

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*

**SUPPLEMENTARY APPLICATION RECORD
(returnable August 11, 2021)**

DEVRY SMITH FRANK *LLP*
Lawyers & Mediators
95 Barber Greene Road, Suite 100
Toronto, Ontario
M3C 3E9

LARWRENCE HANSEN
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Tel.: (416) 449-1400/(249) 888-6626
lawrence.hansen@devrylaw.ca

Lawyers for the applicant
Duca Financial Services Credit Union Ltd.

ONTARIO

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

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Court File. No. CV-21-0066512800CL

ONTARIO

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

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*

SUPPLEMENTARY AFFIDAVIT OF RIZ AHMAD

I, RIZ AHMAD, of the City of Toronto, Province of Ontario, MAKE OATH AND SAY:

1. I remain Chief Risk Officer at DUCA Financial Services Credit Union Ltd. ("DUCA"), am responsible for the present matter with the assistance of Sergiu Cosmin (who has recently left DUCA) and Ivan Bogdanovich, and have personal knowledge of what is set out in this affidavit. To the extent that anything below is not within my personal knowledge, it constitutes information derived from discussions with Messrs. Cosmin, Bogdanovich, Lawrence Hansen, and the sources identified. I believe such information to be true.
2. I swear this affidavit in support of an application for a receivership order and supplementary to my affidavit of July 2, 2021.
3. The capitalized terms in the present affidavit have the same meaning as in my July 2 affidavit.
4. DUCA has not entered into an agreement for the assumption of the DUCA Charge.

5. Bryton Capital originally wanted to take an assignment of the DUCA Charge. True copies of some of the correspondence relating to that is attached to this my affidavit and marked Exhibits "A", "B", "C", "D", and "E".

6. DUCA did not refuse to warrant the amounts owing.

7. In that respect, DUCA specifically said that it would do so by way of section 2 of the proposed assignment agreement, the latest version of which is attached as Exhibit "E" and noted above.

8. On or about November 24, 2020, Bryton Capital advised that it wished to switch from an assignment of the DUCA Charge to taking an assumption of it. True copies of some of the correspondence surrounding that is attached to this my affidavit and marked Exhibits "F", "G", and "H".

9. Bryton Capital did not indicate that the switch had anything to do with the interest rate on the DUCA Charge.

10. DUCA indicated that it did not wish to be a party to the dispute between Bryton Capital and the other parties. True copies of some of the correspondence about that are attached to this my affidavit and marked Exhibits "I" and "J".

11. DUCA chose not to proceed with its request for a receiver at a hearing set for December 21, 2020. True copies of correspondence about that is attached to this my affidavit and marked Exhibits "K" and "L".

12. It took no position on the motions heard on December 21, 2020.

13. After the release of the court's decision on the motions, there was further discussion between Bryton Capital's lawyers and DUCA's lawyers about the assumption of the DUCA Charge. True copies of correspondence about this are attached to this my affidavit and marked Exhibits "M", "N", "O", "P", and "Q".

14. Bryton Capital has changed its position again: it appears now not to wish to have an assignment or assumption, but on its application for a vesting order, indicates that it wishes to pay out the DUCA Charge.

15. In addition to the foregoing, DUCA provided payout letters to Bryton Capital. True copies of them are attached to this my affidavit and marked Exhibits "R" and "S".

16. At no time during the foregoing did Bryton Capital take issue with respect to the interest rate on the DUCA Charge; that is to say, it did not raise any issue during the time it was working toward an assumption of the charge, when it was going to take an assignment, or when it decided that it wished to pay out the DUCA Charge.

17. The first time it said anything about the rate was on July 4, 2021, after DUCA had indicated that it was bringing an application for a receivership order. A true copy of the relevant email message is attached to this my affidavit and marked Exhibit "T".

18. There are outstanding property taxes in respect of the Property. A true copy of the notice and statement of receiver, provided by the lawyers for debenture holders (it does not appear to have been sent to DUCA), which includes reference to this is attached to this my affidavit and marked Exhibit "U".

Sworn, by video conference, by Riz Ahmad at
the City of Toronto, in the Province of
Ontario, before me at the City of Barrie, in the
Province of Ontario, on this day of July,
2021, in accordance with O. Reg. 431/20
Administering Oath or Declaration Remotely


A Commissioner etc.

Lawrence Hansen, Lawyer


RIZ AHMAD

TAB A

EXHIBIT "A"

From: Randy Lebow [<mailto:RLebow@owenswright.com>]
Sent: Wednesday, October 28, 2020 3:20 PM
To: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
Cc: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Robert S. Choi <RChoi@owenswright.com>
Subject: RE: Duca Assignment

Oren, thank you for your redraft.

Enclosed please find further redraft which remains subject to our client's review and approval as well.

In terms of the indemnity, this has been deleted as its inclusion is clearly not typical in this type of transaction and unacceptable to our client. Under the Mortgages Act, our client is entitled to payout Duca and receive an assignment without such an inclusion.

In Section we have deleted the posting of security for these costs as this also is not perceived as a reasonable request. Given that our client will have \$40 Million plus invested in this transaction following payout, its ability to pay should be unquestioned.

On a separate note, we are still awaiting copies from you of the executed security documents to be assigned for our review. We would appreciate it if you could provide us the same tomorrow. As my client needs to requisition the balance of the assignment funds by this Friday, we would like the opportunity to review the security before then. We also need to settle the assignment agreement by such time.

We firmly believe our requested changes are reasonable and that the assignment payout is extremely beneficial to your client as it saves Duca from being involved in a prolonged enforcement of its loan security.

On a separate note, the current proceedings pursuant to the CPL registered on title include a direction from the court that they do not want the various parties involved doing anything that could affect the other parties rights during the period prior to the December return hearing date. If our clients can agree on the assignment terms now and our client requisitions its funds on Friday, then my partner Robert Choi will bring a motion at the hearing for the court approval

to the assignment. This way neither of our client's would have any issues going forward and the assignment could be completed immediately thereafter, if approved.

Randy Lebow

Randy Lebow

Partner | Owens Wright LLP

Direct: 416.848.4707 | **Fax:** 416.486.3309 | **Email:** RLebow@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>

Sent: October 27, 2020 5:51 PM

To: Randy Lebow <RLebow@owenswright.com>

Cc: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>

Subject: RE: Duca Assignment

Randy,

I attach a further marked-up version of the assignment agreement. I think some explanation is in order:

1. Our client will not assign security "including but not limited to" that listed. Rather it will assign only the security listed. As a compromise, I have expanded the list, but my client will not make any representation as to the assignability or enforceability of any particular item of security listed;
2. On further reflection, I believe that your client is entitled, upon payment of the indebtedness secured by the mortgage, only to an assignment of the mortgage by virtue of Section 2 of the Mortgages Act. I do not believe that your client is entitled to an assignment of anything else. If you disagree, I invite you to prove authority for your proposition. Your client certainly is not and not entitled to any warranty except those implied at law.
3. My client is not inclined to make any more compromises. While the agreement remains subject to my client's approval, I am reasonably confident that it would approve the attached form.

There is a court hearing scheduled for December 3, 2020. If our client's mortgage remains outstanding at that time, it is currently our plan to request at that hearing that DUCA may have a receiver appointed over the assets of the Borrower and the property.

Regards,

Oren Chaimovitch

Devry Smith Frank LLP
100-95 Barber Greene Road
Toronto, ON
M3C 3E9
Direct: 416-446-3342
Fax: 416-449-7071

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From: Randy Lebow [<mailto:RLebow@owenswright.com>]
Sent: Tuesday, October 27, 2020 12:24 PM
To: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
Subject: Duca Assignment

Oren, I am following up on the redraft of the assignment agreement I sent you. Please let us know where we stand as my client must requisition payout funds by no later than Friday. This means we need to settle the agreement terms by then.

Randy H. Lebow*
OWENS WRIGHT LLP
Partner
20 Holly Street, Suite 300
Toronto, ON M4S 3B1
Direct #: (416) 848-4707
Fax: (416) 486-3309
rlebow@owenswright.com

***On behalf of Randy H. Lebow Professional Corporation**

One of Canada's top 5 boutique commercial real estate firms as ranked by Canadian Lawyer Magazine

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Randy Lebow

Partner | Owens Wright LLP

Direct: 416.848.4707 | **Fax:** 416.486.3309 | **Email:** RLebow@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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TAB B

EXHIBIT "B"

Lawrence Hansen

From: Oren Chaimovitch (Devry)
Sent: October 30, 2020 3:07 PM
To: Randy Lebow
Cc: Tracey Mason; Carmen Yuen; Lawrence Hansen
Subject: RE: DUCA loan to Bayview Creek (CIM) Inc. et al, and Bryton Capital Corp. GP Ltd. loan to Bayview Creek (CIM) Inc. both secured, inter alia by mortgages over 10747 Bayview Avenue, Richmond Hill, Ontario

Attachments: Forbearance Letter July 30 2020 - signed by CIM.PDF; Duca 20190522 Forbearance letter.pdf; 20190418 Forbearance Letter- Signed.pdf; Bayview Duca Forebearance agreement executed.pdf; Xiaoxin Demand - June 10 2020 v.1.2.pdf; Jiubin Demand - June 10 2020 v.1.2.pdf; Dianyuan Demand - June 10 2020 v.1.2.pdf; Corporate Demand - June 10 2020 v.1.1.pdf; 63(4).Not - June 10 2020 v.1.2.pdf

Randy,

I attached the forbearance agreements and the latest demands as the forbearance agreement references the demands and acknowledges that the amount in the demands is correct.

Regards,

Oren Chaimovitch
Devry Smith Frank LLP
 100-95 Barber Greene Road
 Toronto, ON
 M3C 3E9
 Direct: 416-446-3342
 Fax: 416-449-7071

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From: Randy Lebow [mailto:RLebow@owenswright.com]
Sent: Friday, October 30, 2020 2:52 PM
To: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
Cc: Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Subject: Re: DUCA loan to Bayview Creek (CIM) Inc. et al, and Bryton Capital Corp. GP Ltd. loan to Bayview Creek (CIM) Inc. both secured, inter alia by mortgages over 10747 Bayview Avenue, Richmond Hill, Ontario

Thank you. Can you also send the Forbearance agreements so we can see that the borrowers acknowledged the debt etc. and what the go forward rights of the lender are.

Randy Lebow
 Partner | Owens Wright LLP
Direct: 416.848.4707 | **Fax:** 416.486.3309 | **Email:** RLebow@owenswright.com
 300-20 Holly St., Toronto, ON M4S 3B1 **owenswright.com**

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From: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
Sent: Friday, October 30, 2020 2:17 PM
To: Randy Lebow
Cc: Tracey Mason; Carmen Yuen; Lawrence Hansen

Subject: RE: DUCA loan to Bayview Creek (CIM) Inc. et al, and Bryton Capital Corp. GP Ltd. loan to Bayview Creek (CIM) Inc. both secured, inter alia by mortgages over 10747 Bayview Avenue, Richmond Hill, Ontario

Randy,

I attach:

1. The Guarantee dated
2. General Security Agreement
3. Trustee and Beneficial Ownership Agreement
4. Assignment of Material Contracts dated,
5. Environmental Indemnity.
6. Undertaking re: Withholding Payments
7. Assignment of Insurance Monies.
8. Postponements and Assignments of Claim given by CIM Developments Inc. and CIM Invests Development Inc.
9. Corporate Opinion of Dickinson Wright;
10. Officer's Certificate from CIM Invests Development Inc., as general partner for and on behalf of Bayview Creek (CIM) LPs;
11. title insurance policy

Regards,

Oren Chaimovitch
Devry Smith Frank LLP
 100-95 Barber Greene Road
 Toronto, ON
 M3C 3E9
 Direct: 416-446-3342
 Fax: 416-449-7071

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From: bmcwatt@bryton.ca [mailto:bmcwatt@bryton.ca]

Sent: Friday, October 30, 2020 12:56 PM

To: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>

Cc: Randy Lebow <RLebow@owenswright.com>

Subject: FW: DUCA loan to Bayview Creek (CIM) Inc. et al, and Bryton Capital Corp. GP Ltd. loan to Bayview Creek (CIM) Inc. both secured, inter alia by mortgages over 10747 Bayview Avenue, Richmond Hill, Ontario

Importance: High

Oren,

Bryton Capital Corp. GP Ltd., on behalf of itself and its related and affiliated entities (collectively "Bryton"), hereby confirms and agrees that, until such time as Bryton has received an assignment of the loan security from Duca Financial Services Credit Union Limited ("Duca"). Bryton will keep confidential and not utilize for any purpose (other than for its diligence review) all of the loan documentation to be provided to Bryton by Duca in respect thereto and Bryton hereby agrees that it shall not disclose the contents of the same to any person other than to its legal counsel and other professional advisors party to the diligence review without the express written consent of Duca. The foregoing shall not apply where Bryton is hereinafter required by law to release any of the information provided to it by Duca.

If you have any questions, please don't hesitate to call.

Regards, Bryan.

Bryan McWatt MBA CMA



Bryton Capital Corp.

65 Queen Street W. Suite 210

Toronto, ON M5H 2M5

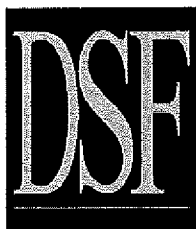
T 416-363-5050 ext. 223

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E bmcwatt@bryton.ca

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DEVRY SMITH FRANK LLP

Lawyers & Mediators

Oren.Chaimovitch@devrylaw.ca

July 24, 2020 (REVISED)

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")

This letter replaces our letters of March 17, 2020 and May 27, 2020, which were not accepted by you and are withdrawn.

As you know, we are solicitors for DUCA Financial Services Credit Union Ltd. We make reference to the commitment letter entered into among DUCA Financial Services Credit Union Ltd., 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, 2108, and our forbearance letters of March 6, 2019, and April 18, 2019 as replaced by a letter agreement dated May 22, 2019 (collectively referred to as the "**Commitment**"). All capitalized terms used herein shall have the meanings ascribed thereto in the Commitment unless otherwise indicated.

The Lender is prepared to consent to the increase of the existing second mortgage on the Property in favour of Bryton Capital Corp. GP Ltd. from \$20,000,000 to \$22,300,000 (the "**Further Financing**") and 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) September 30, 2020 (which shall hereinafter be referred to the "**Forbearance Deadline**" (which replaces the definition of Forbearance Deadline in the letter of May 22, 2019), and the period until the Forbearance Deadline is sometimes referred to as the "**Forbearance Period**" (which replaces the definition of Forbearance Period in the letter of May 22, 2019) on the following basis:

1. You shall pay the Lender within one business day of the advance of the Further Financing by Bryton Capital Corp. GP Ltd., but in any event by no later than August 7, 2020:
 - a. a forbearance fee of \$60,000.00 (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 \$20,000.00, to be applied towards payment of legal costs incurred by the Lender;
 - c. the amount of \$27,585.56, to be applied towards payment of appraisal costs incurred by the Lender;
 - d. the amount of \$565,000.00 to be added to the Interest Reserve to be applied as payment towards interest payable to the Lender;
2. You are to continue to provide DUCA with written progress reports on the severance process at 2 month intervals;
3. 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. Further, you are to ensure that all encumbrances registered against the Property, including those that rank behind DUCA's Charge, are kept in good standing and that no enforcement proceeding are taken by any other chargee of the Property;

4. You are to provide DUCA, contemporaneously with the delivery of this agreement, a written consent (the "Consent") to a court-appointed receiver to be obtained without notice to you in the form of the Model Receivership Order of the Superior Court of Justice's Commercial List, in the form attached hereto as Schedule A. DUCA will hold the Consent in escrow, subject to the terms referred to below;
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 June 10, 2020 and the Notice of Sale under Mortgage (the "**Notice of Sale**") dated June 23, 2020. 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 have not been withdrawn but remain and will continue to remain in full force and effect. Upon acceptance of agreement formed by this letter and the receipt within the time allowed therefor of the funds referred to in paragraph 1 above and the Consent referred to in paragraph 4 above, the Notice of Sale shall be withdrawn. 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 or Enforce Security 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 continue to have no defences, counterclaims or claims against DUCA, or rights of set off or reduction against the Indebtedness (or to enforcement of the Security) whatsoever and all such defences, counterclaims, claims or set off rights are expressly waived. Without limitation, you hereby release and discharge DUCA and its respective officers, directors, employees and agents from and against all claims and demands in respect of any actual or alleged action or omission of DUCA arising up to and including the date of this agreement;
 - 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, and DUCA may immediately appoint a receiver at its discretion in accordance with the Consent attached hereto.

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 July 31, 2020 at 1 pm unless earlier withdrawn. We require you to acknowledge acceptance by signing this letter in the space indicated below, and returning it to our office by that time along the Consent.

Yours truly,

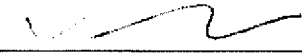
DEVRY SMITH FRANK LLP




Oren Chaimovitch
/ohc

We hereby accept the above terms and conditions this _____ day of _____, 2020


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

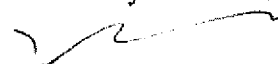
Per: 
Jiubin Feng - President
I have authority to bind the Corporation

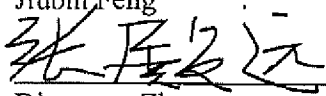
CIM INVESTS DEVELOPMENT INC.


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

Court File. No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

and

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

Respondents


CONSENT TO RECEIVERSHIP ORDER

THE RESPONDENTS, Bayview Creek (CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc., and the Applicant, DUCA Financial Services Credit Union Ltd., hereby consent to an Order for the appointment of a Receiver against them and of all of their assets, undertakings and properties of in the form of the Model Receivership Order of the Ontario Superior court of Justice Commercial List as amended from time to time, with such revisions as may be necessary and appropriate.

THE RESPONDENTS, Bayview Creek (CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc., and the Applicant, DUCA Financial Services Credit Union Ltd., certify that this Order does not affect the rights of any party under a disability.

Date: July , 2020

BAYVIEW CREEK (CIM) LP

Per: 
 Name:
 (I have the authority to bind the company)

Date: July , 2020

CIM INVESTS DEVELOPMENT INC.

Per:  _____

Name:

(I have the authority to bind the company)

Date: July , 2020

CIM BAYVIEW CREEK INC.

Per:  _____

Name:

(I have the authority to bind the company)

Date: July , 2020

DUCA FINANCIAL SERVICES CREDIT
UNION LTD.

Per: _____

Name:

(I have the authority to bind the company)



DEVRY SMITH FRANK LLP
Lawyers & Mediators

Oren.Chaimovitch@dewrylaw.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



DEVRY SMITH FRANK LLP
Lawyers & Mediators

Oren.Chaimovitch@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~~

(7)

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. 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

(2)

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 (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 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) 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.

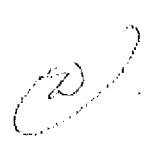
2. You are to provide on or before May 1, 2019:

- 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 forebear (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 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 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 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

Page 5

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

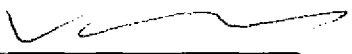
I have authority to bind the Corporation

CIM BAYVIEW CREEK INC.

Per: 

Jiubin Feng - President

I have authority to bind the Corporation


Jiubin Feng


Dianyuan Zhang

Xiaoxin Zhang

(F)



DEVRY SMITH FRANK LLP
Lawyers & Mediators

Oren.Chaimovitch@devrylaw.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

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. 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 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, 2108 (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, 2108, 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 forebear (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 Romspen Investment Corporation ("Romspen") 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 counterparts.

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: _____

Jiubin Feng - President

I have authority to bind the Corporation

DEVRY SMITH FRANK LLPPage 5**CIM INVESTS DEVELOPMENT INC.**Per: 

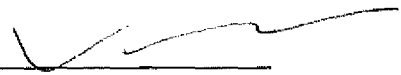
Jiubin Feng - President

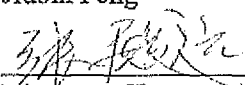
I have authority to bind the Corporation

CIM BAYVIEW CREEK INC.Per: 

Jiubin Feng - President

I have authority to bind the Corporation



Jiubin Feng

Dianyuan Zhang_____
Xiaoxin Zhang

SCHEDULE "A"

ACKNOWLEDGEMENT AND DIRECTION

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

AND TO: Any and all designees of the above

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")

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 Notice – Charge Amending 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: Jubin Feng
 Jubin Feng – President

I have authority to bind the Corporation

LRO # 65 Notice

In preparation on 2019 03 05 at 10:23

This document has not been submitted and may be incomplete.

yyyy mm dd Page 1 of 4

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.
 Acting as a company
 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.
 Acting as a company
 Address for Service 5290 Yonge Street
 Toronto ON M2N 5P9

I, _____, 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

CHARGE AMENDING AND CONFIRMING AGREEMENT

THIS AGREEMENT made as of the 7th 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.

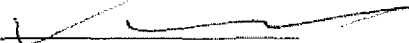
10. This amending and confirming agreement shall be binding upon and enure to the benefit of the parties herein and their respective heirs, estate trustees, personal representatives, successors and assigns.

**DUCA FINANCIAL SERVICES CREDIT
UNION LTD.**

Per: _____
Name: _____
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)

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: 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")

AND RE: Romspen Investment Corporation mortgage loan to CIM 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. 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 _____ day of _____, 2019.

ROMSPEN INVESTMENT CORPORATION

Per: _____
 Name: _____
 Title: _____

I have authority to bind the Corporation

LRO # 65 Postponement Of Interest

In preparation on 2019 03 05 at 10:30

This document has not been submitted and may be incomplete.

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**Source Instruments**

| Registration No. | Date | Type of Instrument |
|------------------|------------|--------------------|
| YR2898574 | 2018 11 16 | Charge/Mortgage |

Party From(s)

Name ROMSPEN INVESTMENT CORPORATION

Acting as a company

Address for Service 162 Cumberland Street
Suite 300
Toronto, Ontario
M5R 3N5

I, _____, 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 5290 Yonge Street
Toronto ON M2N 5P9**Statements**

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number NOTICE 1

File Number

Party To Client File Number : DUCA0027

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, 2108 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, attornment 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
162 Cumberland Street
Suite 300
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 counterparts.

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: _____

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

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. _____).



DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

Oren.Chaimovitch@devrylaw.ca

June 10, 2020

VIA REGISTERED AND REGULAR MAIL

Xiaoxin Zhang
5 Fairfield Place
Thornhill, Ontario
L3T 7M7

Dear Xiaoxin Zhang:

Re: DUCA Financial Services Credit Union Ltd. ("DUCA") loan to Bayview Creek(CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. (collectively, the "Debtors"), secured, inter alia, by a charge over 10747 Bayview Avenue, Richmond Hill

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

Please find enclosed a copy of our letter dated June 10, 2020 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 by 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 \$38,374.58, the discharge fee of \$1,000.00, a PPSA registration and discharge fee of \$130.00, an appraisal fee of \$27,585.56, unrecovered legal fees of \$5,133.84 and interest to today's date of \$4,796.82 and together with interest thereon at DUCA's prime rate in effect from time to time plus 5.5% per annum from the date of the demand for payment, which as of today's date is equal to \$4,796.82 per day.

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.

95 Barber Greene Rd., Suite 100, Toronto, Ontario, Canada M3C 3E9
Tel: 416.449.1400 Fax: 416.449.7071 www.devrylaw.ca

DEVRY SMITH FRANK LLP

Page 2

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

June 10, 2020

VIA REGISTERED AND REGULAR MAIL

Jiubin Feng
35 Penwood Crescent
Toronto, Ontario
M3B 3B1

Dear Jiubin Feng:

Re: DUCA Financial Services Credit Union Ltd. ("DUCA") loan to Bayview Creek (CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. (collectively, the "Debtors"), secured, inter alia, by a charge over 10747 Bayview Avenue, Richmond Hill

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

Please find enclosed a copy of our letter dated June 10, 2020 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 by 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 \$38,374.58, the discharge fee of \$1,000.00, a PPSA registration and discharge fee of \$130.00, an appraisal fee of \$27,585.56, unrecovered legal fees of \$5,133.84 and interest to today's date of \$4,796.82 and together with interest thereon at DUCA's prime rate in effect from time to time plus 5.5% per annum from the date of the demand for payment, which as of today's date is equal to \$4,796.82 per day.

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.

DEVRY SMITH FRANK LLP

Page 2

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



DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

Oren.Chaimovitch@devrylaw.ca

June 10, 2020

VIA REGISTERED AND REGULAR MAIL

Dianyuan Zhang
5 Fairfield Place
Thornhill, Ontario
L3T 7M7

Dear Dianyuan Zhang:

Re: DUCA Financial Services Credit Union Ltd. (“DUCA”) loan to Bayview Creek (CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. (collectively, the “Debtors”), secured, inter alia, by a charge over 10747 Bayview Avenue, Richmond Hill

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

Please find enclosed a copy of our letter dated June 10, 2020 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 by 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 \$38,374.58, the discharge fee of \$1,000.00, a PPSA registration and discharge fee of \$130.00, an appraisal fee of \$27,585.56, unrecovered legal fees of \$5,133.84 and interest to today’s date of \$4,796.82 and together with interest thereon at DUCA’s prime rate in effect from time to time plus 5.5% per annum from the date of the demand for payment, which as of today’s date is equal to \$4,796.82 per day.

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.

95 Barber Greene Rd., Suite 100, Toronto, Ontario, Canada M3C 3E9
Tel: 416.449.1400 Fax: 416.449.7071 www.devrylaw.ca

DEVRY SMITH FRANK LLP

Page 2

Please govern yourself accordingly.

Yours truly,

DEVRY SMITH FRANK LLP

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

Oren Chaimovitch (Devry)

OHC:tm

encl.



DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

Oren.Chaimovitch@devrylaw.ca

June 10, 2020

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. ("DUCA") loan to Bayview Creek (CIM) LP, CIM Invests Development Inc. and CIM Bayview Creek Inc. (collectively, the "Debtors"), secured, inter alia, by a charge over 10747 Bayview Avenue, Richmond Hill

We act as solicitors for DUCA Financial Services Credit Union Ltd. ("DUCA"). According to our client's records, you are jointly and severally indebted to DUCA as of June 9, 2020 in the principal amount of \$20,720,000.00 with accrued interest thereon in the amount of \$38,374.58, a discharge fee of \$1,000.00, a PPSA registration and discharge fee of \$130.00, an appraisal fee of \$27,585.56, unrecovered legal fees of \$5,133.84 and an interest reserve of \$23,890.25 for a total amount owing as at June 9, 2020 of \$20,768,333.73.

Interest continues to accrue from June 9, 2020 to the date of payment at DUCA's prime rate of interest in effect from time to time plus 5.5% per annum, which as of today's date is equal to \$4,796.82 per day.

Your indebtedness to DUCA 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 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 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 June 9, 2020 in the amount of \$20,768,333.73 as more particularly set forth in Schedule "B" hereto plus interest thereon from June 9, 2020 to the date of payment at DUCA's prime rate of interest in effect from time to time plus 5.5% per annum, which as of today's date is equal to \$4,796.82 per day.
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.

DATED at Toronto, Ontario, this 10th day of June, 2020

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

Romspen Investment Corporation
162 Cumberland Street, Suite 300
Toronto, ON M5R 3N5

Bryton Capital Corp. GP Ltd.
65 Queen Street West, Suite 210
Toronto ON M5H 2M5

GR (Can) Investment Co. Ltd.
4342 Queen Street, Suite 203
Niagara Falls, ON L2E 7J7

The Bank of Nova Scotia
4715 Tahoe Blvd
Mississauga, ON L4W 0B4

Mercedes-Benz Financial Services Canada Corporation
2680 Matheson Blvd. E. Ste 500
Mississauga, ON L4W 0A5

SCHEDULE "B"

| | |
|-------------------------------|----------------------|
| Principal | \$20,720,000.00 |
| Accrued Interest to June 9/20 | 38,374.58 |
| Discharge Fee | 1,000.00 |
| Registration Fee | 80.00 |
| PPSA Discharge Fee | 50.00 |
| Appraisal Costs | 27,585.56 |
| Unrecovered legal costs | 5,133.84 |
| Interest Reserve | <u>(\$23,890.25)</u> |
| | \$20,768,333.73 |
| per diem: | \$4,796.82 |

TAB C

EXHIBIT "C"

Page 1 of 1

From: Robert S. Choi [<mailto:RChoi@owenswright.com>]
Sent: November 10, 2020 11:54 AM
To: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Cc: Randy Lebow <RLebow@owenswright.com>
Subject: Duca Assignment

Hi Lawrence, Randy will be reaching out to Oren. We had an internal discussion, and we're looking to move forward with the assignment and get the court approval on Dec. 3, 2020.

Robert S. Choi B.A, J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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TAB D

From: Randy Lebow [<mailto:RLebow@owenswright.com>]
Sent: November 10, 2020 8:07 PM
To: Oren.Chaimovitch@devrylaw.ca
Cc: RChoi@owenswright.com; Lawrence.Hansen@devrylaw.ca; Tracey.Mason@devrylaw.ca
Subject: RE: Duca assignment

Thank you. I will get you the name of the assignee shortly. Yes please prepare the Transfer of Charge and message it to my assistant Janet Alvarado.

Randy H. Lebow*

OWENS WRIGHT LLP

Partner

20 Holly Street, Suite 300

Toronto, ON M4S 3B1

Direct #: (416) 848-4707

Fax: (416) 486-3309

rlebow@owenswright.com

***On behalf of Randy H. Lebow Professional Corporation**

One of Canada's top 5 boutique commercial real estate firms as ranked by Canadian Lawyer Magazine

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Randy Lebow

Partner | Owens Wright LLP

Direct: 416.848.4707 | **Fax:** 416.486.3309 | **Email:** RLebow@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Oren Chaimovitch (Devry) [<mailto:Oren.Chaimovitch@devrylaw.ca>]
Sent: Tuesday, November 10, 2020 2:31 PM
To: Randy Lebow
Cc: Robert S. Choi; Lawrence Hansen; Tracey Mason
Subject: RE: Duca assignment

Randy,

The only change to the last version you sent on October 28, 2020 would be the deletion of the Forbearance Agreements in Schedule B, the insertion of the amount owing and the identity of the assignee.

I will ask DUCA for updated figures which we will insert into paragraph 2(b) and Schedule C. We will estimate our fees as best we can, given that we will have to attend on the hearing on December 3, 2020.

We also need you to advise as to whom the first mortgage will be assigned. If it is anyone other than the current second mortgagee, we will need an appropriate direction from the second mortgagee.

Will you be preparing the Transfer of Charge in Teraview or should I do so? If it is me, to whom should I message it?

As for the postponement, DUCA will not give it. You may prepare and register that after the Transfer of Charge.

Regards,

Oren Chaimovitch

Devry Smith Frank LLP
100-95 Barber Greene Road
Toronto, ON
M3C 3E9
Direct: 416-446-3342
Fax: 416-449-7071

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From: Randy Lebow [<mailto:RLebow@owenswright.com>]

Sent: Tuesday, November 10, 2020 1:20 PM

To: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>

Cc: Robert S. Choi <RChoi@owenswright.com>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>

Subject: Duca assignment

Oren, I left you voice message that we want to proceed and get leave to payout Duca at court hearing effective immediately on court approval. We will have funds available for payout on that day .

In conjunction with the assignment we would like to receive from Duca a postponement of their mortgage to our client' purchase option registered on title. We would seek court leave for Duca to do so.

We will send you all draft materials for the hearing once prepared.

I believe you and I have to finalize the assignment document still and I believe the last draft in circulation was my blackline to you.

Please feel free to call me on my cell to discuss. 416-931-9539

Randy Lebow

Partner | Owens Wright LLP

Direct: 416.848.4707 | **Fax:** 416.486.3309 | **Email:** RLebow@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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TAB E

EXHIBIT "E"

Lawrence Hansen

From: Oren Chaimovitch (Devry)
Sent: November 20, 2020 6:15 AM
To: Randy Lebow
Cc: Lawrence Hansen; Tracey Mason; Carmen Yuen
Subject: Re: Assignment
Attachments: General Assignment of Debt and Security OHC Changes November 11,2020 BL.docx

Randy,

If all goes well, I plan to be away during November 28 to December 15. As the court hearing and assignment date is December 3, 2020, I propose that we get the assignment agreement executed by each of our clients to be held in escrow and exchanged once you obtain your approval.

Sorry, my email below should have said that I need need a direction from Bryton Capital Corp. GP Ltd. to engross the Transfer of Charge in favour of 10747 Bayview Mortgage Corp.

Please confirm your agreement to the above and approve the Transfer of Charge, then I will have our client execute the Assignment Agreement and the Transfer of Charge.

Please copy my colleague Lawrence Hansen with all communication, so that things go smoothly in my absence. As you may have been told by Robert Choi, Lawrence has been dealing with the litigation aspect of this matter.

Thanks,

Oren Chaimovitch
Devry Smith Frank LLP
100-95 Barber Greene Road
Toronto, ON
M3C 3E9
Direct: 416-446-3342
Fax: 416-449-7071

On Nov 11, 2020, at 9:22 PM, Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca> wrote:

Randy,

The revised assignment is attached, with mark-ups shown compared to the last draft sent by you to me October 28, 2020.

We will need a direction from to engross the Transfer of Charge in favour of Bryton Capital Corp. GP Ltd.

Regards,

Oren Chaimovitch
Devry Smith Frank LLP
100-95 Barber Greene Road
Toronto, ON
M3C 3E9
Direct: 416-446-3342
Fax: 416-449-7071

Note: This email is intended for the use of the person to whom it is directed and may contain information that is privileged and/or confidential, and the sender does not waive any privilege or other

related rights. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you have received this email in error, please delete it from your system without printing, copying or forwarding it, and notify the sender of the error by reply email or otherwise.

From: Randy Lebow [mailto:RLebow@owenswright.com]
Sent: Wednesday, November 11, 2020 9:27 AM
To: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
Subject: Assignment

Oren, the Assignee will be

10747 BAYVIEW MORTGAGE CORP.

ADDRESS

C/O BRYTON CAPITAL CORP.
65 QUEEN STREET WEST Suite 210
TORONTO
CANADA
ONTARIO
M5H2M5

Randy Lebow

Partner | Owens Wright LLP

Direct: 416.848.4707 | **Fax:** 416.486.3309 | **Email:** RLebow@owenswright.com
300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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GENERAL ASSIGNMENT OF DEBT AND SECURITY

THIS ASSIGNMENT made ~~this~~ as of the 3rd _____ day of _____, December, 2020.

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.
(hereinafter called the "Assignor")

- and -

10747 BAYVIEW MORTGAGE CORP.
(hereinafter called the "Assignee")

WHEREAS:

- A. pursuant to a commitment letter entered into DUCA Financial Services Credit Union Ltd. and Bayview Creek (CIM) LP by its general partner, CIM Invests Development Inc. (the "Original Borrower"), and the Guarantors, as defined below, dated April 15, 2016, as amended by letter agreements dated April 12, 2017, April 26, 2018 and June 14, 2108, and forbearance letters of March 6, 2019, and April 18, 2019 as replaced by a letter agreement dated May 22, 2019, and July 24, 2020 (collectively referred to as the "Commitment"), the Assignor made a loan to the Original Borrower in the original principal amount of \$20,720,000.00 secured, *inter alia*, by a charge/mortgage registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2473036 (the "2016 Charge") against the land and premises described in Schedule "A" hereto (the "Mortgaged Property");
- B. Jiubin Feng, Dianyuan Zheng and Xiaoxin Zhang (collectively, the "Guarantors") guaranteed the obligations of the Original Borrower to the Assignor (the "Guarantee");
- C. CIM Bayview Creek Inc. assumed the obligations of Original Borrower to the Assignor without releasing the obligations of Original Borrower to the Assignor (CIM Bayview Creek Inc. and Original Borrower are collectively referred to herein as the "Borrowers");
- D. the Charge was amended by an agreement registered on title to the Mortgaged Property on March 12, 2019 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2937903 (the 2016 Charge as amended by the forgoing being referred to collectively herein as the "Charge");
- E. The Charge is in default as of the date hereof;
- F. The Assignor has agreed to assign for the benefit of the Assignee all the Assignor's right, title and interest in and to the security and other documents held by the Assignor in respect of the Mortgaged Property described in Schedule "B" attached hereto (the "Security") and the loan secured by the Charge including the principal amount outstanding, all accrued and compound interest, and all other amounts due and secured thereby as at the date hereof (collectively the "Mortgage Loan").

NOW THEREFORE in consideration of other good and valuable consideration and the sum of \$10.00 paid by the Assignee to the Assignor (the receipt and sufficiency of which are hereby acknowledged) the Assignor acknowledges, covenants and agrees as follows:

1. The Assignor hereby assigns, transfers, sets over and conveys to the Assignee, absolutely, all the Assignor's right, title, interest (both legal and equitable), powers, privileges and other benefits of any nature whatsoever in and arising from the Security, the Mortgage Loan and the Mortgaged Property, as though the Assignee were originally named in the Security as the party entitled to the benefits thereof.
2. The Assignor represents and warrants to the Assignee (which representations and warranties survive the transfer and assignment of the Security) that:
 - a. it has the power and authority to transfer and assign the Security to the Assignee, except as otherwise provided herein and only if and to the extent the same are transferable and/or assignable, it being understood that the Assignor does not warrant or represent that any of the Security other than the Charge is assignable by the Assignor to the Assignee, and nothing herein shall be deemed to be a representation or warranty that the Security or any part thereof is assignable other than the Charge;
 - b. the amount of the Mortgage Loan due and outstanding to the Assignor pursuant to the Security is \$21,074,173.50_____ as of the date first written above, calculated in Schedule "C" hereto; and
 - c. the Security has not been released, discharged or otherwise assigned, and remains unamended as of the date hereof.
3. The Assignee covenants with the Assignor that the Assignee will not take any steps to enforce the Security in the name of the Assignor or take any legal proceedings with respect to the enforcement of the Security in the name of the Assignor, without the express written consent of the Assignor.
4. The Assignee acknowledges and agrees that except as expressly provided herein, the Assignor makes the assignment of the Security pursuant to this Agreement without any warranty of any kind, either express or implied, as to the assignability, effectiveness, enforceability or validity of the Security, the value of any assets secured by the Security, the effectiveness of any registration of the Security, the ability to enforce the Security as against the Borrowers or Guarantors or any third parties or any other matter relating to the Security, or as to the value of the assets secured by the Security or as to the physical condition and state of the same.
5. The Borrowers are hereby authorized and directed to pay to the Assignee all monies due and owing under the Mortgage Loan and the Assignor shall provide the Assignee with any documentation required to irrevocably authorize and direct the Borrower for so doing.
6. Each of the parties hereto shall from time to time following completion of the within assignment and upon any reasonable request of the other, execute and deliver, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more

effectually implement and carry out the true intent and meaning of this Agreement. All costs incurred by Assignor in respect of any such requests, including legal costs on a solicitor and its own client basis and, shall be the responsibility of and shall be paid by Assignee forthwith upon demand whether or not the Assignor is able to provide or do the things requested by the Assignee. The Assignor shall not be required to furnish or produce any document or thing except those in actual possession and shall not be liable to the Assignee or anyone else for its failure or in ability to do so.

7. This assignment shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
8. The Assignor covenants with the Assignee to execute and deliver a specific transfer or assignment of any of the documents comprised in the Security as requested by the Assignee.
9. This assignment shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
10. This Agreement may be executed in several counterparts, each of which when so executed (and delivered by facsimile transmission or otherwise) shall be, and be deemed to be, an original instrument and such counterparts together shall constitute one and the same instrument (and notwithstanding their date of execution shall be deemed to bear date as of the date of this Agreement). For greater certainty, it is agreed by the parties hereto that execution and acceptance of this Agreement, communication of such execution and acceptance, and other notices hereunder may be sent and received by facsimile or emailed pdf or other electronic transmission and the communication by such means will be legal and binding on all parties.

[Remainder of this page intentionally left blank.]

Signature page to follow.]

IN WITNESS WHEREOF the Assignor has executed this assignment of debt and security as of the date first written above.

DUCA FINANCIAL SERVICES CREDIT
UNION LTD.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

We have authority to bind the Corporation

10747 BAYVIEW MORTGAGE CORP.

Per: _____

Name:

Title:

I have authority to bind the Corporation

SCHEDULE "A"

(Legal Description of Property)

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

SCHEDULE "B"

(Security)

1. The Charge
2. An Assignment of Rents registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2473037
3. The Guarantee dated May 13, 2016
4. a General Security Agreement given by Bayview Creek (CIM) LP dated May 13, 2016
5. Trustee and Beneficial Ownership Agreement dated May 13, 2016
6. All monies payable to the assignor as a result of any bankruptcy proceeds by or against the Borrowers.
7. Any and all monies or settlement proceeds hereafter payable to the Assignor under any property insurance policy or policies in place with respect to the Mortgaged Property.
8. Assignment of Material Contracts dated May 13, 2016 given by the Borrower,
9. Environmental Indemnity dated May 13, 2016 given by the Borrower and Guarantors.
10. Undertaking re: Withholding Payments dated May 13, 2016 given by the Borrower
11. Assignment of Insurance Monies dated May 13, 2016 given by the Borrower.
12. Postponements and Assignments of Claim
 - (a) dated May 13, 2016 given by CIM Developments Inc. and
 - (b) dated May 13, 2016 given CIM Invests Development Inc.
13. Officer's Certificate dated May 13, 2016 from CIM Invests Development Inc., as general partner for and on behalf of Bayview Creek (CIM) LPs;
14. Corporate Opinion of Dickinson Wright dated May 17, 2016 relating to the due authorization, execution and enforceability of the Security;
15. All title insurance policies relating to the Mortgaged Property, if and to the extent the same is transferable and assignable;
16. ~~All forbearance agreements entered into with the Borrower and Guarantors.~~

SCHEDULE "C"
 (Calculation of Mortgage Loan)

| | |
|--|------------------------------|
| (a) Principal balance | \$20,720,000.00 |
| (b) Interest to -December 3, 2021 | \$302,199.78 |
| (c) Interest Reserve | (\$4,514.11) |
| (ed) Unrecovered Legal Costs to October 30 2020 | \$ _____ \$31,487.86 |
| (d) Additional Legal Costs to December 3, 2020 (estimated) | \$25,000.00 |
| Total | \$ _____ \$21,074,173.50 |

TAB F

From: Robert S. Choi [mailto:RChoi@owenswright.com]

Sent: November 23, 2020 8:47 PM

To: Lawrence.Hansen@devrylaw.ca

Subject: FYI

Hi Lawrence, if you have time, please give me a call to discuss the debtor's motion on Thursday and also below. Thanks.

ARTICLE 4.00 - FINANCIAL AND CLOSING

2.1 Purchase Price

The purchase price for the Lands shall be the sum of Forty Million Seven Hundred and Twenty Thousand (\$40,720,000.00) Dollars (the "Purchase Price").

2.2. Payment of Purchase Price

The Purchaser and the Vendor acknowledge and agree that the Purchase Price shall be satisfied as follows:

- (a) the payment by the Purchaser to the Purchaser's solicitors of a deposit in the amount of One Hundred (\$100.00) Dollars, which the Vendor hereby confirms having received prior to the acceptance of this Agreement, which deposit shall be credit to the purchase price on Closing; and
- (b) the balance of the purchase price shall be satisfied by the assumption by the Purchaser on Closing of (i) the first mortgage in favour of DUCA Financial Services Credit Union Ltd. with a principal amount of not greater than Twenty Million Seven Hundred Twenty Thousand (\$20,720,000.00) Dollars and an interest rate not greater than prime rate plus five and one half (5.50%) percent (the "First Mortgage") and (ii) second mortgage in favour of Bryton Capital GP Corp. with a principal amount of not greater than Twenty Million (\$20,000,000.00) Dollars and an interest rate equal to the greater of eight (8.00%) percent and the prime rate of The Toronto-Dominion Bank plus four (4.00%) percent (the "Second Mortgage"), subject to the adjustments provided for herein. To the extent that the aggregate amount outstanding on Closing under the Mortgages exceed the Purchase Price, then the Purchaser shall be entitled to the assume the Mortgages notwithstanding and the Vendor shall remain liable for any amounts owing under the Mortgages in excess of the Purchase Price and hereby indemnifies the Purchaser in respect to the same. The aforementioned indemnity shall survive Closing.

Robert S. Choi B.A., J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Robert S. Choi [<mailto:RChoi@owenswright.com>]
Sent: November 23, 2020 9:18 PM
To: Lawrence.Hansen@devrylaw.ca
Cc: Oren.Chaimovitch@devrylaw.ca; Carmen.Yuen@devrylaw.ca
Subject: RE: FYI

Hi Lawrence, yes, that works. It is a part of the option agreement. My client will be calling your client tomorrow as well.

Robert S. Choi B.A., J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Sent: November 23, 2020 9:11 PM
To: Robert S. Choi <RChoi@owenswright.com>
Cc: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>
Subject: RE: FYI

Will give you a call at 9:00 m, Tuesday.

From what documents is the excerpt below?

Lawrence Hansen
DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

Barrie | Toronto | Whitby

Tel.: 249.888.6626 (Barrie) / 416.446.5097 (Toronto)

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Sent: November 23, 2020 8:47 PM
To: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Subject: FYI

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- (a) the payment by the Purchaser to the Purchaser's solicitors of a deposit in the amount of One Hundred (\$100.00) Dollars, which the Vendor hereby confirms having received prior to the acceptance of this Agreement, which deposit shall be credit to the purchase price on Closing; and
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Robert S. Choi B.A., J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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TAB G

From: Robert S. Choi [<mailto:RChoi@owenswright.com>]
Sent: November 23, 2020 9:18 PM
To: Lawrence.Hansen@devrylaw.ca
Cc: Oren.Chaimovitch@devrylaw.ca; Carmen.Yuen@devrylaw.ca
Subject: RE: FYI

Hi Lawrence, yes, that works. It is a part of the option agreement. My client will be calling your client tomorrow as well.

Robert S. Choi B.A., J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
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Subject: RE: FYI

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Lawrence Hansen
DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

Barrie | Toronto | Whitby

Tel.: 249.888.6626 (Barrie) / 416.446.5097 (Toronto)

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From: Robert S. Choi [mailto:RChoi@owenswright.com]

Sent: November 23, 2020 8:47 PM

To: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>

Subject: FYI

Hi Lawrence, if you have time, please give me a call to discuss the debtor's motion on Thursday and also below. Thanks.

ARTICLE 2.00 - FINANCIAL AND CLOSING

2.1 Purchase Price

The purchase price for the Lands shall be the sum of Forty Million Seven Hundred and Twenty Thousand (\$40,720,000.00) Dollars (the "**Purchase Price**").

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The Purchaser and the Vendor acknowledge and agree that the Purchase Price shall be satisfied as follows:

- (a) the payment by the Purchaser to the Purchaser's solicitors of a deposit in the amount of One Hundred (\$100.00) Dollars, which the Vendor hereby confirms having received prior to the acceptance of this Agreement, which deposit shall be credit to the purchase price on Closing; and
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Robert S. Choi B.A., J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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TAB H

From: Robert S. Choi [<mailto:RChoi@owenswright.com>]
Sent: November 24, 2020 5:19 PM
To: Lawrence.Hansen@devrylaw.ca
Cc: Oren.Chaimovitch@devrylaw.ca; RLebow@owenswright.com;
Carmen.Yuen@devrylaw.ca; Tracey.Mason@devrylaw.ca; JCareen@owenswright.com
Subject: RE: Motion Record of Bryton

Okay – we'll get started on the process now then. I don't think it'll be an issue.

Robert S. Choi B.A, J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Sent: November 24, 2020 5:15 PM
To: Robert S. Choi <RChoi@owenswright.com>
Cc: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>; Randy Lebow <RLebow@owenswright.com>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Jonathan Careen <JCareen@owenswright.com>
Subject: RE: Motion Record of Bryton

Thanks. Can't be done. An assumption has to go through the ordinary loan process with an application, credit analysis, due diligence and would normally require guarantees. That is not going to happen for tomorrow. I am told that the fastest it might occur, if everything goes smoothly and all the necessary information is available could be a week or so.

I am told that Sergiu explained that to Bryan.

Lawrence Hansen
DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

Barrie | Toronto | Whitby

Tel.: 249.888.6626 (Barrie) / 416.446.5097 (Toronto)

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From: Robert S. Choi [<mailto:RChoi@owenswright.com>]

Sent: November 24, 2020 4:59 PM

To: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>

Cc: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>; Randy Lebow <RLebow@owenswright.com>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Jonathan Careen <JCareen@owenswright.com>

Subject: RE: Motion Record of Bryton

I left you a voicemail. Strategically, the assumption of mortgage should be referenced so that the option agreement is more real, to the extent that the purchaser's deliveries are satisfied. I'd like to close out the "circle", to advise the court that the proposal is going to be a waste of money and time, as no one would buy the land with that option agreement being triggered.

In this regard, I would like to put in a short affidavit from Duca, subject to your review and comment.

Robert S. Choi B.A., J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>

Sent: November 24, 2020 4:55 PM

To: Robert S. Choi <RChoi@owenswright.com>

Cc: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>; Randy Lebow <RLebow@owenswright.com>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Jonathan Careen <JCareen@owenswright.com>

Subject: RE: Motion Record of Bryton

Thanks. Please just attach the email to your affidavit and say that DUCA opposes the proposal as well I will also say that on Thursday.

Thanks.

Lawrence Hansen
DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

Barrie | Toronto | Whitby

Tel.: 249.888.6626 (Barrie) / 416.446.5097 (Toronto)

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From: Robert S. Choi [<mailto:RChoi@owenswright.com>]
Sent: November 24, 2020 4:39 PM
To: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Cc: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>; Randy Lebow <RLebow@owenswright.com>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Jonathan Careen <JCareen@owenswright.com>
Subject: RE: Motion Record of Bryton

Thanks.

I have filed our initial materials today, and I'd like to file supplementary materials tomorrow as well. I'll send you an affidavit to be sworn by your client, for your review, so that the mortgagees can coordinate our position.

Best regards,

Robert S. Choi B.A, J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Sent: November 24, 2020 2:13 PM
To: Robert S. Choi <RChoi@owenswright.com>
Cc: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>; Randy Lebow <RLebow@owenswright.com>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Tracey Mason <Tracey.Mason@devrylaw.ca>
Subject: RE: Motion Record of Bryton
Importance: High

Attached please find my email message which confirms that DUCA is not in favour of the proposal. I would include this (or redacted version if you think necessary) in any affidavit you are delivering this afternoon. You can also state that DUCA advises that it opposes the proposal. I will say that on Thursday afternoon.

They have intended to make a proposal since at least October 13 and not provided any reason why they have not filed one before now? Don't that have a burden to provide a reason?

Thanks.

Lawrence Hansen
DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

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Tel.: 249.888.6626 (Barrie) / 416.446.5097 (Toronto)

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TAB I

From: Robert S. Choi [mailto:RChoi@owenswright.com]
Sent: November 26, 2020 10:51 PM
To: Lawrence.Hansen@devrylaw.ca; RLebow@owenswright.com
Cc: Oren.Chaimovitch@devrylaw.ca; Carmen.Yuen@devrylaw.ca; Tracey.Mason@devrylaw.ca
Subject: Re: DUCA027 -- DUCA re CIM

Hi Lawrence, thank you. I will reach out to my client. Cheers.

Robert S. Choi B.A., J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Sent: Thursday, November 26, 2020 10:46:56 PM
To: Robert S. Choi <RChoi@owenswright.com>; Randy Lebow <RLebow@owenswright.com>
Cc: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Tracey Mason <Tracey.Mason@devrylaw.ca>
Subject: DUCA027 -- DUCA re CIM

DUCA really does not want to be a part of this dispute. Can you revisit with your client the issue of assignment? Can that be done? As of Monday, that was the deal.

Thanks.

Lawrence Hansen
DEVRY SMITH FRANK *LLP*
Lawyers & Mediators
Barrie | Toronto | Whitby

Tel.: 249.888.6626 (Barrie) / 416.446.5097 (Toronto)

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TAB J

EXHIBIT "J"

Page 1 of 2

From: Robert S. Choi [<mailto:RChoi@owenswright.com>]
Sent: December 4, 2020 6:12 PM
To: Lawrence.Hansen@devrylaw.ca
Cc: JCareen@owenswright.com; JWajs@owenswright.com; Carmen.Yuen@devrylaw.ca;
Oren.Chaimovitch@devrylaw.ca
Subject: RE: Telephone conference

There was no agreement, I don't think – just discussions. My client was of the view that there was good prospect that the mortgagees will move forward on this basis.

Robert S. Choi B.A., J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

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From: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Sent: December 4, 2020 6:09 PM
To: Robert S. Choi <RChoi@owenswright.com>
Cc: Jonathan Careen <JCareen@owenswright.com>; Jordan Wajs <JWajs@owenswright.com>;
Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Oren Chaimovitch (Devry)
<Oren.Chaimovitch@devrylaw.ca>
Subject: RE: Telephone conference

Thanks.

Let me speak to DUCA. I am not sure that will be tonight. Maybe I misinterpreted things, but I had understood that there was no agreement.

LH

From: Robert S. Choi [<mailto:RChoi@owenswright.com>]
Sent: December 4, 2020 6:03 PM
To: Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Cc: Jonathan Careen <JCareen@owenswright.com>; Jordan Wajs <JWajs@owenswright.com>
Subject: Telephone conference

Hi Lawrence:

I spoke to my client this afternoon. My client advised that he spoke to your client, and our respective clients appeared to be agreeable to the following arrangement:

1. Bryton takes title pursuant to the Option Agreement on or about Feb. 19, 2021, and Bryton assumes the Duca mortgage; and
2. Bryton and Duca enter into an agreement on the timeline for the full payout to Duca for its mortgage, or enter into another acceptable arrangement (i.e. Duca and Bryton entering into a lender/borrower relationship in respect of Bryton's development project).

Bryton's intention is to take title to the property pursuant to the Option Agreement on or Feb. 19, 2021, have the subdivision agreement completed and registered, and sell the eastern parcel to its partner thereafter so that the proceeds could be used to fully pay out Duca.

To the extent that our respective clients are agreeable to above, this is what I would suggest for our legal positioning for the motion returnable on Dec. 21, 2020:

1. Duca supports Bryton's Option Agreement motion – if the option is validated by the court, then the parties proceed as set out above;
2. In the event that Bryton is enjoined from exercising the Option Agreement, then Duca seeks the appointment of the receiver.

Perhaps we can schedule a telephone conference with you, your client, me, and my client this weekend, so that any materials that we submit for filing on Monday, Dec. 7, 2020, will be consistent with this understanding. Please let me know you and your client's availability this weekend. Thank you.

Best regards,

Robert S. Choi B.A., J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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TAB K

EXHIBIT "K"

Subject: DUCA re CIM

Date: 2020-12-05 8:27 PM

From: "Lawrence Hansen" <Lawrence.Hansen@devrylaw.ca>

To: "Bornstein, Jeremy" <jbornstein@cassels.com>, "Robert S. Choi" <RChoi@owenswright.com>, "Ward, David" <dward@millerthomson.com>, "jonathan@hummingbirdlaw.com" <jonathan@hummingbirdlaw.com>
 "Carmen Yuen" <Carmen.Yuen@devrylaw.ca>, "Oren Chaimovitch (Devry)" <Oren.Chaimovitch@devrylaw.ca>, "Tracey Mason" <Tracey.Mason@devrylaw.ca>, "Ellis, Larry" <lellis@millerthomson.com>, "Dolny, Tamie" <tdolny@millerthomson.com>, "Massie, Sam" <smassie@millerthomson.com>, "Daniel Wootton CIRP" <dan.wootton@ca.gt.com>, "Jonathan Careen" <JCareen@owenswright.com>, "Michael Fallone" <mfallone@owenswright.com>, "Carmen Yuen" <Carmen.Yuen@devrylaw.ca>, "Tracey Mason" <Tracey.Mason@devrylaw.ca>, "Craddock, Erin" <ecraddock@millerthomson.com>, "Birch, John" <jbirch@cassels.com>, "Steven Huryn" <Steven.Huryn@devrylaw.ca>

As some of you know, DUCA has decided today that it will not be proceeding with its request for a receiver, something which should nicely streamline the December 21 hearing. On Monday, we will advise the court, accordingly.

At the hearing on December 21, DUCA will advise the court that it will be content to work with the party whose argument prevails: with Bryton to complete the sales process in accordance with the option if it is found to be valid or the proposal trustee/CIM on a sales process if the option is found not to be valid.

DUCA anticipates that other than as set out above, it will essentially be sitting on the sidelines. If anyone thinks differently, please let me know.

Thanks.

Lawrence Hansen
 DEVRY SMITH FRANK *LLP*
 Lawyers & Mediators
 Barrie | Toronto | Whitby

Tel.: 249.888.6626 (Barrie) / 416.446.5097 (Toronto)

COVID-19: DSF is open and is ready, willing and able to help you. We are living through an extraordinary period, and we are committed to doing what we can to stop the spread of COVID-19. To that end, we are working remotely, using video as well as telephone conferencing as much as possible, and doing as much as we can to conduct business electronically. Please send us correspondence and documentation by email so that we can deal with it in as timely a way as possible, and do not hesitate to give us a call.

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TAB L

EXHIBIT "L"

Subject: Re: DUCA re CIM

Date: 2020-12-05 10:13 PM

From: "Lawrence Hansen" <Lawrence.Hansen@devrylaw.ca>

To: "Bornstein, Jeremy" <jbornstein@cassels.com>, "Robert S. Choi" <RChoi@owenswright.com>, "Ward, David" <dward@millerthomson.com>, "jonathan@hummingbirdlaw.com" <jonathan@hummingbirdlaw.com>
 "Carmen Yuen" <Carmen.Yuen@devrylaw.ca>, "Oren Chaimovitch (Devry)" <Oren.Chaimovitch@devrylaw.ca>, "Tracey Mason" <Tracey.Mason@devrylaw.ca>, "Ellis, Larry" <lellis@millerthomson.com>, "Dolny, Tamie" <tdolny@millerthomson.com>, "Massie, Sam" <smassie@millerthomson.com>, "Daniel Wootton CIRP" <dan.wootton@ca.gt.com>, "Jonathan Careen" <JCareen@owenswright.com>, "Michael Fallone" <mfallone@owenswright.com>, "Craddock, Erin" <ecraddock@millerthomson.com>, "Birch, John" <jbirch@cassels.com>, "Steven Huryn" <Steven.Huryn@devrylaw.ca>

Just to be clear about my last email message, DUCA may be prepared to work with Bryton if it prevails subject, of course, to whether it is permitted to do so. I had understood that the parties in the option motion were dealing with what steps Bryton can take if its option is a valid one. DUCA will comply with its obligations however they flow from the hearing. There is no need to involve it in the dispute about this. As Indicated, DUCA intends to sit on the sidelines.

If there is any question about this, please let me know.

Thanks.

Lawrence Hansen
 DEVRY SMITH FRANK LLP
 249.888.6626/416.446.5097

On Dec 5, 2020, at 8:27 PM, Lawrence Hansen <Lawrence.Hansen@devrylaw.ca> wrote:

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TAB M

EXHIBIT "M"

Page 1 of 2

From: Robert S. Choi [<mailto:RChoi@owenswright.com>]
Sent: January 27, 2021 3:50 PM
To: Oren.Chaimovitch@devrylaw.ca
Cc: RLebow@owenswright.com; JCareen@owenswright.com; akeyvani@owenswright.com; Tracey.Mason@devrylaw.ca; Carmen.Yuen@devrylaw.ca; Lawrence.Hansen@devrylaw.ca
Subject: RE: Assumption Agreement

Great, thank you. Please circulate when ready, so that I can file materials for Justice Cavanagh for his blessings.

Robert S. Choi B.A., J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
Sent: Wednesday, January 27, 2021 2:08 PM
To: Robert S. Choi <RChoi@owenswright.com>
Cc: Randy Lebow <RLebow@owenswright.com>; Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Subject: RE: Assumption Agreement

Robert,

It is mostly done. I am just awaiting some final instructions from our client.

Regards,

Oren Chaimovitch

Devry Smith Frank LLP

100-95 Barber Greene Road

Toronto, ON

M3C 3E9

Direct: 416-446-3342

Fax: 416-449-7071

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Cc: Randy Lebow <RLebow@owenswright.com>; Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>
Subject: Assumption Agreement
Importance: High

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Let us finalize the assumption agreement forthwith this week. Please let me know your thoughts. Thank you.

Best regards,

Robert S. Choi B.A., J.D., LL.M.
Partner | Litigation | Owens Wright LLP
Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com
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Regards,

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Devry Smith Frank LLP
100-95 Barber Greene Road
Toronto, ON
M3C 3E9
Direct: 416-446-3342
Fax: 416-449-7071

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Cc: Randy Lebow <RLebow@owenswright.com>; Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>
Subject: Assumption Agreement
Importance: High

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Best regards,

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300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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TAB N

From: Robert S. Choi [mailto:RChoi@owenswright.com]
Sent: January 27, 2021 4:28 PM
To: Oren.Chaimovitch@devrylaw.ca
Cc: RLebow@owenswright.com; JCareen@owenswright.com; akeyvani@owenswright.com; Tracey.Mason@devrylaw.ca; Carmen.Yuen@devrylaw.ca; Lawrence.Hansen@devrylaw.ca
Subject: RE: Assumption Agreement

Thank you, Oren. I understand that you need your client's approval and it's without prejudice. We will review and get back to you. Cheers.

Robert S. Choi B.A., J.D., LL.M.
Partner | Litigation | Owens Wright LLP
Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com
300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
Sent: Wednesday, January 27, 2021 4:17 PM
To: Robert S. Choi <RChoi@owenswright.com>
Cc: Randy Lebow <RLebow@owenswright.com>; Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Subject: RE: Assumption Agreement

Robert and Randy,

I add that the costs amount is estimated for the time being and will have to be adjustment based on the actual costs incurred to the date of the assumption.

I contemplate that the agreement would be exchanged to be held in escrow pending the escrow pending the transfer of the property. We need to set a deadline by which that needs to happen, failing which the agreement would be returned to respective parties and no longer effective.

Regards,

Oren Chaimovitch
Devry Smith Frank LLP
100-95 Barber Greene Road
Toronto, ON
M3C 3E9
Direct: 416-446-3342
Fax: 416-449-7071

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Cc: Randy Lebow <RLebow@owenswright.com>; Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Subject: RE: Assumption Agreement

Robert and Randy,

In the interest of moving this along, I attach a draft Assumption Agreement, all of which is still subject to my client's approval.

Regards,

Oren Chaimovitch
Devry Smith Frank LLP
100-95 Barber Greene Road
Toronto, ON
M3C 3E9
Direct: 416-446-3342
Fax: 416-449-7071

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TAB O

EXHIBIT "O"

From: Randy Lebow <RLebow@owenswright.com>
Sent: February 1, 2021 7:18 PM
To: Oren Chaimovitch (Devry)
Cc: Jonathan Careen; Aram Keyvani; Tracey Mason; Carmen Yuen; Lawrence Hansen; Robert S. Choi
Subject: RE: Assumption Agreement
Attachments: DUCA ASSUMPTION AGREEMENT RHL CHANGES COMPARE TO OC v1 (00442400xEEFE9).pdf; DUCA ASSIGNMENT AGREEMENT v1 RHL Changes (00442397xEEFE9).doc

Follow Up Flag: Follow up
Flag Status: Completed

Oren, please see my proposed revisions to your initial draft (clean and blacklined) which are also being sent to my client for its review and approval.

Also, we would appreciate it if you could provide us with a more detailed breakdown of all outstanding amounts set out in the Agreement with any necessary back up (invoices etc).

On a separate note, we have spoken to our client in respect to the length of the post closing standstill period and our client feels that a 90 day period would be more appropriate

If you have any questions on my changes, please do not hesitate to contact me.

Randy Lebow

Partner | Owens Wright LLP
Direct: 416.848.4707 | **Fax:** 416.486.3309 | **Email:** RLebow@owenswright.com
 300-20 Holly St., Toronto, ON M4S 3B1 **owenswright.com**

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From: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
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THIS ASSUMPTION AGREEMENT dated ~~effective~~ as of the 19th day of February, 2021

Between

10747 BAYVIEW MORTGAGE CORP.
(the "Mortgagor")

and

LPF CONVERSION FUND and BRYTON CAPITAL CORP. GP LTD.
(collectively the "Guarantor")

and

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

WHEREAS Bayview Creek (CIM) LP, CIM Invests Development Inc., and CIM Bayview Creek Inc. (collectively, the "Original Borrowers") are indebted to the Mortgagee pursuant to commitment letter entered into among the Mortgagee, Bayview Creek (CIM) LP by its general partner, CIM Invests Development Inc., and Jiubin Feng, Dianyuan Zheng and Xiaoxin Zhang (collectively, the "Original Guarantors") dated April 15, 2016, as amended by letter agreements dated April 12, 2017, April 26, 2018 and June 14, 2018, and our forbearance letters of March 6, 2019, and April 18, 2019 as replaced by a letter agreement dated May 22, 2019 and July 24, 2020 (collectively referred to as the "Commitment Letter").

AND WHEREAS by a Charge/Mortgage of Land (the "Mortgage") in the principal sum of \$20,720,000.00 registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2473036, the CIM Invests Development Inc. (the "Original Mortgagor") mortgaged the lands known municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario more particularly described follows:

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

(the "Lands") to the Mortgagee to secure the payment of the amounts owing under the Commitment Letter upon the terms contained in the Mortgage (all amounts which may be owing to the Mortgagee by the Original Borrowers or any of them in accordance with the Commitment Letter and the Mortgage being referred to herein as the "Indebtedness");

AND WHEREAS the Original Mortgagor transferred the Lands to CIM Bayview Creek Inc. (the "Current Mortgagor") pursuant to a Transfer registered on June 21, 2018 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2840443;

AND WHEREAS the Mortgage was amended by a Mortgage Amending Agreement, notice of which was registered on March 12, 2019 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2937903.

AND WHEREAS the Mortgage secures the Indebtedness and will continue to secure the Indebtedness after the purchase transaction referred to in the recitals to this Agreement;

AND WHEREAS the Commitment Letter by its terms survived the execution and delivery of the Mortgage;

AND WHEREAS the Indebtedness and Mortgage is further secured by a general assignment of rents made by the Original Mortgagor in favour of the Mortgagee, notice of which was registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2473037 (the foregoing being herein called the "Collateral Security").

AND WHEREAS the Mortgagor has agreed to purchase the Lands from the Current Mortgagor and has agreed with the Current Mortgagor and with the Mortgagee to assume payment of the Indebtedness and the Mortgage and to covenant with the Current Mortgagor and the Mortgagee to pay the monies secured by the Mortgage and to fulfil all the terms, conditions, covenants and provisions contained in the Commitment Letter, the Mortgage and the Collateral Security;

AND WHEREAS the Guarantor has agreed to guarantee the repayment of the Indebtedness and the performance of the covenants contained in the Commitment Letter and Mortgage;

AND WHEREAS the Indebtedness secured by the Mortgage is as follows:

| | |
|---|--------------------|
| (a) Principal balance | \$20,720,000.00 |
| (b) Interest to February 19, 2021 | 676,351.89 |
| (c) Interest Reserve | (4,516.75) |
| (d) Unrecovered Legal Costs incurred to December 23, 2020 | 109,577.47 |
| (e) Additional Legal Costs incurred to January 26, 2021 | <u>\$15,000.00</u> |
| Total Due | \$21,516,412.61 |
| and accrues interest at the Mortgagees Prime rate of interest from time to time plus 5.5% per annum, which currently is \$4,796.82 per day. | |

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and other good and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed as follows:

1. The recitals herein are true and correct and form part of this Agreement. The Mortgagee represents and warrants to the Mortgagor and Guarantor that the amount set out above is an accurate account of the amount currently due and owing to the Mortgagee under the Mortgage as of the date hereof.
2. The Mortgagor and Guarantor each acknowledge and agree as follows:

- a. the Indebtedness is immediately due and payable and may hereinafter be paid by the Mortgagor to the Mortgagee without notice or penalty;
 - b. events of Default as defined in the Commitment Letter have occurred and are continuing and the Mortgagee has demanded repayment of the Indebtedness;
 - c. it has received copies of the demand letters (the "**Demands**") and the Notice of Intention to Enforce Security (the "**Notice**") issued to the Original Borrowers and Original Guarantors by Devry Smith Frank LLP on behalf of the Mortgagee dated June 10, 2020 and agrees that the issuance of Demands, and the Notice and their delivery were proper in all respects, the Indebtedness as set out therein and herein is correct and that the Demands and the Notice have not been withdrawn but remain and continue to remain in full force and effect. Without limitation, the Mortgagee may 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 rights under the Mortgage.
 - d. it hereby waives any rights to have any of the Indebtedness waived or the costs included therein assessed;
 - e. None of the Mortgagor's rights and remedies under the Commitment Letter or the Mortgage and none of the existing events of Default are waived or shall be deemed to be waived. However, the Mortgagee will agree to take no steps to enforce its rights and remedies under the Commitment Letter or the Mortgage for a period of 3090 days from the date first above written of this Agreement (the "**Standstill Period**"), provided the terms hereof are complied with. If the terms hereof are not complied with, or if the Mortgagor in its discretion believes its security is in jeopardy, the Mortgagor may immediately and without further notice exercise any or all of its rights, including enforcing the Mortgage.
3. The Mortgagor shall pay to the Mortgagee, contemporaneously with the execution of this Agreement the sum of \$796,412.61, which amount shall be applied to the accrued interest and legal fees incurred under the Indebtedness. The Mortgagor shall not be required to make any further payments to the Mortgagee during the Standstill Period, provided however that interest shall continue to accrue on the outstanding balance due under the Mortgage from the date of this Agreement at the per diem rate hereinbefore set out until repaid.
 4. The Mortgagor as principal debtor and not as surety, shall well and truly pay to the Mortgagee all such sums of money as are now or shall at any time hereafter become due or payable, whether for principal, interest, charges, costs or otherwise howsoever arising under or by virtue of either the Commitment Letter or the Mortgage or which are secured by the Mortgage, at the times and in the manner provided therein or in the instrument evidencing the same; and that the Mortgagor will at all times do, observe, perform, keep, be liable under and be bound by every covenant, attornment, licence, power, proviso, condition, agreement and stipulation in the Commitment Letter and Mortgage, to the same extent as if the Mortgagor had been the Original Mortgagor and as such had executed the Commitment Letter and Mortgage.
 3. These presents shall not alter or prejudice the rights and priorities of the Mortgagee as against the Original Mortgagor, the Current Mortgagor, the Original Borrowers or the Original Guarantors or any other surety or any subsequent encumbrancer or other person

whomsoever interested in the Lands or liable for the monies secured by the Mortgage or any part thereof, or the rights of any such Original Mortgagor, the Current Mortgagor, the Original Borrowers or the Original Guarantors, surety, subsequent encumbrancer or other person, all of which rights and priorities are hereby reserved;

4. The respective obligations of the Original Mortgagor, the Current Mortgagor, the Original Borrowers and the Original Guarantors to the Mortgagee under the Mortgage, the Commitment Letter and the Collateral Security shall remain in full force and effect. Nothing herein shall constitute release or novation of all or any part of the amounts owing under the Commitment Letter and Mortgage. The terms of the Commitment Letter and Mortgage remain in full force and effect, unamended.
5. The parties acknowledge and agree that all rights and priorities and remedies of the Mortgagee under the Mortgage shall not be altered, impaired, prejudiced or otherwise affected by either this Agreement or the purchase transaction referred to in the recitals to this Agreement.
6. For the better assuring, mortgaging and charging the Lands in favour of the Mortgagee, the Mortgagor hereby mortgages and charges as and by way of a fixed and specific mortgage and charge to and in favour of the Mortgagee, all of its respective right, title, estate, interest and benefit from time to time in and to the Lands as security for the payment of its obligations herein, and the Indebtedness and performance of all obligations herein, under the Commitment Letter and the Mortgage.
7. The Guarantor, as principal debtor and not as surety, shall well and truly pay or cause to be paid to the Mortgagee all such sums of Money as are now or shall at any time hereafter become due or payable, whether for principal, interest, charges, costs or otherwise howsoever arising under or by virtue of the Mortgage or which are secured by the Mortgage, at the times and in the manner provided therein or in the instrument evidencing same; and that the Guarantor will at all times do, observe, perform, keep, be liable under and be bound by every covenant, attornment, licence, power, proviso, condition, agreement and stipulation in the Mortgage to the same extent as if the Guarantor had been the Original Guarantors and as such had executed the Mortgage, at the times and in the manner provided therein.
8. Each reference herein to the Mortgage shall be deemed to also be and include a reference to the Commitment Letter and the Collateral Security and the Mortgagor shall be bound by the Mortgage, the Commitment Letter and the Collateral Security and all the terms, conditions, covenants, representations and agreements therein to the same extent as if the Mortgagor had been the Original Borrowers, and had executed the Mortgage, the Commitment Letter and Collateral Security;
9. The address for service of the Mortgagor for purposes of the Mortgage is as follows:

65 Queen Street West Suite 210, Toronto, Ontario M5H 2M5

The address of service for the Guarantor for the purposes of the Mortgage is as follows:

65 Queen Street West Suite 210, Toronto, Ontario M5H 2M5

10. Subject to the terms hereof, the Mortgagee confirms its consent to the transfer of the Lands and the assumption of obligations by the Mortgagor as provided for herein.

THIS AGREEMENT shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of each and every party hereto and wherever the singular and masculine genders are used in this Agreement the same shall be construed as meaning the plural and feminine or neuter genders where the fact or context so requires. Every reference herein to the "Guarantor" means each one of them, if more than one as well as all of them. All covenants and liability of the Guarantor hereunder, if more than one, shall be joint and several.

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 counterparts.

*[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.
SIGNATURE PAGE TO FOLLOW.]*

- 6 -

IN WITNESS WHEREOF the parties hereto have executed there presents as of the date first above written.

10747 BAYVIEW MORTGAGE CORP.

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

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

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

IN WITNESS WHEREOF the Guarantor has executed these presents as of the date first above written.

BRYTON CAPITAL CORP. GP LTD.

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

**LPF CONVERSION FUND by its general partner
BRYTON CAPITAL CORP. GP LTD.**

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

THIS ASSUMPTION AGREEMENT effective as of the 19th day of February, 2021

Between

10747 BAYVIEW MORTGAGE CORP.
(the "Mortgagor")

and

LPF CONVERSION FUND and BRYTON CAPITAL CORP. GP LTD.
(collectively the "Guarantor")

and

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

WHEREAS Bayview Creek (CIM) LP, CIM Invests Development Inc., and CIM Bayview Creek Inc. (collectively, the "Original Borrowers") are indebted to the Mortgagee pursuant to commitment letter entered into among the Mortgagee., Bayview Creek (CIM) LP by its general partner, CIM Invests Development Inc., and Jiubin Feng, Dianyuan Zheng and Xiaoxin Zhang (collectively, the "Original Guarantors") dated April 15, 2016, as amended by letter agreements dated April 12, 2017, April 26, 2018 and June 14, 2108, and our forbearance letters of March 6, 2019, and April 18, 2019 as replaced by a letter agreement dated May 22, 2019 and July 24, 2020 (collectively referred to as the "Commitment Letter").

AND WHEREAS by a Charge/Mortgage of Land (the "Mortgage") in the principal sum of \$20,720,000.00 registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2473036, the CIM Invests Development Inc. (the "Original Mortgagor") mortgaged the lands known municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario more particularly described follows:

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

(the "Lands") to the Mortgagee to secure the payment of the amounts owing under the Commitment Letter upon the terms contained in the Mortgage (all amounts which may be owing to the Mortgagee by the Original Borrowers or any of them in accordance with the Commitment Letter and the Mortgage being referred to herein as the "Indebtedness");

AND WHEREAS the Original Mortgagor transferred the Lands to CIM Bayview Creek Inc. (the "Current Mortgagor") pursuant to a Transfer registered on June 21, 2018 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number

AND WHEREAS the Mortgage secures the Indebtedness and will continue to secure the Indebtedness after the purchase transaction referred to in the recitals to this Agreement;

AND WHEREAS the Commitment Letter by its terms survived the execution and delivery of the Mortgage;

AND WHEREAS the Indebtedness and Mortgage is further secured by a general assignment of rents made by the Original Mortgagor in favour of the Mortgagee, notice of which was registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2473037 (the foregoing being herein called the "Collateral Security").

AND WHEREAS the Mortgagor has agreed to purchase the Lands from the Current Mortgagor and has agreed with the Current Mortgagor and with the Mortgagee to assume payment of the Indebtedness and the Mortgage and to covenant with the Current Mortgagor and the Mortgagee to pay the monies secured by the Mortgage and to fulfil all the terms, conditions, covenants and provisions contained in the Commitment Letter, the Mortgage and the Collateral Security;

AND WHEREAS the Guarantor has agreed to guarantee the repayment of the Indebtedness and the performance of the covenants contained in the Commitment Letter and Mortgage;

AND WHEREAS the Indebtedness secured by the Mortgage is as follows:

| | |
|---|--------------------|
| (a) Principal balance | \$20,720,000.00 |
| (b) Interest to February 19, 2021 | 676,351.89 |
| (c) Interest Reserve | (4,516.75) |
| (d) Unrecovered Legal Costs incurred to December 23, 2020 | 109,577.47 |
| (e) Additional Legal Costs incurred to January 26, 2021 | <u>\$15,000.00</u> |

Total Due \$21,516,412.61
and accrues interest at the Mortgagees Prime rate of interest from time to time plus 5.5% per annum, which currently is \$4,796.82 per day.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and other good and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed as follows:

- a. the Indebtedness is immediately due and payable and may hereinafter be paid by the Mortgagor to the Mortgagee without notice or penalty;
 - b. events of Default as defined in the Commitment Letter have occurred and are continuing and the Mortgagee has demanded repayment of the Indebtedness;
 - c. it has received copies of the demand letters (the "**Demands**") and the Notice of Intention to Enforce Security (the "**Notice**") issued to the Original Borrowers and Original Guarantors by Devry Smith Frank LLP on behalf of the Mortgagee dated June 10, 2020 and agrees that the issuance of Demands, and the Notice and their delivery were proper in all respects, the Indebtedness as set out therein and herein is correct and that the Demands and the Notice have not been withdrawn but remain and continue to remain in full force and effect. Without limitation, the Mortgagee may 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 rights under the Mortgage.
 - d. it hereby waives any rights to have any of the Indebtedness waived or the costs included therein assessed;
 - e. None of the Mortgagor's rights and remedies under the Commitment Letter or the Mortgage and none of the existing events of Default are waived or shall be deemed to be waived. However, the Mortgagee will agree to take no steps to enforce its rights and remedies under the Commitment Letter or the Mortgage for a period of 90 days from the date of this Agreement (the "Standstill Period"), provided the terms hereof are complied with. If the terms hereof are not complied with the Mortgagor may immediately and without further notice exercise any or all of its rights, including enforcing the Mortgage.
3. The Mortgagor shall pay to the Mortgagee, contemporaneously with the execution of this Agreement the sum of \$796,412.61, which amount shall be applied to the accrued interest and legal fees incurred under the Indebtedness. The Mortgagor shall not be required to make any further payments to the Mortgagee during the Standstill Period, provided however that interest shall continue to accrue on the outstanding balance due under the Mortgage from the date of this Agreement at the per diem rate hereinbefore set out until repaid.
4. The Mortgagor as principal debtor and not as surety, shall well and truly pay to the Mortgagee all such sums of money as are now or shall at any time hereafter become due or payable, whether for principal, interest, charges, costs or otherwise howsoever arising under or by virtue of either the Commitment Letter or the Mortgage or which are secured by the Mortgage, at the times and in the manner provided therein or in the instrument evidencing the same; and that the Mortgagor will at all times do, observe, perform, keep, be liable under and be bound by every covenant, attornment, licence, power, proviso, condition, agreement and stipulation in the Commitment Letter and Mortgage, to the

any part thereof, or the rights of any such Original Mortgagor, the Current Mortgagor, the Original Borrowers or the Original Guarantors, surety, subsequent encumbrancer or other person, all of which rights and priorities are hereby reserved;

4. The respective obligations of the Original Mortgagor, the Current Mortgagor, the Original Borrowers and the Original Guarantors to the Mortgagee under the Mortgage, the Commitment Letter and the Collateral Security shall remain in full force and effect. Nothing herein shall constitute release or novation of all or any part of the amounts owing under the Commitment Letter and Mortgage. The terms of the Commitment Letter and Mortgage remain in full force and effect, unamended.
5. The parties acknowledge and agree that all rights and priorities and remedies of the Mortgagee under the Mortgage shall not be altered, impaired, prejudiced or otherwise affected by either this Agreement or the purchase transaction referred to in the recitals to this Agreement.
6. For the better assuring, mortgaging and charging the Lands in favour of the Mortgagee, the Mortgagor hereby mortgages and charges as and by way of a fixed and specific mortgage and charge to and in favour of the Mortgagee, all of its respective right, title, estate, interest and benefit from time to time in and to the Lands as security for the payment of its obligations herein, and the Indebtedness and performance of all obligations herein, under the Commitment Letter and the Mortgage.
7. The Guarantor, as principal debtor and not as surety, shall well and truly pay or cause to be paid to the Mortgagee all such sums of Money as are now or shall at any time hereafter become due or payable, whether for principal, interest, charges, costs or otherwise howsoever arising under or by virtue of the Mortgage or which are secured by the Mortgage, at the times and in the manner provided therein or in the instrument evidencing same; and that the Guarantor will at all times do, observe, perform, keep, be liable under and be bound by every covenant, attornment, licence, power, proviso, condition, agreement and stipulation in the Mortgage to the same extent as if the Guarantor had been the Original Guarantors and as such had executed the Mortgage, at the times and in the manner provided therein.
8. Each reference herein to the Mortgage shall be deemed to also be and include a reference to the Commitment Letter and the Collateral Security and the Mortgagor shall be bound by the Mortgage, the Commitment Letter and the Collateral Security and all the terms,

The address of service for the Guarantor for the purposes of the Mortgage is as follows:

65 Queen Street West Suite 210, Toronto, Ontario M5H 2M5

10. Subject to the terms hereof, the Mortgagee confirms its consent to the transfer of the Lands and the assumption of obligations by the Mortgagor as provided for herein.

THIS AGREEMENT shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of each and every party hereto and wherever the singular and masculine genders are used in this Agreement the same shall be construed as meaning the plural and feminine or neuter genders where the fact or context so requires. Every reference herein to the "Guarantor" means each one of them, if more than one as well as all of them. All covenants and liability of the Guarantor hereunder, if more than one, shall be joint and several.

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 counterparts.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.

SIGNATURE PAGE TO FOLLOW.]

IN WITNESS WHEREOF the parties hereto have executed there presents as of the date first above written.

10747 BAYVIEW MORTGAGE CORP.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/We have authority to bind the Corporation

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/We have authority to bind the Corporation

IN WITNESS WHEREOF the Guarantor has executed these presents as of the date first above written.

BRYTON CAPITAL CORP. GP LTD.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/We have authority to bind the Corporation

**LPF CONVERSION FUND by its general partner
BRYTON CAPITAL CORP. GP LTD.**

Per: _____

Name:

Title:

Per:

THIS ASSUMPTION AGREEMENT dated effective as of the 19th day of February, 2021

Between

10747 BAYVIEW MORTGAGE CORP.
(the "Mortgagor")

and

LPF CONVERSION FUND and BRYTON CAPITAL CORP. GP LTD.
(collectively the "Guarantor")

and

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

WHEREAS Bayview Creek (CIM) LP, CIM Invests Development Inc., and CIM Bayview Creek Inc. (collectively, the "Original Borrowers") are indebted to the Mortgagee pursuant to commitment letter entered into among the Mortgagee, Bayview Creek (CIM) LP by its general partner, CIM Invests Development Inc., and Jiubin Feng, Dianyuan Zheng and Xiaoxin Zhang (collectively, the "Original Guarantors") dated April 15, 2016, as amended by letter agreements dated April 12, 2017, April 26, 2018 and June 14, 2108, and our forbearance letters of March 6, 2019, and April 18, 2019 as replaced by a letter agreement dated May 22, 2019 and July 24, 2020 (collectively referred to as the "Commitment Letter").

AND WHEREAS by a Charge/Mortgage of Land (the "Mortgage") in the principal sum of \$20,720,000.00 registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2473036, the CIM Invests Development Inc. (the "Original Mortgagor") mortgaged the lands known municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario more particularly described follows:

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

(the "Lands") to the Mortgagee to secure the payment of the amounts owing under the Commitment Letter upon the terms contained in the Mortgage (all amounts which may be owing to the Mortgagee by the Original Borrowers or any of them in accordance with the Commitment Letter and the Mortgage being referred to herein as the "Indebtedness");

AND WHEREAS the Original Mortgagor transferred the Lands to CIM Bayview Creek Inc. (the "Current Mortgagor") pursuant to a Transfer registered on June 21, 2018 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2840443;

AND WHEREAS the Mortgage was amended by a Mortgage Amending Agreement, notice of which was registered on March 12, 2019 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2937903.

AND WHEREAS the Mortgage secures the Indebtedness and will continue to secure the Indebtedness after the purchase transaction referred to in the recitals to this Agreement;

AND WHEREAS the Commitment Letter by its terms survived the execution and delivery of the Mortgage;

AND WHEREAS the Indebtedness and Mortgage is further secured by a general assignment of rents made by the Original Mortgagor in favour of the Mortgagee, notice of which was registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2473037 (the foregoing being herein called the "Collateral Security").

AND WHEREAS the Mortgagor has agreed to purchase the Lands from the Current Mortgagor and has agreed with the Current Mortgagor and with the Mortgagee to assume payment of the Indebtedness and the Mortgage and to covenant with the Current Mortgagor and the Mortgagee to pay the monies secured by the Mortgage and to fulfil all the terms, conditions, covenants and provisions contained in the Commitment Letter, the Mortgage and the Collateral Security;

AND WHEREAS the Guarantor has agreed to guarantee the repayment of the Indebtedness and the performance of the covenants contained in the Commitment Letter and Mortgage;

AND WHEREAS the Indebtedness secured by the Mortgage is as follows:

| | |
|---|--------------------|
| (a) Principal balance | \$20,720,000.00 |
| (b) Interest to February 19, 2021 | 676,351.89 |
| (c) Interest Reserve | (4,516.75) |
| (d) Unrecovered Legal Costs incurred to December 23, 2020 | 109,577.47 |
| (e) Additional Legal Costs incurred to January 26, 2021 | <u>\$15,000.00</u> |
| Total Due | \$21,516,412.61 |
| and accrues interest at the Mortgagees Prime rate of interest from time to time plus 5.5% per annum, which currently is \$4,796.82 per day. | |

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and other good and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed as follows:

1. The recitals herein are true and correct and form part of this Agreement. The Mortgagee represents and warrants to the Mortgagor and Guarantor that the amount set out above is an accurate account of the amount currently due and owing to the Mortgagee under the Mortgage as of the date hereof.
2. The Mortgagor and Guarantor each acknowledge and agree as follows:

- a. the Indebtedness is immediately due and payable and may hereinafter be paid by the Mortgagor to the Mortgagee without notice or penalty;
 - b. events of Default as defined in the Commitment Letter have occurred and are continuing and the Mortgagee has demanded repayment of the Indebtedness;
 - c. it has received copies of the demand letters (the "**Demands**") and the Notice of Intention to Enforce Security (the "**Notice**") issued to the Original Borrowers and Original Guarantors by Devry Smith Frank LLP on behalf of the Mortgagee dated June 10, 2020 and agrees that the issuance of Demands, and the Notice and their delivery were proper in all respects, the Indebtedness as set out therein and herein is correct and that the Demands and the Notice have not been withdrawn but remain and continue to remain in full force and effect. Without limitation, the Mortgagee may 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 rights under the Mortgage.
 - d. it hereby waives any rights to have any of the Indebtedness waived or the costs included therein assessed;
 - e. None of the Mortgagor's rights and remedies under the Commitment Letter or the Mortgage and none of the existing events of Default are waived or shall be deemed to be waived. However, the Mortgagee will agree to take no steps to enforce its rights and remedies under the Commitment Letter or the Mortgage for a period of 3090 days from the date first above written of this Agreement (the "Standstill Period"), provided the terms hereof are complied with. ~~If the terms hereof are not complied with, or if the Mortgagor in its discretion believes its security is in jeopardy, the Mortgagor may immediately and without further notice exercise any or all of its rights, including enforcing the Mortgage.~~
3. The Mortgagor shall pay to the Mortgagee, contemporaneously with the execution of this Agreement the sum of \$796,412.61, which amount shall be applied to the accrued interest and legal fees incurred under the Indebtedness. The Mortgagor shall not be required to make any further payments to the Mortgagee during the Standstill Period, provided however that interest shall continue to accrue on the outstanding balance due under the Mortgage from the date of this Agreement at the per diem rate hereinbefore set out until repaid.
 4. The Mortgagor as principal debtor and not as surety, shall well and truly pay to the Mortgagee all such sums of money as are now or shall at any time hereafter become due or payable, whether for principal, interest, charges, costs or otherwise howsoever arising under or by virtue of either the Commitment Letter or the Mortgage or which are secured by the Mortgage, at the times and in the manner provided therein or in the instrument evidencing the same; and that the Mortgagor will at all times do, observe, perform, keep, be liable under and be bound by every covenant, attornment, licence, power, proviso, condition, agreement and stipulation in the Commitment Letter and Mortgage, to the same extent as if the Mortgagor had been the Original Mortgagor and as such had executed the Commitment Letter and Mortgage.
 3. These presents shall not alter or prejudice the rights and priorities of the Mortgagee as against the Original Mortgagor, the Current Mortgagor, the Original Borrowers or the Original Guarantors or any other surety or any subsequent encumbrancer or other person

whomsoever interested in the Lands or liable for the monies secured by the Mortgage or any part thereof, or the rights of any such Original Mortgagor, the Current Mortgagor, the Original Borrowers or the Original Guarantors, surety, subsequent encumbrancer or other person, all of which rights and priorities are hereby reserved;

4. The respective obligations of the Original Mortgagor, the Current Mortgagor, the Original Borrowers and the Original Guarantors to the Mortgagee under the Mortgage, the Commitment Letter and the Collateral Security shall remain in full force and effect. Nothing herein shall constitute release or novation of all or any part of the amounts owing under the Commitment Letter and Mortgage. The terms of the Commitment Letter and Mortgage remain in full force and effect, unamended.
5. The parties acknowledge and agree that all rights and priorities and remedies of the Mortgagee under the Mortgage shall not be altered, impaired, prejudiced or otherwise affected by either this Agreement or the purchase transaction referred to in the recitals to this Agreement.
6. For the better assuring, mortgaging and charging the Lands in favour of the Mortgagee, the Mortgagor hereby mortgages and charges as and by way of a fixed and specific mortgage and charge to and in favour of the Mortgagee, all of its respective right, title, estate, interest and benefit from time to time in and to the Lands as security for the payment of its obligations herein, and the Indebtedness and performance of all obligations herein, under the Commitment Letter and the Mortgage.
7. The Guarantor, as principal debtor and not as surety, shall well and truly pay or cause to be paid to the Mortgagee all such sums of Money as are now or shall at any time hereafter become due or payable, whether for principal, interest, charges, costs or otherwise howsoever arising under or by virtue of the Mortgage or which are secured by the Mortgage, at the times and in the manner provided therein or in the instrument evidencing same; and that the Guarantor will at all times do, observe, perform, keep, be liable under and be bound by every covenant, attornment, licence, power, proviso, condition, agreement and stipulation in the Mortgage to the same extent as if the Guarantor had been the Original Guarantors and as such had executed the Mortgage, at the times and in the manner provided therein.
8. Each reference herein to the Mortgage shall be deemed to also be and include a reference to the Commitment Letter and the Collateral Security and the Mortgagor shall be bound by the Mortgage, the Commitment Letter and the Collateral Security and all the terms, conditions, covenants, representations and agreements therein to the same extent as if the Mortgagor had been the Original Borrowers, and had executed the Mortgage, the Commitment Letter and Collateral Security;
9. The address for service of the Mortgagor for purposes of the Mortgage is as follows:

65 Queen Street West Suite 210, Toronto, Ontario M5H 2M5

The address of service for the Guarantor for the purposes of the Mortgage is as follows:

65 Queen Street West Suite 210, Toronto, Ontario M5H 2M5

10. Subject to the terms hereof, the Mortgagee confirms its consent to the transfer of the Lands and the assumption of obligations by the Mortgagor as provided for herein.

THIS AGREEMENT shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of each and every party hereto and wherever the singular and masculine genders are used in this Agreement the same shall be construed as meaning the plural and feminine or neuter genders where the fact or context so requires. Every reference herein to the "Guarantor" means each one of them, if more than one as well as all of them. All covenants and liability of the Guarantor hereunder, if more than one, shall be joint and several.

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 counterparts.

*[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.
SIGNATURE PAGE TO FOLLOW.]*

- 6 -

IN WITNESS WHEREOF the parties hereto have executed there presents as of the date first above written.

10747 BAYVIEW MORTGAGE CORP.

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

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

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

IN WITNESS WHEREOF the Guarantor has executed these presents as of the date first above written.

BRYTON CAPITAL CORP. GP LTD.

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

**LPF CONVERSION FUND by its general partner
BRYTON CAPITAL CORP. GP LTD.**

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

TAB P

EXHIBIT "P"

From: Robert S. Choi [mailto:RChoi@owenswright.com]
Sent: February 4, 2021 2:45 PM
To: Oren.Chaimovitch@devrylaw.ca; RLebow@owenswright.com
Cc: JCareen@owenswright.com; akeyvani@owenswright.com; Tracey.Mason@devrylaw.ca; Carmen.Yuen@devrylaw.ca; Lawrence.Hansen@devrylaw.ca
Subject: RE: Assumption Agreement

Great, thank you.

Robert S. Choi B.A., J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

This e-mail message is privileged, confidential and subject to copyright. Any unauthorized use or disclosure is prohibited.

From: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
Sent: Thursday, February 4, 2021 1:04 PM
To: Robert S. Choi <RChoi@owenswright.com>; Randy Lebow <RLebow@owenswright.com>
Cc: Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Subject: RE: Assumption Agreement

Robert,

I believe DUCA will agree to a 60-day standstill period. Can you send over the Assumption Agreement in word format. If you send over your latest version, I will mark it up.

Attached is DUCA's standard for Guarantee. I will amend it to reflect the obligations are through the assumption of the debt. Our form of Officer's Certificate resolution and opinion will also follow:

Thank you.

Oren Chaimovitch
Devry Smith Frank LLP
100-95 Barber Greene Road
Toronto, ON
M3C 3E9
Direct: 416-446-3342
Fax: 416-449-7071

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recipient is unauthorized. If you have received this email in error, please delete it from your system without printing, copying or forwarding it, and notify the sender of the error by reply email or otherwise.

From: Robert S. Choi [mailto:RChoi@owenswright.com]
Sent: Thursday, February 4, 2021 12:01 PM
To: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>; Randy Lebow <RLebow@owenswright.com>
Cc: Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Subject: RE: Assumption Agreement

Hi Oren and Lawrence, thank you for your e-mail.

1. I do not regard this transaction as simply Duca doing a "favour" for my client, but a transaction that is in both parties' interest. It is open for each party to start taking positions. As a mortgage enforcement lawyer, I'm intimately familiar with the positions that we can take. I prefer to operate on a cooperative basis, as we have done as between Lawrence and myself.
2. As there is an appeal before the Ontario Court of Appeal, it is likely that the closing will be postponed past Feb. 19, 2021. As such, the trigger for the standstill period must be the closing of the APS transaction. We have requested 90 days, and you have replied back with 30 days. As a compromise, I suggest that the standstill should be 60 days. Please advise.
3. Please provide us with Duca's form of the guarantee and the other documentation referenced in your e-mail below, so we can review.
4. With respect to quantification of indebtedness and legal costs, etc., it is our preference to not raise any issues, provided that all issues are resolved to both parties' satisfaction.

I am open to a telephone discussion to iron out any residual issues. Thank you.

Robert S. Choi B.A., J.D., LL.M.
Partner | Litigation | Owens Wright LLP
Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com
300-20 Holly St., Toronto, ON M4S 3B1 **owenswright.com**

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Cc: Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani

<akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>; Robert S. Choi <RChoi@owenswright.com>

Subject: RE: Assumption Agreement

Randy and Robert,

I comment on your latest draft as follows:

1. I have no difficulty with adding Bryton Creek Residences Inc. as a Mortgagor. I would add at the second to last paragraph that "Every reference herein to "Mortgagor" means each one of them, if more than one as well as all of them, and all covenants and liability of the Mortgagor hereunder, if more than one, shall be joint and several."
2. The change in paragraph 1, is not necessary and we do not agree to it. DUCA need not warrant that the amounts are accurate. Paragraph 1 acknowledges that the recitals are correct, and therefore the amounts owing as set out are correct.
3. In paragraph 2a., I believe the second 'Mortgagor' should be 'Mortgagee'. But in any event, I believe your added wording should simply be "and may hereinafter be paid without notice or penalty".
4. At paragraph 3, take out "per diem" from your added wording as interest does not necessarily accrue at the per diem rate set out. It accrues at prime plus 5.5% per annum. If prime changes, so does the daily interest amount. On that note, in the last recital, the words "Mortgagees Prime Rate of interest" should be changed to "Mortgagee's Prime Rate (as defined in the Commitment)"
5. The standstill period is to remain at 30 days;
6. It's pretty rich that you want our invoices to justify the legal costs. I understand that Robert represented that he would not take issue with our fees. In any event, our fees are a fraction of what you are asking for in the action. If our client agrees to provide invoices, and you can assume it will not, we would need to redact any confidential information, and your client would be responsible for the added costs incurred in that regard. In any event, as
7. As earlier advised, the amount for additional legal fees in the draft is an estimate and subject to change, likely up. I remind you that the mortgage continues to secure additional costs that may be incurred in the future too.

As you did not provide a word version of the assumption agreement, I cannot provide a revised version showing changes from your last draft. I ask that you send a revised version showing the changes from my last draft, or alternatively send me a word version of your last draft and I will, in turn, provide a marked-up version.

We remind you that our client is doing yours a favour and is already agreeing to something beyond what it is required to do. My client is not inclined to agree to further changes.

To be clear, in addition to the Assumption Agreement, we would need the guarantors under it to sign DUCA's form of guarantee amended for the circumstances and the usual back-up documentation, such as Officers' Certificates, directors' resolutions, and corporate opinions to ensure that all corporate and/or partnership action has been taken to authorize the execution of the Assumption Agreement and the Guarantees. We will need your client to arrange satisfactory insurance with our client listed as first Mortgagee and loss payee.

Regards,

Oren Chaimovitch
Devry Smith Frank LLP
100-95 Barber Greene Road
Toronto, ON
M3C 3E9
Direct: 416-446-3342
Fax: 416-449-7071

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From: Randy Lebow [<mailto:RLebow@owenswright.com>]
Sent: Tuesday, February 2, 2021 9:30 AM
To: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
Cc: Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>; Robert S. Choi <RChoi@owenswright.com>
Subject: RE: Assumption Agreement

As per my last email, please see attached revised.

Randy Lebow

Partner | Owens Wright LLP
Direct: 416.848.4707 | **Fax:** 416.486.3309 | **Email:** RLebow@owenswright.com
300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Randy Lebow
Sent: February 2, 2021 9:13 AM
To: 'Oren Chaimovitch (Devry)' <Oren.Chaimovitch@devrylaw.ca>
Cc: Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>; Robert S. Choi <RChoi@owenswright.com>
Subject: RE: Assumption Agreement

Oren, FYI, we decided for future flexibility purposes to take title in two corporations of Bryan's vs. one. The second one would be Bryton Creek Residences Inc. who was the optionee.

Bryan sent Duca information on 10747 Bayview Mortgage Corp. and will now forward information on Bryton Creek. I am resending you a new redraft reflecting.

Randy Lebow

Partner | Owens Wright LLP

Direct: 416.848.4707 | **Fax:** 416.486.3309 | **Email:** RLebow@owenswright.com
300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Randy Lebow <RLebow@owenswright.com>

Sent: February 1, 2021 7:18 PM

To: 'Oren Chaimovitch (Devry)' <Oren.Chaimovitch@devrylaw.ca>

Cc: Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>; Robert S. Choi <RChoi@owenswright.com>

Subject: RE: Assumption Agreement

Oren, please see my proposed revisions to your initial draft (clean and blacklined) which are also being sent to my client for its review and approval.

Also, we would appreciate it if you could provide us with a more detailed breakdown of all outstanding amounts set out in the Agreement with any necessary back up (invoices etc).

On a separate note, we have spoken to our client in respect to the length of the post closing standstill period and our client feels that a 90 day period would be more appropriate

If you have any questions on my changes, please do not hesitate to contact me.

Randy Lebow

Partner | Owens Wright LLP

Direct: 416.848.4707 | **Fax:** 416.486.3309 | **Email:** RLebow@owenswright.com
300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>

Sent: January 27, 2021 4:13 PM

To: Robert S. Choi <RChoi@owenswright.com>

Cc: Randy Lebow <RLebow@owenswright.com>; Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>

Subject: RE: Assumption Agreement

Robert and Randy,

In the interest of moving this along, I attach a draft Assumption Agreement, all of which is still subject to my client's approval.

Regards,

Oren Chaimovitch
Devry Smith Frank LLP
100-95 Barber Greene Road
Toronto, ON
M3C 3E9
Direct: 416-446-3342
Fax: 416-449-7071

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From: Robert S. Choi [<mailto:RChoi@owenswright.com>]
Sent: Wednesday, January 27, 2021 3:50 PM
To: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
Cc: Randy Lebow <RLebow@owenswright.com>; Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Subject: RE: Assumption Agreement

Great, thank you. Please circulate when ready, so that I can file materials for Justice Cavanagh for his blessings.

Robert S. Choi B.A., J.D., LL.M.
Partner | Litigation | Owens Wright LLP
Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com
300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
Sent: Wednesday, January 27, 2021 2:08 PM
To: Robert S. Choi <RChoi@owenswright.com>
Cc: Randy Lebow <RLebow@owenswright.com>; Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason

<Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>

Subject: RE: Assumption Agreement

Robert,

It is mostly done. I am just awaiting some final instructions from our client.

Regards,

Oren Chaimovitch
Devry Smith Frank LLP
100-95 Barber Greene Road
Toronto, ON
M3C 3E9
Direct: 416-446-3342
Fax: 416-449-7071

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From: Robert S. Choi [mailto:RChoi@owenswright.com]

Sent: Wednesday, January 27, 2021 1:39 PM

To: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>

Cc: Randy Lebow <RLebow@owenswright.com>; Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>

Subject: Assumption Agreement

Importance: High

Hi Lawrence:

It appears that we have booked a case conference before the judge next Friday, on Feb. 5, 2021. We can have the judge endorse at the case conference that the assumption agreement between Duca and the Optionee in the form proposed is approved. I will also seek relief that there will be no necessity for the Optionee to tender upon the Vendor, as we will have all of the Purchaser's deliverables worked out by Feb. 5, 2021.

Let us finalize the assumption agreement forthwith this week. Please let me know your thoughts. Thank you.

Best regards,

Robert S. Choi B.A, J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com

300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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TAB Q

EXHIBIT "Q"

Lawrence Hansen

From: Oren Chaimovitch (Devry)
Sent: February 8, 2021 3:32 PM
To: Robert S. Choi; Randy Lebow
Cc: Jonathan Careen; Aram Keyvani; Tracey Mason; Carmen Yuen; Lawrence Hansen
Subject: RE: Assumption Agreement
Attachments: DUCA ASSIGNMENT AGREEMENT v3 BL OHC Changes.doc

As I had not heard from I just made the changes myself. I attach a further marked-up version of the Assumption Agreement showing the changes from your v2.

Regards,

Oren Chaimovitch
Devry Smith Frank LLP
 100-95 Barber Greene Road
 Toronto, ON
 M3C 3E9
 Direct: 416-446-3342
 Fax: 416-449-7071

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From: Oren Chaimovitch (Devry)
Sent: Monday, February 8, 2021 11:55 AM
To: 'Robert S. Choi' <RChoi@owenswright.com>; Randy Lebow <RLebow@owenswright.com>
Cc: Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Subject: RE: Assumption Agreement

Robert and Randy,

I think the way we left this was that you were going to send me a word version of the Assumption Agreement with your changes and I was going to turn the next/final version. Please send that over.

For us to prepare the remainder of our documents we need from you the following :

1. Articles of Incorporation/constating documents for each of the assuming corporations and the guarantors (we only have them for 10747 Bayview Mortgage Corp.)
2. Partnership agreement
3. By-laws for each of the assuming corporations and the guarantors
4. Names and positions of each of the officers and directors of the assuming corporations and the guarantors
5. Insurance with DUCA Financial Services Credit Union listed as first mortgagee and loss payee with the standard IBC mortgage clause

Regards,

Oren Chaimovitch
Devry Smith Frank LLP
 100-95 Barber Greene Road
 Toronto, ON
 M3C 3E9
 Direct: 416-446-3342
 Fax: 416-449-7071

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Subject: RE: Assumption Agreement

Great, thank you.

Robert S. Choi B.A, J.D., LL.M.

Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com
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Partner | Litigation | Owens Wright LLP

Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com
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2. The change in paragraph 1, is not necessary and we do not agree to it. DUCA need not warrant that the amounts are accurate. Paragraph 1 acknowledges that the recitals are correct, and therefore the amounts owing as set out are correct.
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amount. On that note, in the last recital, the words "Mortgagees Prime Rate of interest" should be changed to "Mortgagee's Prime Rate (as defined in the Commitment)"

5. The standstill period is to remain at 30 days;
6. It's pretty rich that you want our invoices to justify the legal costs. I understand that Robert represented that he would not take issue with our fees. In any event, our fees are a fraction of what you are asking for in the action. If our client agrees to provide invoices, and you can assume it will not, we would need to redact any confidential information, and your client would be responsible for the added costs incurred in that regard. In any event, as
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We remind you that our client is doing yours a favour and is already agreeing to something beyond what it is required to do. My client is not inclined to agree to further changes.

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Regards,

Oren Chaimovitch
Devry Smith Frank LLP
 100-95 Barber Greene Road
 Toronto, ON
 M3C 3E9
 Direct: 416-446-3342
 Fax: 416-449-7071

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Subject: RE: Assumption Agreement

As per my last email, please see attached revised.

Randy Lebow
 Partner | Owens Wright LLP
Direct: 416.848.4707 | **Fax:** 416.486.3309 | **Email:** RLebow@owenswright.com
 300-20 Holly St., Toronto, ON M4S 3B1. **owenswright.com**

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From: Randy Lebow
Sent: February 2, 2021 9:13 AM

To: 'Oren Chaimovitch (Devry)' <Oren.Chaimovitch@devrylaw.ca>

Cc: Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>; Robert S. Choi <RChoi@owenswright.com>

Subject: RE: Assumption Agreement

Oren, FYI, we decided for future flexibility purposes to take title in two corporations of Bryan's vs. one. The second one would be Bryton Creek Residences Inc. who was the optionee.

Bryan sent Duca information on 10747 Bayview Mortgage Corp. and will now forward information on Bryton Creek. I am resending you a new redraft reflecting.

Randy Lebow

Partner | Owens Wright LLP

Direct: 416.848.4707 | Fax: 416.486.3309 | Email: RLebow@owenswright.com
300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Randy Lebow <RLebow@owenswright.com>

Sent: February 1, 2021 7:18 PM

To: 'Oren Chaimovitch (Devry)' <Oren.Chaimovitch@devrylaw.ca>

Cc: Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>; Robert S. Choi <RChoi@owenswright.com>

Subject: RE: Assumption Agreement

Oren, please see my proposed revisions to your initial draft (clean and blacklined) which are also being sent to my client for its review and approval.

Also, we would appreciate it if you could provide us with a more detailed breakdown of all outstanding amounts set out in the Agreement with any necessary back up (invoices etc).

On a separate note, we have spoken to our client in respect to the length of the post closing standstill period and our client feels that a 90 day period would be more appropriate

If you have any questions on my changes, please do not hesitate to contact me.

Randy Lebow

Partner | Owens Wright LLP

Direct: 416.848.4707 | Fax: 416.486.3309 | Email: RLebow@owenswright.com
300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>

Sent: January 27, 2021 4:13 PM

To: Robert S. Choi <RChoi@owenswright.com>

Cc: Randy Lebow <RLebow@owenswright.com>; Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>

Subject: RE: Assumption Agreement

Robert and Randy,

In the interest of moving this along, I attach a draft Assumption Agreement, all of which is still subject to my client's approval.

Regards,

Oren Chaimovitch
Devry Smith Frank LLP
 100-95 Barber Greene Road
 Toronto, ON
 M3C 3E9
 Direct: 416-446-3342
 Fax: 416-449-7071

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From: Robert S. Choi [<mailto:RChoi@owenswright.com>]
Sent: Wednesday, January 27, 2021 3:50 PM
To: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
Cc: Randy Lebow <RLebow@owenswright.com>; Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Subject: RE: Assumption Agreement

Great, thank you. Please circulate when ready, so that I can file materials for Justice Cavanagh for his blessings.

Robert S. Choi B.A., J.D., LL.M.
 Partner | Litigation | Owens Wright LLP
Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com
 300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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From: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>
Sent: Wednesday, January 27, 2021 2:08 PM
To: Robert S. Choi <RChoi@owenswright.com>
Cc: Randy Lebow <RLebow@owenswright.com>; Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>; Tracey Mason <Tracey.Mason@devrylaw.ca>; Carmen Yuen <Carmen.Yuen@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Subject: RE: Assumption Agreement

Robert,

It is mostly done. I am just awaiting some final instructions from our client.

Regards,

Oren Chaimovitch
Devry Smith Frank LLP
 100-95 Barber Greene Road
 Toronto, ON
 M3C 3E9
 Direct: 416-446-3342
 Fax: 416-449-7071

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From: Robert S. Choi [<mailto:RChoi@owenswright.com>]
Sent: Wednesday, January 27, 2021 1:39 PM
To: Oren Chaimovitch (Devry) <Oren.Chaimovitch@devrylaw.ca>; Lawrence Hansen <Lawrence.Hansen@devrylaw.ca>
Cc: Randy Lebow <RLebow@owenswright.com>; Jonathan Careen <JCareen@owenswright.com>; Aram Keyvani <akeyvani@owenswright.com>
Subject: Assumption Agreement
Importance: High

Hi Lawrence:

It appears that we have booked a case conference before the judge next Friday, on Feb. 5, 2021. We can have the judge endorse at the case conference that the assumption agreement between Duca and the Optionee in the form proposed is approved. I will also seek relief that there will be no necessity for the Optionee to tender upon the Vendor, as we will have all of the Purchaser's deliverables worked out by Feb. 5, 2021.

Let us finalize the assumption agreement forthwith this week. Please let me know your thoughts. Thank you.

Best regards,

Robert S. Choi B.A., J.D., LL.M.
Partner | Litigation | Owens Wright LLP
Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com
300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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THIS ASSUMPTION AGREEMENT effective as of the 19th day of February, 2021

Between

10747 BAYVIEW MORTGAGE CORP. and BRYTON CREEK RESIDENCES INC.

(collectively the "Mortgagor")

and

LPF CONVERSION FUND and BRYTON CAPITAL CORP. GP LTD.

(collectively the "Guarantor")

and

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

(the "Mortgagee")

WHEREAS Bayview Creek (CIM) LP, CIM Invests Development Inc., and CIM Bayview Creek Inc. (collectively, the "Original Borrowers") are indebted to the Mortgagee pursuant to commitment letter entered into among the Mortgagee., Bayview Creek (CIM) LP by its general partner, CIM Invests Development Inc., and Jiubin Feng, Dianyuan Zheng and Xiaoxin Zhang (collectively, the "Original Guarantors") dated April 15, 2016, as amended by letter agreements dated April 12, 2017, April 26, 2018 and June 14, 2108, and our forbearance letters of March 6, 2019, and April 18, 2019 as replaced by a letter agreement dated May 22, 2019 and July 24, 2020 (collectively referred to as the "Commitment Letter").

AND WHEREAS by a Charge/Mortgage of Land (the "Mortgage") in the principal sum of \$20,720,000.00 registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2473036, the CIM Invests Development Inc. (the "Original Mortgagor") mortgaged the lands known municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario more particularly described follows:

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

(the "Lands") to the Mortgagee to secure the payment of the amounts owing under the Commitment Letter upon the terms contained in the Mortgage (all amounts which may be owing to the Mortgagee by the Original Borrowers or any of them in accordance with the Commitment Letter and the Mortgage being referred to herein as the "Indebtedness");

AND WHEREAS the Original Mortgagor transferred the Lands to CIM Bayview Creek Inc. (the "Current Mortgagor") pursuant to a Transfer registered on June 21, 2018 in the Land

AND WHEREAS the Mortgage secures the Indebtedness and will continue to secure the Indebtedness after the purchase transaction referred to in the recitals to this Agreement;

AND WHEREAS the Commitment Letter by its terms survived the execution and delivery of the Mortgage;

AND WHEREAS the Indebtedness and Mortgage is further secured by a general assignment of rents made by the Original Mortgagor in favour of the Mortgagee, notice of which was registered on May 18, 2016 in the Land Registry Office for the Land Titles Division of York Region (No. 65) as Instrument Number YR2473037 (the foregoing being herein called the "Collateral Security").

AND WHEREAS the Mortgagor has agreed to purchase the Lands from the Current Mortgagor and has agreed with the Current Mortgagor and with the Mortgagee to assume payment of the Indebtedness and the Mortgage and to covenant with the Current Mortgagor and the Mortgagee to pay the monies secured by the Mortgage and to fulfil all the terms, conditions, covenants and provisions contained in the Commitment Letter, the Mortgage and the Collateral Security;

AND WHEREAS the Guarantor has agreed to guarantee the repayment of the Indebtedness and the performance of the covenants contained in the Commitment Letter and Mortgage;

AND WHEREAS the Indebtedness secured by the Mortgage is as follows:

| | |
|--|------------------------|
| (a) Principal balance | \$20,720,000.00 |
| (b) Interest to February 19, 2021 | 676,351.89 |
| (c) Interest Reserve | (4,516.75) |
| (d) Unrecovered Legal Costs incurred to December 23, 2020 | 109,577.47 |
| (e) Additional Legal Costs incurred to January 26, 2021/February 19, 2021 | \$15,000.00 |
| Total Due | \$21,516,412.61 |
| and accrues interest at the Mortgagee's Prime rate-Rate (as defined in the Commitment) of interest from time to time plus 5.5% per annum, which currently is \$4,796.82 per day. | |

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and other good and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed as follows:

- a. the Indebtedness is immediately due and payable and may hereinafter be paid by the ~~Mortgagor to the Mortgagee~~ without notice or penalty;
 - b. events of Default as defined in the Commitment Letter have occurred and are continuing and the Mortgagee has demanded repayment of the Indebtedness;
 - c. it has received copies of the demand letters (the "**Demands**") and the Notice of Intention to Enforce Security (the "**Notice**") issued to the Original Borrowers and Original Guarantors by Devry Smith Frank LLP on behalf of the Mortgagee dated June 10, 2020 and agrees that the issuance of Demands, and the Notice and their delivery were proper in all respects, the Indebtedness as set out therein and herein is correct and that the Demands and the Notice have not been withdrawn but remain and continue to remain in full force and effect. Without limitation, the Mortgagee may 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 rights under the Mortgage.
 - d. it hereby waives any rights to have any of the Indebtedness waived or the costs included therein assessed;
 - e. None of the Mortgagor's rights and remedies under the Commitment Letter or the Mortgage and none of the existing events of Default are waived or shall be deemed to be waived. However, the Mortgagee will agree to take no steps to enforce its rights and remedies under the Commitment Letter or the Mortgage for a period of 90-60 days from the date of this Agreement (the "Standstill Period"), provided the terms hereof are complied with. If the terms hereof are not complied with the Mortgagor may immediately and without further notice exercise any or all of its rights, including enforcing the Mortgage.
3. The Mortgagor shall pay to the Mortgagee, contemporaneously with the execution of this Agreement the sum of \$796,412.61, which amount shall be applied to the accrued interest and legal fees incurred under the Indebtedness. The Mortgagor shall not be required to make any further payments to the Mortgagee during the Standstill Period, provided however that interest shall continue to accrue on the outstanding balance due under the Mortgage from the date of this Agreement at the ~~per diem~~ rate hereinbefore set out until repaid.
4. The Mortgagor as principal debtor and not as surety, shall well and truly pay to the Mortgagee all such sums of money as are now or shall at any time hereafter become due or payable, whether for principal, interest, charges, costs or otherwise howsoever arising under or by virtue of either the Commitment Letter or the Mortgage or which are secured by the Mortgage, at the times and in the manner provided therein or in the instrument evidencing the same; and that the Mortgagor will at all times do, observe, perform, keep, be liable under and be bound by every covenant, attornment, licence, power, proviso, condition, agreement and stipulation in the Commitment Letter and Mortgage, to the

any part thereof, or the rights of any such Original Mortgagor, the Current Mortgagor, the Original Borrowers or the Original Guarantors, surety, subsequent encumbrancer or other person, all of which rights and priorities are hereby reserved;

4. The respective obligations of the Original Mortgagor, the Current Mortgagor, the Original Borrowers and the Original Guarantors to the Mortgagee under the Mortgage, the Commitment Letter and the Collateral Security shall remain in full force and effect. Nothing herein shall constitute release or novation of all or any part of the amounts owing under the Commitment Letter and Mortgage. The terms of the Commitment Letter and Mortgage remain in full force and effect, unamended.
5. The parties acknowledge and agree that all rights and priorities and remedies of the Mortgagee under the Mortgage shall not be altered, impaired, prejudiced or otherwise affected by either this Agreement or the purchase transaction referred to in the recitals to this Agreement.
6. For the better assuring, mortgaging and charging the Lands in favour of the Mortgagee, the Mortgagor hereby mortgages and charges as and by way of a fixed and specific mortgage and charge to and in favour of the Mortgagee, all of its respective right, title, estate, interest and benefit from time to time in and to the Lands as security for the payment of its obligations herein, and the Indebtedness and performance of all obligations herein, under the Commitment Letter and the Mortgage.
7. The Guarantor, as principal debtor and not as surety, shall well and truly pay or cause to be paid to the Mortgagee all such sums of Money as are now or shall at any time hereafter become due or payable, whether for principal, interest, charges, costs or otherwise howsoever arising under or by virtue of the Mortgage or which are secured by the Mortgage, at the times and in the manner provided therein or in the instrument evidencing same; and that the Guarantor will at all times do, observe, perform, keep, be liable under and be bound by every covenant, attornment, licence, power, proviso, condition, agreement and stipulation in the Mortgage to the same extent as if the Guarantor had been the Original Guarantors and as such had executed the Mortgage, at the times and in the manner provided therein.
8. Each reference herein to the Mortgage shall be deemed to also be and include a reference to the Commitment Letter and the Collateral Security and the Mortgagor shall be bound by the Mortgage, the Commitment Letter and the Collateral Security and all the terms,

The address of service for the Guarantor for the purposes of the Mortgage is as follows:

65 Queen Street West Suite 210, Toronto, Ontario M5H 2M5

10. Subject to the terms hereof, the Mortgagee confirms its consent to the transfer of the Lands and the assumption of obligations by the Mortgagor as provided for herein.

THIS AGREEMENT shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of each and every party hereto and wherever the singular and masculine genders are used in this Agreement the same shall be construed as meaning the plural and feminine or neuter genders where the fact or context so requires. Every reference herein to the "Mortgagor" means each one of them, if more than one as well as all of them, and all covenants and liability of the Mortgagor hereunder, if more than one, shall be joint and several. Every reference herein to the "Guarantor" means each one of them, if more than one as well as all of them. All covenants and liability of the Guarantor hereunder, if more than one, shall be joint and several.

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 counterparts.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.

SIGNATURE PAGE TO FOLLOW.]

IN WITNESS WHEREOF the parties hereto have executed there presents as of the date first above written.

10747 BAYVIEW MORTGAGE CORP.

Per: _____

Name: _____

Title: _____

Per: _____

Name: _____

Title: _____

I/We have authority to bind the Corporation

BRYTON CREEK RESIDENCES INC.

Per: _____

Name: _____

Title: _____

Per: _____

Name: _____

Title: _____

I/We have authority to bind the Corporation

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Per: _____

Name: _____

Title: _____

Per: _____

Name: _____

Title: _____

I/We have authority to bind the Corporation

IN WITNESS WHEREOF the Guarantor has executed these presents as of the date first above written.

BRYTON CAPITAL CORP. GP LTD.

Per: _____

Name: _____

Title: _____

Per: _____

Name: _____

Title: _____

I/We have authority to bind the Corporation

Name:

Title:

I/We have authority to bind the Corporation

DRAFT

TAB R

EXHIBIT "R"



DEVRY SMITH FRANK *LLP*
Lawyers & Mediators

Oren.Chaimovitch@devrylaw.ca

June 7, 2019

Himelfarb Proszanski
Barristers & Solicitors
480 University Avenue, Suite 1401
Toronto, Ontario, M5G 1V2

Attention: Lisa Rossi

Owens Wright LLP
Barristers & Solicitors
300-20 Holly Street
Toronto, Ontario M4S 3B1

Attention: Randy Lebow

Dear Ms. Rossi and Mr. Lebow:

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. The following will serve as a statement for information purposes only, relating to the above-noted file:

| | |
|--|-----------------|
| Principal Balance Outstanding: | \$20,720,000.00 |
| Blended Principal & Interest Monthly Payments: | Interest Only |
| Interest Reserve Balance: | \$893.89 |
| Estimated Appraisal Costs: | \$30,106.82 |
| Unrecovered Legal Costs (estimated): | \$10,081.76 |

DEVRY SMITH FRANK LLPPage 2

Interest Rate:

Prime + 5.50%

The amounts for Appraisal costs and legal costs are secured by the Charge in the same way as the Principal Balance DUCA does not maintain a tax account.

We reiterate that this statement is NOT intended for assumption, assignment or discharge purposes.

Yours truly,
DEVRY SMITH FRANK LLP



Oren Chaimovitch
/ohc

TAB S

EXHIBIT "S"



DEVRY SMITH FRANK LLP
Lawyers & Mediators

Oren.Chaimovitch@devrylaw.ca

May 18, 2021

BY EMAIL: rlebow@owenswright.com

Owens Wright LLP
20 Holly Street
Suite 300
Toronto, Ontario
M4S 3B1
Attn: Randy Lebow

Dear Mr. Lebow:

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")
Our Matter No. DUCA0027

Further to your email communication of May 11, 2021, the amount required to discharge the above Mortgage as at May 11, 2021 is as follows:

| | |
|---|-----------------|
| (a) Principal balance owing | \$20,720,000.00 |
| (b) Accrued interest to May 11, 2021 | \$ 1,064,894.46 |
| (c) Less Interest Reserve | \$ (4,521.94) |
| (d) Legal fees incurred to May 11, 2021 | \$ 151,277.01 |
| Total | \$21,931,649.53 |

Interest continues to accrue from May 11, 2021 to the date of payment at DUCA's prime rate of interest in effect from time to time plus 5.5% per annum, which as of today's date is equal to \$4,796.82 per day. Funds received after 2:00 pm are deemed to be received the next business day and subject to the applicable per diem.

In addition to the above, our fee for preparing and registering the Mortgage discharge is \$1,000.00 plus the cost of registration and HST for a total of \$1,342.88.

You may deliver the above funds by certified cheque drawn on a lawyer's trust account to our office made payable to **Devry Smith Frank LLP, In Trust**. Alternatively, funds may be wired directly into our trust account. We would provide details of our trust account shortly in advance of such payment.

Upon receipt of the requisite funds, we will discharge the Mortgage and related assignment of rents and PPSA registrations and provide you evidence of registration.

The foregoing amount is current only to the date indicated and includes all costs of which we are aware to today's date. Any costs which have not been disclosed or which may later arise, are reserved and a discharge of the mortgage will not be provided until all such costs are paid. It is subject to any adjustments or corrections occasioned by returned payments, payments to satisfy third party or priority claims, errors or omissions.

We advise that no intermediate acts, negotiations, or indulgences shall act as a waiver of the Credit Union's rights, or, demand for payment unless so expressly stated in writing.

Yours truly,

DEVRY SMITH FRANK LLP



Oren Chaimovitch
OHC:tm

TAB T

EXHIBIT "T"

Lawrence Hansen

From: Robert S. Choi <RChoi@owenswright.com>
Sent: July 4, 2021 8:50 PM
To: Lawrence Hansen
Cc: Alex Ilchenko
Subject: Defective Security - DUCA

Mr. Hansen:

We note that there appears to be critical defects in DUCA's security and are writing to provide you due notice re: same. Among other things:

1. The amendment re: interest increase on title to the land was executed only by the bare trustee that had no beneficial ownership of the property and which was not permitted to encumber the land. There is also a live question as to whether the rate increase was permissible in the circumstances. We calculate that the interest differential is in excess of \$1 million over the 2+ year period.
2. The PPSA security documentation was not executed by the proper general partner of the LP, and it is defective.

Best regards,

Robert S. Choi B.A., J.D., LL.M.
Partner | Litigation | Owens Wright LLP
Direct: 416.848.4722 | **Fax:** 416.486.3309 | **Email:** RChoi@owenswright.com
300-20 Holly St., Toronto, ON M4S 3B1 owenswright.com

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TAB U



RSM Canada Limited
Licensed Insolvency Trustee

11 King St W
Suite 700, Box 27
Toronto, ON M5H 4C7

T +1 416 480 0160
F +1 416 480 2646

www.rsmcanada.com

NOTICE AND STATEMENT OF RECEIVER (SECTION 245(1) AND 246(1) OF THE ACT)

In the matter of the receivership of the Property defined below.

The receiver gives notice and declares that:

1. On the 21st day of April, 2021, the undersigned RSM Canada Limited was appointed as receiver (the "**Receiver**") of the real property municipally known as 10747 Bayview Avenue, Richmond Hill, Ontario (the "**Property**"), owned by CIM Bayview Creek Inc. (the "**Debtor**").
2. The undersigned became a receiver in respect of the Property described above by virtue of being appointed by a mortgagee of the subject real property.
3. The undersigned commenced the exercise of its powers in respect of that appointment on the 21st day of April, 2021.
4. The following information relates to the receivership:

- a) Registered Office Address of the Debtor: 55 Commerce Valley Drive West, Unit 502, Markham, ON L3T 7V9.
- b) Principal line of business of the Property: vacant undeveloped land located at 10747 Bayview Avenue, Richmond Hill, Ontario.
- c) The *approximate* amounts owed to creditors who appear to hold a security interest on the Property include:

| | |
|----------------------------------|--------------|
| Bryton Creek Residences Inc. | \$24,634,810 |
| DUCA Financial Services | \$20,720,000 |
| GR Can and Monest Financial Inc. | \$2,225,499 |

- d) A list of creditors, and the amount owed to each creditor, relating to the Property is attached. The attached list of creditors has been compiled by the Receiver based on information available and has not been audited or verified by the Receiver. The fact that persons are receiving this notice or are included on the creditors list does not mean that it has been determined that they are a creditor or that if they are a creditor, that their claim is admitted in the amount set out on that list.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

April 27, 2021
Page 2

- e) The exact plan of the Receiver to realize on the Property is yet to be determined.
- f) Contact person for the Receiver:

Brenda Wong
RSM Canada Limited
11 King Street West
Suite 700, PO Box 27
Toronto, Ontario M5H 4C7
Telephone: (647) 727-3621
Facsimile: (416) 480-2646
E-mail: brenda.wong@rsmcanada.com

Dated at Toronto this 27th day of April, 2021.

RSM CANADA LIMITED

In its capacity as Receiver of
10747 Bayview Avenue, Richmond Hill, Ontario
and not in its personal capacity



Per: Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT
President

RSM Canada Limited
In the Matter of the Receivership of
10747 Bayview Avenue, Richmond Hill, Ontario

LIST OF CREDITORS

Secured

| | |
|----------------------------------|-------------------------|
| Bryton Creek Residences Inc. | \$ 24,634,810.39 |
| DUCA Financial Services | 20,720,000.00 |
| GR Can and Monest Financial Inc. | 2,225,498.61 |
| | <u>\$ 47,580,309.00</u> |

Unsecured

| | |
|--|---------------|
| 10176974 Canada Inc. | 268,415.30 |
| 8302871 Canada Ltd. | 1.00 |
| Alectra Utilities Corporation | 605.87 |
| Arton Design Ltd. | 54,463.10 |
| Arton Landscaping Ltd. | 128,435.56 |
| Avesdo Inc. | 4,237.50 |
| Bousfields Inc. | 5,591.24 |
| Bryton Creek Residences Inc. | 245,000.00 |
| Canada Revenue Agency (CEBA - Government Loan) | 16,613.29 |
| CEBA-RBC Bank | 60,000.00 |
| CIM International Dev. Inc. | 19,203.03 |
| CIM Investment Inc. | 484,012.29 |
| Debenture Holders | 10,074,643.89 |
| Devine Park LLP | 4,001.90 |
| Dickinson Wright LLP | 2,661.90 |
| DJH & Partners LLP | 12,972.50 |
| Evans Planning Inc. | 5,448.37 |
| EXP Services Inc. | 16,711.08 |
| Fan Yu | 825,293.50 |
| Global King Inc. | 239,111.04 |
| Greck and Associates Limited | 2,774.15 |
| Heavenly Resources Financial Group Inc. | 213,825.14 |
| Himefarb Proszanski | 18,395.38 |
| Huixian Wang | 683,314.10 |
| Jerry Feng | 53,456,353.05 |
| Jie Liu | 157,339.91 |
| Kwok Kin Lo | 277,650.27 |
| Lili Sheng | 270,874.32 |
| Liyu Yang | 565,027.32 |
| Meng Wang | 90,966.43 |
| Ministry of Finance | 1.00 |
| Monest Financial Inc. | 106,912.57 |
| Reprodux | 130.65 |
| Royal Victoria Winery Inc. | 1.00 |
| Schaeffer Dzaldov Bennett Ltd. | 7,237.65 |
| Shuwei Yuan | 22,577.38 |
| SOSCIA Professional Engineers Inc. | 2,712.00 |

RSM Canada Limited
In the Matter of the Receivership of
10747 Bayview Avenue, Richmond Hill, Ontario

LIST OF CREDITORS

| | |
|--------------------------------------|------------------|
| Stantec Consulting Ltd. | 32,638.14 |
| T2 Utility Engineers Inc. | 44,646.30 |
| Town of Richmond Hill - Property Tax | 60,651.72 |
| Workplace Safety & Insurance Board | 2,481.22 |
| WSP Canada Group Limited | 2,952.69 |
| Xiaodong Luo | 270,874.32 |
| Xiaojing Xu | 277,158.47 |
| YanfengChen | 456,680.23 |
| Yinghong Hu | 192,024.59 |
| Yumin Zhu on behalf of Yurong Wang | 283,333.33 |
| Zhaoan Sui | 347,094.00 |
| Zheng Yan | 411,038.25 |
| ZY Investment Inc. | 19,634.19 |
| | <hr/> |
| | \$ 70,744,722.13 |

Supplementary Mailing List

1598535 Ontario Inc.
Cardinal Advisory Ltd.
Cassels Brock & Blackwell LLP
Colliers International
Department of Justice
Dickinson Wright LLP
Grant Thornton Limited
Himelfarb Proszanski
Hummingbird Lawyers LLP
Miller Thomson LLP
Ministry of Finance
Monest Financial Inc.
Owens Wright LLP
Pallett Valo LLP
Torys LLP

DUCA FINANCIAL SERVICES CREDIT UNION LTD.
Applicant

-and-

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

**SUPPLEMENTARY APPLICATION RECORD
(returnable August 11, 2021)**

DEVRY SMITH FRANK *LLP*
Lawyers & Mediators
95 Barber Greene Road, Suite 100
Toronto, Ontario M3C 3E9

LAWRENCE HANSEN
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Lawyers for the applicant Duca Financial
Services Credit Union Ltd.