to be part of the Commitment and the Security, which shall be deemed to be amended *mutatis mutandis* as herein provided. Any reference to the Commitment or the Security in any agreements or documents entered into in connection with the Commitment or the Security shall mean the Commitment and the Security as amended hereby and all such agreements and documents are also hereby amended *pro tanto* to give effect to the agreement formed by this letter. All the terms and conditions of the Commitment and the Security, except insofar as the same are amended by the express provisions of the agreement formed by this letter, are confirmed and ratified in all respects, shall survive and shall not merge with or be extinguished by the execution and delivery of the agreement formed by this letter and shall hereafter continue in full force and effect, as amended.
9. The agreement formed by this letter may be executed in any number of separate counterparts by any one or more of the parties hereto, and all of said counterparts taken together shall constitute one and the same instrument. Delivery of an executed counterpart of the agreement formed by this letter by telecopier, PDF or by other electronic means shall be as effective as delivery of a manually executed counterparts.

The above offer is open for acceptance until May 24, 2019 at 5 pm. We require you to acknowledge acceptance by signing this letter in the space indicated below, and returning it to our office along with the undertaking referred to in paragraph 2, above, by that time.

DEVRY SMITH FRANK LLP

Page 5

Yours truly,
DEVRY SMITH FRANK LLP



Oren Chaimovitch (Devry)
/ohc

We hereby accept the above terms and conditions this 23rd day of May, 2019

**BAYVIEW CREEK (CIM) LP, by its general partner,
CIM INVESTS DEVELOPMENT INC.**

Per: 

Jiubin Feng - President

I have authority to bind the Corporation

CIM INVESTS DEVELOPMENT INC.

Per: 

Jiubin Feng - President

I have authority to bind the Corporation

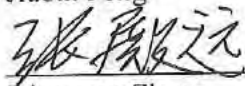
CIM BAYVIEW CREEK INC.


Per: 

Jiubin Feng - President

I have authority to bind the Corporation


Jiubin Feng


Dianyuan Zhang


Xiaoxin Zhang

Schedule A

UNDERTAKING and CONSENT TO RELEASE CERTAIN INFORMATION

TO: DUCA Financial Services Credit Union Ltd. ("DUCA")

AND TO: all government agencies and authorities

Re: 10747 Bayview Avenue, Richmond Hill, Ontario (the "Property")

For good and valuable consideration, the undersigned undertakes to provide DUCA with written updates as to the status of their efforts to sever the Property within 15 days of today's date and every 60 days thereafter. Such updates shall include copies of all documents submitted and relied upon for such application.

The undersigned irrevocably authorizes the release by all government agencies and authorities to DUCA at any time and from time to time, information regarding or affecting the Property including, without limitation, the status of the above-noted severance application.

The undersigned hereby irrevocably authorizes DUCA to request, on behalf of any of the undersigned, information regarding Property and authorizes and directs any party to whom such a request is made (a "Disclosing Party") to release such information on a timely basis, with any costs in connection therewith being for the undersigned's account, and the undersigned hereby expressly waives any right to claim against any Disclosing Party for breach of the undersigned's rights under any applicable law or regulation, including, without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada).

Dated this ____ day of May, 2019.

CIM INVESTS DEVELOPMENT INC.

Per: 

Jiubin Feng - President

I have authority to bind the Corporation

CIM BAYVIEW CREEK INC.

Per: 

Jiubin Feng - President

I have authority to bind the Corporation

TAB GG

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

yyyy mm dd Page 1 of 11

Properties

PIN 03186 - 4757 LT Interest/Estate Fee Simple
 Description PT LT 25, CON 2, (MKM),PTS 1 & 2, PL 65R31680;; TOWN OF RICHMOND HILL
 Address 10747 BAYVIEW AVENUE
 RICHMOND HILL

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 CIM BAYVIEW CREEK INC.
 Address for Service 55 Commerce Valley Drive West, Unit
 502,
 Markham, Ontario L3T 7V9

I, Jiubin Feng, President, have the authority to bind the corporation.

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

Chargee(s)

Capacity

Share

Name BRYTON CAPITAL CORP. GP LTD.
 Address for Service 65 Queen Street West, Suite 210
 Toronto, Ontario M5H 2M5

Provisions

Principal \$20,000,000.00 Currency CDN
 Calculation Period SEE SCHEDULE
 Balance Due Date 2020/07/01
 Interest Rate SEE SCHEDULE
 Payments
 Interest Adjustment Date 2019 07 01
 Payment Date First Day of Each and Every Month
 First Payment Date 2019 08 01
 Last Payment Date 2020 07 01
 Standard Charge Terms 200033
 Insurance Amount Full insurable value
 Guarantor JIUBIN FENG and DIAN YUAN ZHANG

Additional Provisions

See Schedules

Signed By

Janet Alvarado 20 Holly St. Ste 300 acting for Signed 2019 06 14
 Toronto
 M4S 3B1
 Chargor(s)

Tel 416-486-9800

Fax 416-486-3309

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

Submitted By

OWENS, WRIGHT LLP 20 Holly St. Ste 300 2019 06 17
 Toronto
 M4S 3B1

Tel 416-486-9800

Fax 416-486-3309

Fees/Taxes/Payment

Statutory Registration Fee \$64.40
 Total Paid \$64.40

File Number

Chargor Client File Number :

CIM BAYVIEW CREEK INC./ CHARGE

Chargee Client File Number :

10250011 BRYTON CAPITAL CORP. GP LTD.

SCHEDULE

ADDITIONAL PAYMENT PROVISIONS

- a) FOR THE PURPOSES hereof, "**prime rate**" shall mean the annual rate of interest charged from time to time by the Main Branch in Toronto of **The Toronto-Dominion Bank** (the "**Bank**") for demand loans in Canadian dollars to its most creditworthy commercial borrowers. In the event that at any time the Bank has in effect more than one such prime rate, then the highest rate shall be used. Should the Bank, during the term hereof, abolish or abandon the practice of publishing or issuing a prime rate, then the prime rate used for the balance of the term of this Charge shall be that rate then in effect at the Bank which most effectively meets with initial definition of prime rate.
- b) PROVIDED this Mortgage shall be void upon payment of **TWENTY MILLION (\$20,000,000.00) DOLLARS** of lawful money of Canada with interest thereon at a rate equal to the greater of (a) **8.00%** per annum; or (b) **4.00%** per annum above the prime rate; with such interest to be calculated daily and compounded and payable monthly as herein set forth, as well after as before maturity and both before and after default as follows:
- c) the whole of the said principal sum of **TWENTY MILLION (\$20,000,000.00) DOLLARS** then outstanding shall become due and payable on **July 1, 2020** and interest at the said rate compounded and calculated as aforesaid, as well after as before maturity and both before and after default on such portion of the principal as remains from time to time unpaid on the 1st day of each and every month during the term until the principal is fully paid; the first payment of interest is to be computed from the date of advance of funds hereunder, upon the principal sum so advanced, to become due and payable on **August 1, 2019**.
- d) PROVIDED that if and whenever the prime rate is varied by the Bank, the interest rate hereunder shall be varied, so that at all times the interest rate hereunder, if calculated based on the prime rate, shall be **4.00%** per annum above the prime rate then in effect.
- e) IN THE EVENT that it may be necessary at any time for the Chargee to prove the prime rate applicable at any time or times, it is agreed that the certificate in writing of the Chargee setting forth the prime rate as at any time or times, shall be deemed to be conclusive evidence thereof for all purposes hereof.

The Mortgagor acknowledges that the prime rate as hereinbefore defined on a per annum basis was **3.950% on June 3, 2019**.

ADDITIONAL PROVISIONS

1. When not in default, interest shall accrue on the outstanding balance of the Charge from time to time throughout the term of the Charge.
2. Provided that the Chargor shall at the commencement date of the within Charge provide the Chargee with a series of twelve (12) post-dated cheques from its bank account for the term of the Charge, each cheque to be based on minimum interest payable monthly and shall pay to the Chargee, as and when due, any additional monthly interest owing as a result of any increase to the Bank's prime rate.
3. The Chargor agrees that in the event that the bank of the Chargor does not honour, for any reason whatsoever, any wire deposits submitted by the Chargor to any Chargee hereunder by way of interest payment or any other monies required to be paid by the Chargor to the Chargee hereunder, or should the Chargor fail to provide the interest prepayments herein when due, then the Chargee shall forthwith be entitled to payment by the Chargor to the Chargee of the sum of **TWO HUNDRED AND FIFTY DOLLARS (\$250.00)** as liquidated amount, per occurrence, to cover the Chargee's administration costs and not as penalty and such sum shall be a charge upon the said lands and shall bear interest at the rate herein before stated.
4. Provided that the Chargor is not in default the Chargor may pay to the Chargee at any time or times or times, without bonus, any sum up to and including the total sum of the then unpaid balance of the principal sum, accrued interest thereon and all other amounts then payable under this Charge, upon thirty (30) days' prior written notice to the Chargee.

5. In the event that the Chargor sells, conveys, transfers, assigns or exercises a power of appointment with respect to the Property herein described to a purchaser, transferee or assignee or in the event of a change of shareholders of the Chargor which results in a change of control of the Chargor in the event of a change in the beneficial ownership of the Property herein described without first obtaining the consent in writing of the Chargee the entire principal sum and interest hereby secured shall, at the option of the Chargee, forthwith become due and payable.

Notwithstanding anything hereinbefore contained, the Chargee agrees that the within Charge may be assumed by Bryton Creek Residences Inc. ("**Bryton**"), at the sole option of Bryton, where Bryton (or any entity as Bryton directs in writing) acquires registered title to the Charged Lands, regardless of whether this Charge is in default at such time. The Chargee agrees to forthwith provide Bryton, upon its request, with a mortgage statement for assumption purposes. Provided further, that the registration of a transfer of title to the Charge Lands in favour of Bryton (or to such entity as Bryton directs in writing) shall constitute a valid assumption of this Charge as aforesaid and the Chargee shall not call for production or delivery of any further documentation from the Chargor in respect to the same.

6. Any agreement for renewal or extension of the term of payment of the monies hereby secured, or any part thereof, prior to the execution of the Discharge of this Charge by the Chargee need not be registered in any Registry Office, but shall be effectual and binding on the Chargor, their heirs, representatives or assigns, including any subsequent Chargee of said lands, or any part thereof, to all intents and purposes, and take priority as against said assigns or subsequent Chargee when deposited in, or held at the office of the Chargee's solicitor.

7. Provided that should there be a request for preparation of Statement(s) to the Charge, the Chargor agrees to pay to the Chargee its prevailing discharge and statement fees.

8. The Chargor covenants and agrees that all payments made under the within Charge loan shall be delivered to the Chargee prior to 1:00 p.m. on the date of repayment; provided that any monies received subsequent to 1:00 p.m. shall be deemed to have been received on the next following banking day.

9. Provided further that the Chargor shall, upon the request of the Chargee, forthwith deliver to the Chargee a written acknowledgment indicating a) the principal amount outstanding under the Charge; b) the current interest rate of the Charge; c) the maturity date of the Charge; d) confirmation of any and all amendments to the original registered mortgage; e) any other information that the Chargee may require at the time of such request.

10. **Farm Debt Mediation Act**

Provided further that the Chargor represents and warrants that she is not a "Farmer" as defined in the Farm Debt Mediation Act, Canada (or any successor Legislation) and the Chargor further covenants and agrees that during the currency of the within Charge she will not engage in any activity which would have the effect of deeming her a Farmer within the meaning of the Farm Debt Mediation Act. In the event that the Chargor fails to comply with the within provision, the within Charge shall, at the Chargee's option, immediately become due and payable in full, together with all accrued interest thereon to the maturity date of the within Charge.

11. **Assignment of Rental Income and Leases**

To further secure the indebtedness secured hereunder, the Chargor hereby assigns and transfers unto the Chargee all permitted rents, income, profits and other benefits now due and which may hereafter become due under or by virtue of any lease, whether written or verbal or any letting of, or of any agreement for the use or occupancy of the lands and premises or any part thereof, which may have been heretofore or may be hereafter made or agreed to, or which may be granted, it being the intention of the parties to establish an absolute transfer and assignment of all such rents, income, profits and other benefits under such leases and agreements and all the avails thereunder unto the Chargee.

The Chargor further covenants and agrees to execute and deliver at the request of the Chargee all such further assurances and assignments with respect to such tenancies as the Chargee shall from time to time require, and shall do all other acts with respect to such tenancies as requested by the Chargee.

In the event that the Chargee collects any payments of rent due to the Chargor's default, the Chargee shall be entitled to receive from such rent a management fee of ten percent (10%) of all the gross receipts from such rent, it being understood for greater certainty that the Chargor and Chargee have agreed that in the circumstances a management fee equal to ten percent (10%) of gross receipts received by the Chargee in the collection of such rents is a just and equitable fee having regard to the circumstances.

The Chargor covenants and agrees that no rent has been or will be paid by any person in possession of any portion of the premises described herein, in advance and that the payment of none of the rents to accrue for any portion of the said lands and premises have been or will be waived, released, reduced, discounted or otherwise discharged or compromised by the Chargor.

Provided further that the Chargor will not perform any act or do any thing or omit to do any thing which will cause the default of any lease in or of the buildings or structures erected on the charged lands, unless consented to by the Chargee.

And the Chargor agrees that all leases, offers to lease and agreements to lease shall be bona fide and shall be at rates and on terms consistent with comparable space in the area of the lands and premises secured hereunder and provided further that the Chargor shall obtain the consent of the Chargee prior to the execution of any lease, offer or agreement to lease or any tenancy agreement.

Nothing contained under this paragraph shall have the effect of making the Chargee a Chargee in possession.

12. Prepayment Provisions

(a) If prepayment of any part of the principal sum secured hereunder is made by reason of payment after acceleration upon the occurrence of a default, the Chargor agrees to pay to the Chargee three (3) months' interest on the principal amount prepaid at the rate of interest chargeable hereunder at the time of prepayment as hereinbefore set out.

(b) If the principal sum, accrued interest thereon and any of the sums which may be due hereunder is not repaid on or before the maturity date, then the Chargor agrees to pay to the Chargee in addition to the amounts required to obtain a discharge, three months interest at the rate of interest chargeable hereunder on the principal amount outstanding on the Balance Due Date.

13. Payment of Other Charges and Performance of other Obligations by the Chargee

The Chargor covenants and agrees to pay, as and when due, all monies owing in respect to any other mortgages, charges and/or other encumbrances registered against title to the premises charged herein, failing which the same shall be deemed to be a default under this Charge. The Chargee shall have the right to pay any amounts owing to any other mortgagee, chargee and/or encumbrancer of the charged premises as aforesaid, whereupon the same shall be added to the indebtedness due by the Chargor to the Chargee under the within Charge and shall bear interest at the rate set out in this Charge until repaid.

14. Insurance - Additional Provisions

THE CHARGEe shall be named as an additional insured on the policies of insurance the Chargor is required to obtain and maintain pursuant to Section 16 of the Standard Charge Terms No. 200033 (the "SCTs");

- a) The Chargor covenants and agrees with the Chargee that, except as disclosed in writing by the Chargor to the Chargee and accepted in writing by the Chargee:
 - i) during the period that this Charge is in force, the use and occupation of the charged property will comply in all respects with Environmental Law;
 - ii) except as permitted under Environmental Law, neither the Chargor nor any party for whom the Chargor is responsible in law, nor any person authorized by the Chargor to use or occupy the charged property, shall Release, or cause or permit a Release, of any Hazardous Substance into the natural environment, including,

without limitation, the air, soil, subsoil, surface or groundwater in, on, over, under or at the charged property; and

iii) no Hazardous Substance will be stored or located in, on, under or at the charged property, except in accordance with Environmental Law.

- b) The first sentence of Section 8 of the set of SCTs is deleted in its entirety and replaced with the following:

"The Chargee may pay all premiums of insurance and all taxes, rates, levies, charges, assessments and utility and heating charges which shall from time to time fall due and be unpaid in respect of the charged property, and that such payments, together with all costs, charges, legal fees (as between solicitor and client) and expenses which may be incurred in taking, recovering and keeping possession of the charged property and of negotiating this Charge, investigating title, and registering this Charge and other necessary deeds, and generally in any other proceedings taken in connection with or to realize upon the security given in this Charge (including legal fees, real estate commissions, environmental audit and inspections, and other costs incurred in leasing or selling the charged property or in exercising the power of entering, leasing and selling contained in this Charge) shall be a charge upon the charged property in favour of the Chargee pursuant to the terms of this Charge and the Chargee may pay or satisfy any lien, charge or encumbrance now existing or hereafter created or claimed upon the charged property, which payments shall likewise be a charge upon the charged property in favour of the Chargee."

15. **Severability**

The invalidity of any particular provision of this Charge shall not affect any other provision of it, but the Charge shall be construed as if the invalid provisions had been omitted.

16. **Cross Default**

The occurrence of an event of default under the provisions of this Charge, under any security document referred to in the commitment letter dated May 29, 2019, as thereafter amended from time to time (collectively the "**Commitment**"), issued by the Chargee to the Chargors, or pursuant to any other charge or security document between the Chargor and the Chargee, shall be deemed to be an event of default under all such security documents and shall entitle the Chargee to pursue its remedies under any or all of the aforesaid security documents.

17. **Non-Merger**

Notwithstanding the registration of this Mortgage and the advance of funds hereunder, the terms and provisions of the Commitment shall survive closing and remain binding and effective upon the parties. In the event of an inconsistency between the terms of the Mortgage and the terms of the Commitment, the Chargee may, in its sole discretion, determine which shall prevail.

18. **Possession Upon Default**

Upon default in payment of principal or interest under this Charge or in performance of any of the terms and conditions hereof, the Chargee may enter into and take possession of the Charged Premises, free of all manner of former conveyances, mortgages, charges or encumbrances without the let, suit, hindrance, interruption or denial of the Chargor or any other person whatsoever.

19. **Environmental**

"**Environmental Law**" means any law, by law, order, ordinance, ruling, regulation, certificate approval, consent or directive of any applicable federal, provincial or municipal government, governmental department, agency or regulatory authority or any court of competent jurisdiction, relating to Environmental Matters and/or regulating the import, storage, distribution, labeling, sale, use, handling, transport or disposal of Hazardous Substance, including, but not limited to, the *Environmental Protection Act* (Ontario), as amended from time to time.

"Environmental Matters" means (1) all environmental matters relating to the charged property, including, without limitation: (a) the existence of any Hazardous Substance which might impair the quality of the environment, adversely affect human health or damage any plant or animal in, on or near the charged property; and (b) the Release in, on, under, over, upon or from the charged property of any Hazardous Substance; and (2) compliance with Environmental Law.

"Hazardous Substance" means any contaminant, pollutant, dangerous substance noxious substance, toxic substance, hazardous waste, flammable or explosive material, radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls, polychlorinated biphenyl waste, polychlorinated biphenyl related waste, and any other substance or material now or hereafter declared, defined or deemed to be regulated or controlled in or pursuant to Environmental Law.

"Release" means any release, spill, emission, leakage, pumping, injection, deposit disposal, discharge, dispersal, leaching or migration

20. No Deemed Reinvestment

Notwithstanding the references herein to the interest rate on a per annum basis and the collection of monthly payments as hereinbefore set out in this Charge, the Chargee shall not be deemed to have reinvested any monthly or other payments received by it under this Charge.

21. Payment of all Services and Materials

The Chargor covenants and agrees to pay, as and when due, all monies owing in respect to all services and materials being supplied to the premises charged herein and the Chargor shall ensure that no liens are registered on title to the subject lands pursuant to the Construction Act, Ontario, failing which the same shall be deemed to be a default under this Charge. The Chargee shall have the right to pay any amounts required to discharge any construction lien from title to the subject lands, whereupon the same shall be added to the indebtedness due by the Chargor to the Chargee under the within Charge and shall be interest at the rate set out in this Charge until repaid.

22. Privacy Provisions

(a) The Chargor hereby irrevocably consents to the Chargee releasing and disclosing to any other parties, their authorized agents and solicitors requesting the same, any and all information, whether confidential or not, in its possession regarding the charged lands or the within mortgage loan including, without limitation, details of the mortgage loan balance, the terms of this mortgage loan, defaults hereunder (existing or prior) and like matters.

(b) The Chargor hereby confirms and agrees that the release and disclosure of any such information by the Chargee constitutes the release and disclosure of such information with the full knowledge and consent of the Chargor within the meaning of the Personal Information Protection and Electronic Documentation Act (Canada), as amended.

(c) The Chargor hereby releases the Chargee from any and all liabilities, damages, suits, actions, claims, monies and costs arising from (i) the release and disclosure of any such information by the Chargee, and (ii) any breach of the provisions of any applicable laws, including the Personal Information Protection and Electronic Documentation Act (Canada), as amended, provided that the Chargee has acted in accordance with the consent and direction received from the Chargor.

(d) The Chargor further irrevocably consents to the Chargee obtaining from any other person or entity and/or their authorized agents and/or representatives any and all information, whether confidential or not, in their possession relating to the Chargor and the Charged Lands, including without limitation, details of any balance outstanding under any mortgage relating thereto, the terms of such mortgage, defaults thereunder (existing or prior) and like matters.

23. Subsequent Encumbrances

In the event of the Chargor further encumbering any of the lands and premises charged herein without the prior written consent of the Chargee (which consent may be unreasonably and arbitrarily withheld by the Chargee), such further encumbering shall constitute a default under this Charge and in such event, the within Charge shall, at the Chargee's sole option become

immediately become due and payable in full, together with all accrued interest thereon to the maturity date of the within Charge.

24. Appointment of Receiver

AT ANY TIME after the security hereby constituted becomes enforceable, or the monies hereby secured shall have become payable, the Chargee may from time to time appoint by writing a Receiver of the lands, with or without Bond, and may from time to time remove the Receiver and appoint another in his stead, and any such Receiver appointed hereunder shall have the following powers:

- a) To take possession of the Charged Lands and to collect and get in the same and for such purpose to enter into and upon any lands, buildings and premises wheresoever and whatsoever and for such purpose to do any act and take any proceedings in the name of the Chargor or otherwise as he shall deem necessary;
- b) To carry on or concur in carrying on the business of the Chargor, and to employ and discharge agents, workmen, accountants and others upon such terms and with such salaries, wages or remuneration as he shall think proper, and to repair and keep in repair the Charged Lands and to do all necessary acts and things for the carrying on of the business of the Chargor and the protection of the said Charged Lands of the Chargor;
- c) To sell or lease or concur in selling or leasing any or all of the Charged Lands, or any part thereof, and to carry any such sale or lease into effect by conveying in the name of or on behalf of the Chargor or otherwise; and any such sale may be made either at public auction or private sale as seen fit by the Receiver and any such sale may be made from time to time as to the whole or any part or parts of the Charged Lands; and he may make any stipulations as to title or conveyance or commencement of title or otherwise which he shall deem proper; and he may buy or rescind or vary any contracts for the sale of any part of the Charged Lands and may resell the same; and he may sell any of the same on such terms as to credit or part cash and part credit or otherwise as shall appear in his sole opinion to be most advantageous and at such prices as can reasonably be obtained therefor and in the event of a sale on credit neither he nor the Chargee shall be accountable for or charged with any monies until actually received;
- d) To make any arrangement or compromise which the Receiver may think expedient in the interest of the Chargee and to consent to any modification or change in or omission from the provisions of this charge and to exchange any part or parts of the Charged Lands for any other property suitable for the purposes of the Chargee and upon such terms as may seem expedient and either with or without payment or exchange of money or regard to the equality of the exchange or otherwise;
- e) To borrow money to carry on the business of the Chargor and to charge the whole or any part of the Charged Lands in such amounts as the Receiver may from time to time deem necessary and in so doing the Receiver may issue certificates that may be payable when the Receiver thinks expedient and shall bear interest as stated therein and the amounts from time to time payable under such certificates shall charge the Charged Lands in priority to this charge;
- f) To execute and prosecute all suits, proceedings and actions which the Receiver in his opinion considers necessary for the proper protection of the Charged Lands, to defend all suits, proceedings and actions against the Chargor or the Receiver, to appear in and conduct the prosecution and defense of any suit, proceeding or action then pending or thereafter instituted and to appeal any suit, proceeding or action;
- g) To execute and deliver to the purchaser of any part or parts of the Charged Lands, good and sufficient deeds for the same, the Receiver hereby being constituted the irrevocable attorney of the Chargor for the purpose of making such sale and executing such deed, and any such sale made as aforesaid shall be a perpetual bar both in law and equity against the Chargor, and all other persons claiming the said property or any part or parcels thereof by, from through or under the Chargor, and the proceeds of any such sale shall be distributed in the manner hereinafter provided;

AND IT IS AGREED that no purchaser at any sale purporting to be made in pursuance of the aforesaid power or powers shall be bound or concerned to see or inquire whether any default has been made or continued, or whether any notice required hereunder has been given, or as to the

necessity or expediency of the stipulations subject to which such sale shall have been made, or otherwise as to the propriety of such sale or regularity of its proceedings, or be affected by notice that no such default has been made or continues, or notice given as aforesaid, or that the sale is otherwise unnecessary, improper or irregular; and notwithstanding any impropriety or irregularity or notice thereof to such purchaser, the sale as regards such purchaser shall be deemed to be within the aforesaid power and be valid accordingly and the remedy (if any) of the Chargor, or of any party claiming by or under it, in respect of any impropriety or irregularity whatsoever in any such sale shall be in damages only.

The net profits of the business of the Chargor and the net proceeds of any sale of the Charged Lands or part thereof shall be applied by the Receiver subject to the claims of any creditors ranking in priority to this charge:

- a) Firstly, in payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise by him of all or any of the powers aforesaid including the reasonable remuneration of the Receiver and all amounts properly payable by him;
- b) Secondly, in payment of all costs, charges and expenses payable hereunder;
- c) Thirdly, in payment to the Chargee of the principal sum owing hereunder;
- d) Fourthly, in payment to the Chargee of all interest and arrears of interest and any other monies remaining unpaid hereunder; and
- e) Fifthly, any surplus shall be paid to the Chargor; provided that in the event that any party claims a charge against all or a portion of the surplus, the Receiver shall make such disposition of all or a portion of the surplus as the Receiver deems appropriate in the circumstances.

The Chargee shall not be liable to the Receiver for his remuneration costs, charges or expenses, and the Receiver shall not be liable for any loss howsoever arising unless the same shall be caused by his own gross negligence or willful default; and he shall, when so appointed, by notice in writing pursuant hereto, be deemed to be the agent of the Chargor and the Chargor shall be solely responsible for his acts and defaults and for his remuneration.

To further secure the indebtedness secured hereunder, the Chargor hereby assigns and transfers unto the Chargee all rents, issues and profits now due and which may hereafter become due under or by virtue of any lease, whether written or verbal or any letting of, or of any agreement for the use or occupancy of the lands and premises or any part thereof, which may have been heretofore or may be hereafter made or agreed to, or which may be granted, it being the intention of the parties to establish an absolute transfer and assignment of all such rents, issues and profits under such leases and agreements and all the avails thereunder unto the Chargee.

The Chargor further covenants and agrees to execute and deliver at the request of the Chargee all such further assurances and assignments with respect to such tenancies as the Chargee shall from time to time require, and shall do all other acts with respect to such tenancies as requested by the Chargee.

Any deposits on account of any offer to lease or agreement to lease or prepaid rent received under such offers and/or agreements to lease or leases, shall be paid to the Chargee, to be held by the Chargee until such amount becomes due and payable as current rent, at which time such amount shall be released to the Chargor, provided in no event shall the Chargee be liable for any interest on any amount so paid to it as required hereunder.

In the event that the Chargee collects any payments of rent due to the Chargor's default, the Chargee shall be entitled to receive from such rent a management fee of ten percent (10 %) of all the gross receipts from such rent, it being understood for greater certainty that the Chargor and Chargee have agreed that in the circumstances a management fee equal to ten percent (10 %) of gross receipts received by the Chargee in the collection of such rents is a just and equitable fee having regard to the circumstances.

The Chargor covenants and agrees that no rent has been or will be paid by any person in possession of any portion of the premises described herein, in advance and that the payment of none of the rents to accrue for any portion of the said lands and premises have been or will be waived, released, reduced, discounted or otherwise discharged or compromised by the Chargor.

Provided further that the Chargor will not perform any act or do any thing or omit to do any thing which will cause the default of any lease in the buildings erected on the Charged Lands, unless consented to by the Chargee.

And the Chargor agrees that all leases, offers to lease and agreements to lease shall be bona fide and shall be at rates and on terms consistent with comparable space in the area of the lands and premises secured hereunder, and provided further that the Chargor shall obtain the consent of the Chargee prior to the execution of any lease, offer or agreement to lease or any tenancy agreement.

Any entry upon the Charged Premises under the terms of this Indenture shall not constitute the Chargee a "**Chargee in Possession**" in contemplation of law and that the Chargee shall not become liable to account to the Chargor or credit the Mortgagor with any moneys on account of the Charge except those which shall come into its hands or into the hands of any agents appointed by its pursuant hereto; the Chargee shall not be liable for failure to collect rents or revenues and shall be under no obligation to take any action or proceeding or exercise any remedy for the collection or recovery of the said rents and revenues, or any part thereof, and then, subject to all deductions and payments made out of the rents and revenues received from the Charged Premises as herein provided.

That this assignment is taken by way of additional security only and neither the taking of this assignment nor anything done in pursuance hereof shall make the Chargee liable in any way, as landlord or otherwise, for the performance or any covenants, obligations or liabilities under the Leases or any of them.

25. **Assignment of Agreements of Purchase and Sale**

Pursuant to an Agreement of Purchase and Sale (the "**1st APS**") dated June 3, 2019 between the Chargor and Bayview Creek (CIM) Inc., collectively as "**Vendor**", and Bryton Creek Residences Inc. as purchaser (the "**Purchaser**"), the Chargor has agreed to sell to the Purchaser the portion of the Charged Lands comprising the western parcel thereon and designated as Block 1 on the draft Plan of Subdivision for the same.

Pursuant to an Agreement of Purchase and Sale (the "**2nd APS**") dated June 3, 2019 between the Chargor and Bayview Creek (CIM) LP, collectively as "**Vendor**", and the Purchaser, the Chargor has agreed to sell to the Purchaser all of the Charged Lands upon the happening of certain events.

As additional security to the Charge, the Chargor has assigned to the Chargee all of its rights, benefits and privileges under the 1st APS and the 2nd APS (collectively the "**Purchase Agreements**"), together with any and all deposits and sale proceeds either received or to be received by the Chargor pursuant to the Purchase Agreements.

Default by the Vendor under either of the Purchase Agreements shall constitute a default under the within Charge, whereupon the Chargee shall be entitled to exercise its default rights and remedies against the Chargor pursuant to this Charge and/or the Purchase Agreements and against any of the Charged Lands, concurrently, or successively at the Chargee's sole option.

The Chargor shall not enter into any agreements of purchase and sale for any residential dwelling units within that part of the Charged Lands comprising the eastern parcel thereon and designated as Block 2 on the draft Plan of Subdivision for the same nor the Chargor grant any interest whatsoever in the aforementioned lands without full written disclosure to such purchasers (in such form as is acceptable to the Chargee in its sole and absolute discretion) of the preexisting purchase rights of Bryton Creek Residences Inc. therein pursuant to the 2nd APS.

26. **Chargee's Charge Postponement to Construction Financing Mortgage**

Provided that the within Charge is not in default, the Chargee shall postpone its Charge to any construction financing mortgage (the "**Construction Mortgage**") that replaces the first mortgage currently registered on title to the Charged Lands in favour of DUCA Financial Services Credit Union Ltd. (registered against the Property as No. YR2937903) so long as:

- i) The principal amount of the Construction Mortgage does not exceed the sum of \$20,720,000, plus an amount (up to a maximum in the aggregate of \$5,000,000 plus HST) for those costs that relate directly to:

a) hard site servicing costs for the plan of subdivision (based upon receipt of satisfactory evidence of work completion) or the posting of any security therefor; or

b) any fees and charges payable to the Town of Richmond Hill, Region of York, the applicable utility providers or TRCA for site improvements within the plan of subdivision;

and which costs do not relate to any dwelling unit construction or servicing for dwelling units or relate to the purchase of any dwelling units within the plan of subdivision or the purchase and sale of dwelling units;

plus

c) the reasonable costs of the Borrower's architects, surveyors, lawyers and engineers incurred and invoiced specifically in respect to the completion of the hard costs of site servicing permitted above (to a maximum of \$500,000 plus HST);

ii) The interest rate of the Construction Mortgage does not exceed the interest rate of the DUCA Mortgage;

iii) The terms of the Construction Mortgage and all costs, expenses and other charges in respect thereto are acceptable to the Lender in its Sole Discretion.

Provided however, that the Chargee shall not be required to provide a postponement to any of the above costs and charges that relate to any of such matters that are to be completed by the Purchaser in accordance with the provisions of the 1st APS.

27. Acknowledgment

The Chargor and Guarantor signing this Charge acknowledge receipt of a duly executed copy of this Charge with all Schedules attached to it, and agree to be bound by the provisions of this Charge and such Schedules, and further acknowledge that where the words "**Mortgagor**", "**Mortgagee**" and "**Mortgage**" are referred to in the said Schedule, they shall have the same meaning as "**Chargor**", "**Chargee**" and "**Charge**" respectively. The lands and premises charged herein are hereinafter sometimes referred to as the "**Property**" or the "**Lands**" or the "**Charged Lands**".

DUCA FINANCIAL SERVICES CREDIT UNION LTD. -and-
Applicant

BAYVIEW CREEK (CIM) LP ET AL
Respondents

Court File No. CV-21-00665128-00CL

ONTARIO

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding Commenced at
TORONTO

**APPLICATION RECORD
Volume 2 of 5
(returnable August 11, 2021)**

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