Court File No.: CV-19-00628569-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

ROYNAT INC.

Applicant

- and -

TAMTAN INC. and 1308963 ONTARIO LIMITED (o/a EZ FOOD Group)

Respondents

APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C. C.43, AS AMENDED, AND SECTION 243 OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3 AS AMENDED

APPLICATION RECORD
(Re: Appointment of a Receiver)
Returnable October 10, 2019

October 4, 2019

BLAKE, CASSELS & GRAYDON LLP
Barristers and Solicitors
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Lawyers for the Applicant

TO: **SERVICE LIST**

Court File No.:

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SERVICE LIST
(as at October 10, 2019)

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AND TO:	**1308963 ONTARIO LTD. (OPERATING AS EZ FOOD GROUP)** 1405 Morningside Avenue Scarborough, Ontario M1B 3J1 1405 Morningside Avenue Scarborough, Ontario M3J 1B1 46 Tomlin Crescent Richmond Hill, Ontario L4C 7S9 9 Honey Locust Court Vaughan, Ontario L6A 1G2
AND TO:	**NADER GRAMIAN-NIK** 46 Tomlin Crescent Richmond Hill, Ontario L4C 7S9 9 Honey Locust Court Vaughan, Ontario L6A 1G2
AND TO:	**TANIA GRAMIAN-NIK** 46 Tomlin Crescent Richmond Hill, Ontario L4C 7S9 9 Honey Locust Court Vaughan, Ontario L6A 1G2

AND TO:	**TAMILLA GRAMIAN-NIK** 46 Tomlin Crescent Richmond Hill, Ontario L4C 7S9 9 Honey Locust Court Vaughan, Ontario L6A 1G2
AND TO:	**NADEREH AKHAVAN-FOUMANI** 46 Tomlin Crescent Richmond Hill, Ontario L4C 7S9 9 Honey Locust Court Vaughan, Ontario L6A 1G2
AND TO:	**THE DENBAR FOOD GROUP, INC.** 1405 Morningside Avenue Scarborough, Ontario M1B 3J1 900 Division Street, Unit 200 Cobourg, Ontario, K9A 5V2 328 Wicklow Beach Road, Suite 202 Colborne, Ontario K0K 1S0
AND TO:	**1978240 ONTARIO INC.** (operating as OpalOnline and formerly 1562712 Ontario Inc.) 1405 Morningside Avenue Scarborough, Ontario M1B 3J1 102 Industrial Drive Whitby, Ontario L1N 5Z9 102 Industrial Drive Whitby, Ontario L1N 5Z8
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AND TO:	**SEIZED PROPERTY MANAGEMENT DIRECTORATE** c/o Jean Cadrin 4225 Dorchester Boulevard West Westmount, Quebec H3Z 1V5

AND TO:	**HER MAJESTY THE QUEEN** c/o Attorney General of Canada Public Prosecution Service of Canada Guy-Favreau Complex 200, René-Lévesque Boulevard West 9th Floor – East Tower Montréal, Québec H2Z 1X4 **Fabienne Simon, Counsel** Tel: 514-283-9377 Email: fabienne.simon@ppsc-sppc.gc.ca **Belinda Peres, Counsel** Tel: 514-283-4395 Fax: 514-496-7372 Email: belinda.peres@ppsc-sppc.gc.ca
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INDEX

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APPLICATION RECORD

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TAB 1

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NOTICE OF APPLICATION

TO THE RESPONDENTS:

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

THIS APPLICATION will come on for a hearing on October 10, 2019, at 10:00 AM, at 330 University Avenue, 9th Floor, Toronto, Ontario.

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

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

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

Date: October 4, 2019 Issued by: _____
Local Registrar - A. Stanojevic

Address of Court Office: 330 University Avenue, 9th Floor
Toronto, Ontario M5G 1R7

TO:

TAMTAN INC. 46 Tomlin Crescent Richmond Hill, Ontario L4C 7S9 1405 Morningside Avenue Scarborough, Ontario M3J 1B1 1405 Morningside Avenue Scarborough, Ontario M1B 3J1 9 Honey Locust Court Vaughan, Ontario L6A 1G2	**1308963 ONTARIO LTD. (OPERATING AS EZ FOOD GROUP)** 46 Tomlin Crescent Richmond Hill, Ontario L4C 7S9 1405 Morningside Avenue Scarborough, Ontario M1B 3J1 1405 Morningside Avenue Scarborough, Ontario M3J 1B1 9 Honey Locust Court Vaughan, Ontario L6A 1G2

APPLICATION

1. The Applicant, Roynat Inc. ("**Roynat**") makes application for an order, substantially in the form attached to this Application Record (the "**Appointment Order**"), *inter alia*:

(a) appointing msi Spergel Inc. ("**Spergel**") as receiver and manager (in such capacity, the "**Receiver**") of all of the assets, properties and undertakings of each of the Debtors (as defined herein), excluding those accounts subject to the Account Restraint Orders (as defined herein)(collectively, the "**Property**") of TamTan Inc. (the "**Borrower**") and 1308963 Ontario Limited o/a EZ Food Group (the "**Guarantor**" together with the Borrower, collectively the "**Debtors**") pursuant to Subsection 243(1) of the *Bankruptcy and Insolvency Act* (Canada), R.S.C. 1985, C. B-3 as amended (the "**BIA**") and pursuant to Section 101 the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended ("**CJA**"):

(b) granting a stay of proceedings in respect of the Property or any assets located on premises belonging to or leased by the Debtors;

(c) granting charges over the Property on the terms set out in the proposed Appointment Order (i) in favour of the Receiver and counsel to the Receiver to secure their fees and disbursements in respect of these proceedings (the "**Receiver's Charge**") and (ii) for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by the Appointment Order, including interim expenditures (the "**Receiver's Borrowing Charge**"); and

(d) such further and other relief as counsel may request and this Honourable Court may permit.

THE GROUNDS FOR THE APPLICATION ARE:

Background

2. The Borrower is an Ontario corporation whose primary asset is the commercial property located at 1405 Morningside Avenue, Toronto, Ontario (the "**Commercial Property**").

3. The Guarantor is an Ontario corporation operating as EZ Food Group from the leased premises located at the Commercial Property. The Guarantor is purportedly in the food processing business and is believed to have ceased carrying on operations at the Commercial Property.

Debt and Security

4. On July 16, 2014, Roynat advanced a term loan to the Borrower in the amount of $2,692,600 CAD (the "**Term Loan**"), pursuant to an Offer to Finance (the "**2014 Facility Letter**") as further amended or supplemented.

5. On May 24, 2016, Roynat extended the maturity date of the Term Loan and agreed to provide the Borrower with additional financing, pursuant to an Offer of Extension and Supplemental Financing (the "**Extension and Supplemental Financing Letter**").

6. Pursuant to the Term Loan created by the 2014 Facility Letter, the Debtors are indebted to Roynat. The obligations are secured by a mortgage against the Commercial Property and a grant of a general personal property security interest against the Borrower's property. The obligations are guaranteed by the Guarantor and secured by a grant of a general personal property security interest against the Guarantor's property.

7. As of September 26, 2019, and on a senior secured basis is the Debtors' indebtedness to Roynat is $2,371,607.71, inclusive of principal, interest and late payment charges which continue to accrue, but excludes legal fees and enforcement costs (collectively, the "**Indebtedness**").

8. All of Roynat's security is validly registered and, based on property registries, first priority.

Other Creditors

9. The parcel register in respect of the Commercial Property reflects an easement and cost sharing agreement, which indicates that amounts owing under the agreement shall constitute a first lien and charge against the property. Roynat is unaware whether amounts are currently owed under the Cost Sharing Agreement.

10. As of September 26, 2019, the Debtors owe $90,685.14 to the City of Toronto, inclusive of interest, fees and penalties. After September 30, 2019, additional interest began to accrue at the rate of 1.25%.

11. Additionally, there are two writs of execution registered against the Debtors, effective April 11, 2017 (the "**2017 Writ**") in favour of Employment Panache and August 16, 2019 (the "**2019 Writ**") in favour of Argil Property Tax Services Paralegal Professional Corporation. The 2017 Writ is for the face amount of $70,874.41 and costs of $926.93. The 2019 Writ is for the face amount of $12,482.68 and costs of $191.00.

Criminal Sanctions

Real Property Restraint Order

12. On February 12, 2019, the Court of Quebec (Criminal and Penal Division) issued a restraint and management order pursuant to sections 490.8 and 490.81 of the *Criminal Code* (Canada) in respect of the Commercial Property (the "**Real Property Restraint Order**").

Account Restraint Orders

13. In addition to the Real Property Restraint Order, certain of the Debtors' accounts are also subject to restraint orders (the "**Account Restraint Orders**", collectively with the Real Property Restraint Order, the "**Restraint Orders**") in connection with an investigation by the Royal Canadian Mounted Police into the Borrower's affairs (the "**RCMP Investigation**"). The RCMP Investigation resulted in the Federal prosecution of the Borrower's Principal, among others.

14. On or about February 15, 2019, Roynat did not receive its monthly principal loan payment from the Borrower and received a notice which indicated hat the payment was returned due to the Borrower's Royal Bank of Canada account being frozen in connection with the RCMP Investigation.

15. The registration of the Real Property Restraint Order and the freezing of the Borrower's accounts are clear defaults under the Facility Letter.

Additional Defaults and Demand

16. In addition to the defaults related the RCMP Investigation and criminal sanctions, the Borrower has also failed to pay monthly principal loan installments of $12,050 since February 15, 2019.

17. On April 8, 2019, Roynat issued a demand letter to the Borrower for immediate repayment of all indebtedness, citing the issuance of the Restraint Order and the Payment Defaults as Events of Default entitling Roynat to accelerate and declare the full amount of the obligations to be immediately due and payable (the "**Borrower Demand Letter**"). The Borrower Demand Letter was accompanied by a notice under section 244 of the BIA (the "**Borrower Section 244 Notice**"). The ten-day notice period under the Borrower Section 244 Notice expired on April 18, 2019.

Attempts to Sell the Commercial Property

18. Shortly after issuing the Borrower Demand Letter and Section 244 Notice, Roynat was advised that the Borrower was party to an agreement of purchase and sale for the sale of the Commercial Property (the "**First APS**"), and a portion of the proceeds from this transaction would be used to repay the Borrower's indebtedness in full.

19. In order to facilitate the transaction, Roynat agreed to forbear from further enforcement and permit the potential purchaser of the First APS to complete its diligence on the Commercial Property. Despite Roynat's patience, the transaction did not close.

20. Following the first failed transaction, On June 18, 2019, Roynat issued a demand to the Guarantor pursuant to the Guarantee (the "**Guarantor Demand**") for immediate repayment of the Borrower's obligations to Roynat pursuant to the Debenture. The Guarantor Demand was accompanied by a notice under Section 244 of the BIA (the "**Guarantor Section 244 Notice**"). The ten-day notice period under the Borrower Section 244 Notice expired on June 28, 2019.

21. On June 18, 2019, Roynat also issued a Notice of Sale pursuant to the *Mortgages Act* (Ontario) to the Debtors, among others (the "**Notice of Sale**"). The notice period under the Notice of Sale expired on July 29, 2019.

22. On or around July 5, 2019, Roynat was advised that the Borrower and Guarantor had entered into another agreement of purchase and sale with a new purchaser in respect of the Commercial Property and certain equipment of the Guarantor (the "**Second APS**"). Based on assurances that each of the Borrower, Guarantor and the potential purchaser were determined to close this new transaction, Roynat continued to cooperate with the parties in an effort to facilitate this transaction, notwithstanding that the notice period under the Notice of Sale Borrower 244 Notice and Guarantor 244 Notice had expired and that the Indebtedness owing to Roynat remained outstanding.

23. Despite Roynat's continued cooperation, it became clear that the parties were facing challenges with respect to the Second APS. In light of the challenges, Roynat's counsel issued a letter to the Borrower's Counsel on August 23, 2019, advising that if the transaction did not close by October 24, 2019, Roynat would seek the appointment of a Receiver over the assets of the Debtors, including the Commercial Property (the "**August 23rd Letter**").

24. In the August 23rd Letter, Roynat expressly reserved the right to exercise all rights and remedies as it considered appropriate against the Borrower and Guarantor, including at any time prior to October 24, 2019.

25. Roynat has been advised by the potential Purchaser's Agent that the diligence deadline has been extended twice, and the Purchaser's Agent remains apprehensive of the Borrower's ability to meet its obligations under the Second APS.

26. Roynat has made several attempts to contact the Borrower's Counsel and the Purchaser's Agent for an update regarding the status of the Second APS. As of September 30, 2019, no response was received from either party.

Funding of Receivership

27. If appointed, the Receiver will be empowered pursuant to the terms of the proposed Appointment Order to borrow funds for the purposes of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures, which includes, among other things, financing the professional costs and disbursements of the receivership and the costs associated with an expedited sale process, including paying its fees and disbursements and those of its independent counsel.

28. At PPSC's request, Roynat is proposing that the accounts of the Debtors that are subject to the Account Restraint Orders will not form a part of the Property over which the Receiver is appointed (the "**Excluded Accounts**"). It is not known if the Debtors have any accounts other than the Excluded Accounts. Given that there may be no liquid assets of the Debtors available to the Receiver to funds its expenses, it is anticipated that the Receivership will be funded by loans from Roynat, secured by priority receiver's certificates.

The Proposed Receiver

29. Spergel is a licensed insolvency trustee and has consented to act as Court-appointed receiver with respect to the Property.

30. The appointment of Spergel as Receiver is just and convenient in the circumstances.

Additional Grounds

(a) The grounds as more particularly set out in the Affidavit of Silvio Marsilli sworn October 3, 2019 (the "**Marsili Affidavit**");

(b) Section 243 of the BIA;

(c) Section 101 of the CJA;

(d) Rules 1.04, 2.03, 3.02, 16, 38 and 39 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg 194, as amended; and

(e) Such further and other grounds as counsel may advise and this Honourable Court may permit

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE APPLICATION:

(a) The Marsili Affidavit and the exhibits thereto;

(b) the Consent of Spergel to act as the Receiver; and

(c) such further and materials as counsel may advise and this Honourable Court may permit.

Date: October 4, 2019

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Barristers and Solicitors
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Lawyers for the Applicant

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ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding Commenced at Toronto

NOTICE OF APPLICATION

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Lawyers for the Applicant

TAB 2

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AFFIDAVIT OF SILVIO MARSILI
(Sworn October 3, 2019)

I, Silvio Marsili of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a Managing Director of the Applicant, Roynat Inc. ("**Roynat**"), a secured creditor of the Respondents, TamTan Inc. (the "**Borrower**") and 1308963 Ontario Ltd. (the "**Guarantor**" together with the Borrower, the "**Debtors**"). As such, I have personal knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information and, in all such cases, believe it to be true.

2. I swear this affidavit in support of Roynat's application for an order appointing msi Spergel Inc. ("**Spergel**") as receiver of all of the assets, properties and undertakings of each of the Respondents, other than certain accounts subject to the Account Restraint Orders (defined below) (collectively, the "**Property**"). Spergel in its capacity as receiver of the Property is referred to herein as the "**Receiver**".

3. Capitalized terms used herein and not otherwise defined shall have the definition given to them in the Debenture (defined below).

OVERVIEW

4. Roynat is the secured creditor of the Borrower and is owed $2,371,607.71 as of September 26, 2019 and, as defined below, on a senior secured basis. The Borrower's obligations to Roynat are guaranteed by the Guarantor, an affiliate of the Borrower, which guarantee is secured against all of the assets of the Guarantor. The Debtors have been in default since February 12, 2019. Roynat has demanded repayment, all applicable notice periods have expired, all reasonable efforts by the Debtors to repay the indebtedness have failed, and Roynat is seeking to enforce its security by appointing the Receiver.

5. The Borrower's primary asset, and Roynat's primary collateral, is a building in Scarborough, Ontario (the "**Commercial Property**"), which it leases to the Guarantor. The Guarantor purportedly operates a food processing business out of the building. It is unclear to Roynat whether there are other companies that currently lease or occupy the Commercial Property.

6. The Commercial Property is subject to a restraint order and management order issued on February 12, 2019 by the Quebec Court (Criminal and Penal Division) under the *Criminal Code*

(the "**Real Property Restraint Order**"), on the grounds that the Attorney General alleges that the property is an offence-related property. The Real Property Restraint Order has been registered against the Commercial Property.

7. Certain of the Debtors' accounts are also subject to restraint orders (the "**Account Restraint Orders**", collectively with the Real Property Restraint Order, the "**Restraint Orders**") in connection with an investigation by the Royal Canadian Mounted Police into the Borrower's affairs (the "**RCMP Investigation**"). The RCMP Investigation resulted in the Federal prosecution of the Borrower's Principal, among others.

8. The Borrower's failure to make payments to Roynat, the issuance and registration of the Restraint Order, and the restraint and freezing of certain of the Borrower's accounts are clear defaults under the Offer of Finance. Notices of default, demand letters and statutory notices of intention to enforce security were delivered to the Borrower on April 8, 2019 and to the Guarantor on June 18, 2019. The statutory notice periods under these demands and notices expired on April 18, 2019 and June 28, 2019 respectively.

9. In spite of the defaults and the RCMP Investigation, Roynat agreed with the Borrower and the Guarantor to forbear from enforcing its rights in order to provide the Borrower with an opportunity to market and sell the Commercial Property and repay its obligations to Roynat. Multiple attempts by the Debtors to sell the property have failed, and Roynat has lost all confidence in the Borrower's ability to facilitate a sale outside of a court process.

10. The RCMP Investigation, interim criminal sanctions including the Restraint Orders, the restraint and freezing of the certain of the Debtors' bank accounts, and the Borrower's inability to

sell the Commercial Property to repay Roynat have left Roynat with no other choice but to exercise its legal rights to appoint the Receiver to sell the Commercial Property.

11. The Restraint Order explicitly permits Roynat to enforce its rights under its security, provided certain government parties are served. Roynat has consulted with the relevant parties, including the Minister of Public Works and Government Services (the "**Minister**"), which has been appointed by the Restraint Order as manager of the Commercial Property, and the Seized Property Management Directorate (the "**SPMD**"), to whom Roynat is required by the Restraint Order to provide an accounting of its indebtedness and security interest. The SPMD do not object to Roynat's application to appoint the Receiver.

12. The Public Prosecution Service of Canada ("**PPSC**"), which is responsible for the prosecution related to the RCMP Investigation and obtained the Restraint Orders, has been consulted on the appointment of the Receiver sought by Roynat's application. I understand that a PPSC Representative will attend the hearing of this application on October 10, 2019 to address any questions that the Court may have.

DESCRIPTION OF THE RESPONDENTS

Corporate Organization

13. The Borrower is an Ontario corporation with its registered office located at 46 Tomlin Crescent, Richmond Hill, Ontario. It is the registered owner of the Commercial Property, which is located at 1405 Morningside Avenue and leased to the Guarantor. A copy of the parcel register for the Commercial Property with a currency date of September 25, 2019 is attached hereto as **Exhibit "A"**.

14. Based on the Borrower's corporate profile report, a copy of which is attached hereto as **Exhibit "B"**, Nader Gramian-Nik ("**Mr. Gramian-Nik**") is the sole officer and director of the Borrower.

15. The Guarantor is an Ontario corporation with its registered office located at 46 Tomlin Crescent, Richmond Hill, Ontario. It operates as EZ Food Group from leased premises located at the Commercial Property. The Guarantor is purportedly in the food processing business. A copy of the Guarantor's corporate profile report is attached hereto as **Exhibit "C"**.

Limited Business Operations

16. It is Roynat's understanding that the Borrower is a real estate holding company, whose primary asset is the Commercial Property. Roynat understands that the Guarantor, operating as EZ Foods, is a food processing company, however Roynat is unaware of the scope or scale of its operations and believes that it has ceased carrying on business.

Employees

17. Roynat is unaware of any current employees of either the Borrower or the Guarantor.

Potential Tenants of the Commercial Property

18. As stated above, the Guarantor EZ Food Group operates out of the Commercial Property. It is unclear whether there are other companies that currently lease or occupy the Commercial Property.

19. On or around May 2, 2019, Roynat received a letter from counsel to Denbar Food Group Inc. ("**Denbar**"), indicating that Denbar was storing and operating its equipment and supplies at

the EZ Foods facility within the Commercial Property. Roynat is unaware whether these items remain at the facility or were removed by Denbar. Roynat is furthermore unaware of whether Denbar has a commercial lease of any part of the Commercial Property.

20. Preliminary searches conducted by Roynat's counsel suggest there may be other businesses operating from the Commercial Property. 1405 Morningside Avenue appears to be the current business address of Tranzbiz Truck Training Centre, Opalonline and One World Foods. Roynat does not have any additional information about these companies, nor does it know whether there is a commercial lease in place in respect of one or all of them.

CRIMINAL SANCTIONS

Real Property Restraint Order

21. On February 12, 2019, the Court of Quebec (Criminal and Penal Division) issued the Real Property Restraint Order pursuant to sections 490.8 and 490.81 of the *Criminal Code* (Canada) in respect of the Commercial Property. A copy of the Real Property Restraint Order is attached hereto as **Exhibit "D"**.

22. Among other things, the Real Property Restraint Order:

a. appoints the Minister as the manager of the property described above for the sole purpose of the fulfillment of its duties under the Real Property Restraint Order;

b. prohibits any person, including the Borrower, Mr. Gramian-Nik and Roynat, from disposing or otherwise dealing with the Commercial Property or any interest therein in

any manner whatsoever, except as provided for in the Real Property Restraint Order or by further order of the Court;

c. requires the Borrower and Mr. Gramian-Nik, among others (collectively, the "**Restraint Order Parties**"), to fulfil all obligations arising from charges or loans on the Commercial Property and to pay, among other things, mortgage amounts and the required monthly payments in respect of any line of credit secured by a mortgage on the real property, including any arrears in respect thereof;

d. requires Roynat to provide a full accounting to the SPMD of all particulars of the encumbrances on the Commercial Property, including any deposit, withdrawal, term, balance, principal balance, interest rate, accrued interest and service charges, as well as monthly statements setting out current particulars of the Property, including all service charges (such reporting obligations collectively, the "**Roynat Reporting Obligations**"). The Real Property Restraint Order also requires Roynat to immediately inform SPMD if the Restraint Order Parties fail to respect the terms and conditions of the Debenture; and

e. orders that nothing shall prevent Roynat from enforcing any of its rights under the Debenture, requires that the SPMD and counsel for Her Majesty the Queen (the "**Crown**") be served with notice of any such enforcement action, application or proceeding, and establishes a waterfall for the distribution of proceeds from the sale of the Commercial Property pursuant to which Roynat is required to pay any net proceeds of the sale to the Receiver General of Canada.

23. In accordance with the Real Property Restraint Order, Roynat has complied with all of the Roynat Reporting Obligations and has been in regular contact with Mr. Jean Cadrin at SPMD regarding the forbearance and enforcement steps that Roynat has taken in connection with the Commercial Property (which steps are detailed below).

Account Restraint Orders

24. On February 8 and 12, 2019. the Court of Quebec (Criminal and Penal Division) also issued Account Restraint Orders pursuant to sections 490.8 and 490.81 of the Criminal Code (Canada) in respect of certain of the Debtors' bank accounts. Copies of the Account Restraint Orders are attached hereto as **Exhibit "E"**.

25. On or about February 15, 2019, Roynat did not receive its monthly principal loan payment from the Borrower. The notice Roynat received indicated that the payment was returned due to the Borrower's Royal Bank of Canada account being frozen in connection with the RCMP Investigation.

DEBT AND SECURITY

26. As described in detail in this section of my Affidavit, the Borrower is indebted to Roynat pursuant to a $2,692,600 term loan created by a facility letter. The obligations are secured by a mortgage against the Commercial Property and a grant of a general personal property security interest against the Borrower's property. The obligations are guaranteed by the Guarantor, which guarantee is secured by a grant of a general personal property security interest against the Guarantor's property.

27. All of Roynat's security is validly registered and, based on property registries, first priority.

Borrower Debt and Security

28. On June 24, 2014, Roynat issued an Offer of Finance to the Borrower which was accepted by the Borrower and the Guarantor on July 16, 2014 (the "**2014 Facility Letter**"). Pursuant to the 2014 Facility Letter, Roynat advanced a term loan to the Borrower in the amount of $2,692,600 (the "**Term Loan**"). A copy of the 2014 Facility Letter is attached as **Exhibit "F".**

29. On May 24, 2016, Roynat issued an Offer of Extension and Supplemental Financing to the Borrower, which was accepted by the Borrower and the Guarantor on the same day (the "**Extension and Supplemental Financing Letter**" and the 2014 Facility Letter as amended by the Extension and Supplemental Financing Letter, the "**Facility Letter**"). Pursuant to the terms of the Extension and Supplemental Financing Letter, Roynat extended the maturity date of the Term Loan and agreed to provide the Borrower with additional financing.

30. The Borrower's obligations to Roynat in respect of the Term Loan are secured by:

a. a Demand Debenture dated August 14, 2014, which was registered, pursuant to the *Land Titles Act* (Ontario) (the "**LTA**"), as a charge on title to the Commercial Property as instrument number AT3706673 on October 3, 2014 (the "**Debenture**"); and

b. a General Assignment of Leases and Rents dated August 14, 2014, which was registered, pursuant to the LTA, as a notice on title to the Commercial Property as instrument number AT3706684 on October 3, 2014 (the "**GAR**"),

(collectively, the "**Borrower Security Documents**").

Copies of the Debenture and GAR are each attached hereto as **Exhibits "G" and "H"**, respectively.

31. The parcel register in respect of the Commercial Property, attached hereto as **Exhibit "A"**, reflects the registrations made pursuant to the LTA in favour of Roynat in respect of the Debenture and GAR.

32. Roynat has registered the following financing statements pursuant to the *Personal Property Security Act* (Ontario) (the "**PPSA**") against the Borrower:

a. on April 8, 2010, a financing statement in respect of all collateral classifications except "consumer goods" for a period of 10 years;

b. on August 8, 2014, a financing statement in respect of all collateral classifications except "consumer goods" for a period of 10 years; and

c. on April 8, 2014 a financing statement in respect of "accounts" and "other" with a general collateral description that refers to a "general assignment of rents and leases with regard to 1405 Morningside Avenue, Scarborough, Ontario".

33. As of September 24, 2019, no other financing statements have been registered against the Borrower pursuant to the PPSA. A copy of the PPSA search results for the Borrower with a currency date of September 24, 2019 is attached hereto as **Exhibit "I"**.

Guarantor Debt and Security

34. The Borrower's obligations to Roynat in respect of the Term Loan are guaranteed by the Guarantor pursuant to a Guarantee and Indemnity dated August 14, 2014 issued by the Guarantor

in favour of Roynat (the "**Guarantee**"). The Guarantor's obligations to Roynat pursuant to the Guarantee are secured by a general security agreement dated August 14, 2014, issued by the Guarantor in favour of Roynat (the "**Guarantor GSA**", and together with the Borrower Security Documents, the "**Security**"). Copies of the Guarantee and Guarantor GSA are each attached as **Exhibits "J"**and **"K"**, respectively.

35. Roynat has registered the following financing statements pursuant to the PPSA against the Guarantor:

a. on October 14, 2010, a financing statement in respect of all collateral classifications, except "consumer goods" for a period of 10 years;

b. on August 8, 2014, a financing statement in respect of all collateral classifications, except "consumer goods" for a period of 10 years;

c. on October 8, 2015, a financing statement in respect of "equipment" and "other", with respect to a manual load cartoner machine for a period of 5 years; and

d. on April 8, 2019, a financing statement in respect of all collateral classifications, except "consumer goods" for a period of 10 years;

36. As of September 24, 2019, no other financing statements have been registered against the Guarantor pursuant to the PPSA. A copy of the PPSA search results for the Guarantor with a currency date of September 24, 2019 is attached hereto as **Exhibits "L"**.

37. The indebtedness of the Borrower and Guarantor to Roynat, as of September 26, 2019, is $2,371,607.71, which includes principal, interest and late payment charges which continue to accrue, but excludes legal fees and enforcement costs (collectively, the "**Indebtedness**").

Other Creditors

38. The parcel register in respect of the Commercial Property reflects an easement and cost sharing agreement among the Slough Estates Canada Limited, The Trustees of the Malvern Congregation of Jehovah's Witnesses, and MXT Investment Corp registered on the Commercial Property ("**Cost Sharing Agreement**"). The agreement indicates that amounts owing under the agreement shall constitute a first lien and charge against the property. Roynat is unaware whether amounts are currently owed under the Cost Sharing Agreement.

39. On or around September 26, 2019, Roynat's counsel obtained a verbal report regarding property tax arrears with respect to the Commercial Property. The Debtors currently owe $90,685.14 to the City of Toronto, inclusive of interest, fees and penalties. After September 30, 2019, additional interest began to accrue at 1.25%. Currently, no amounts are owing for utilities.

40. Roynat also obtained Writs of Execution registered against the Debtors, EZ Foods and TamTan, effective April 11, 2017 (the "**2017 Writ**") in favour of Employment Panache and August 16, 2019 (the "**2019 Writ**") in favour of Argil Property Tax Services Paralegal Professional Corporation. The 2017 Writ is for the face amount of $70,874.41 and costs of $926.93. The 2019 Writ is for the face amount of $12,482.68 and costs of $191.00.

DEFAULT, DEMAND AND ATTEMPTS TO SELL THE COMMERCIAL PROPERTY

41. The registration of the Restraint Order and the freezing of the Borrower's accounts are clear defaults under the Facility Letter.

42. In addition to the defaults related to the RCMP Investigation and criminal sanctions, the Borrower failed to pay monthly principal loan instalments of $12,050 on February 15, 2019, March 15, 2019, April 15, 2019, May 15, 2019, June 15, 2019, July 15, 2019, August 15, 2019 and September 15, 2019.

43. On April 8, 2019, Roynat issued a demand to the Borrower for immediate repayment of all indebtedness owing, citing the issuance of the Restraint Order and the Payment Default as Events of Default entitling Roynat to accelerate and declare the full amount of the Obligations to be immediately due and payable (the "**Borrower Demand Letter**").

44. The Borrower Demand Letter enclosed a Notice of Intention to Enforce Security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") (the "**Borrower 244 Notice**"). Copies of the Borrower Demand Letter and the Borrower 244 Notice are attached hereto as **Exhibit "M"**.

45. Shortly after issuing the Borrower Demand Letter and the Borrower 244 Notice, Roynat was advised by Louie Sopov, the Borrower's counsel ("**Borrower's Counsel**"), and David Moore, the Borrower's Real Estate Broker ("**Borrower's Broker**") that the Borrower was party to a signed agreement of purchase and sale with an entity (the "**First Potential Purchaser**") for the sale of the Commercial Property, and was further advised that a portion of the proceeds from such transaction would be used to repay the Borrower's indebtedness to Roynat in full.

46. In order to facilitate this transaction, at the Borrower's request, Roynat agreed to forbear from taking further enforcement steps to permit the First Potential Purchaser to complete its diligence on the Commercial Property. Despite Roynat's patience, the transaction did not close.

47. On June 18, 2019, after the transaction fell through, Roynat issued a demand to the Guarantor pursuant to the Guarantee for payment of the Guaranteed Liabilities (as defined in the Guarantee), which consist primarily of the Borrower's obligations to Roynat (the "**Guarantor Demand**"). The Guarantor Demand enclosed a Notice of Intention to Enforce Security pursuant to section 244 of the BIA (the "**Guarantor 244 Notice**"). Copies of the Guarantor Demand and the Guarantor 244 Notice are attached hereto as **Exhibit "N"**.

48. On June 18, 2019, Roynat also issued a notice of sale under mortgage pursuant to the *Mortgages Act* (Ontario) to, among others, the Borrower and Guarantor (the "**Notice of Sale**"). A copy of the Notice of Sale is attached hereto as **Exhibit "O"**.

49. Shortly after issuing the Guarantor Demand, Guarantor 244 Notice and Notice of Sale, Roynat was advised by the Borrower's Broker on or about July 5, 2019 that the Borrower and Guarantor had entered into another agreement of purchase and sale with a new purchaser (the "**Second Potential Purchaser**") in respect of the Commercial Property and certain equipment of the Guarantor (the "**Second APS**"). Based on assurances that each of the Borrower, Guarantor and Second Potential Purchaser were determined to close this new transaction, Roynat continued to cooperate with the parties in an effort to facilitate this transaction, notwithstanding that the notice period under the Notice of Sale, Borrower 244 Notice and Guarantor 244 Notice had expired and that the Indebtedness owing to Roynat remained outstanding.

50. Despite Roynat's continued cooperation, it had become clear that the parties faced challenges in satisfying the conditions required to advance the transaction contemplated by the Second APS to closing. In light of these challenges, on August 23, 2019, Roynat's counsel issued a letter to Borrower's Counsel (the "**August 23rd Letter**") advising that if the transaction contemplated by the Second APS did not close by October 24, 2019 (which was the outside date contemplated for closing by the Second APS), Roynat intended to seek the appointment of a receiver over the assets of the Borrower and Guarantor, including the Commercial Property. A copy of the August 23rd Letter is attached hereto as **Exhibit "P"**.

51. A copy of the August 23rd Letter was sent to Mr. Cadrin at SPMD.

52. In the August 23rd Letter, Roynat expressly reserved the right to exercise all rights and remedies as it considered appropriate against the Borrower and Guarantor, including at any time prior to October 24, 2019.

53. On August 26, 2019, Roynat was advised by the Mr. Dane Gilbert, the Purchaser's real estate agent ("**Purchaser's Agent**") that the Borrower had failed to satisfy certain diligence conditions, and had issued a Mutual Release Letter, citing lack of confidence in the Borrower's ability to meet its obligations under the Second APS. Shortly thereafter, on August 29, 2019, Roynat was advised by the Purchaser's Agent that the parties had agreed to a new diligence deadline of September 9, 2019 (the "**Diligence Deadline**") in order to provide the Borrower with additional time to satisfy certain diligence conditions, including clearing all permits issued in respect of the Commercial Property. The Diligence Deadline was subsequently further extended to September 16, 2019.

54. On or around September 26, 2019, Roynat was advised by the Purchaser's Agent that the Diligence Deadline was extended again to September 30, 2019. The Purchaser's Agent remains apprehensive of the Borrower's ability to meet its obligations under the Second APS.

55. On or around September 30, 2019, Roynat contacted Borrower's Counsel and the Purchaser's Agent for an update regarding the status of the Second APS. No response was received from either party.

NEED FOR A RECEIVER

56. The Debtors have failed to repay the Indebtedness, which has been in default for months. As of the date hereof, despite demands from Roynat, the Indebtedness remains outstanding. Accordingly, the Respondents are unable to pay their debts as they become due.

57. Pursuant to the Security, Roynat is entitled to appoint the Receiver in respect of the Property of each of the Respondents.

58. Roynat has cooperated in an effort to facilitate an out-of-court resolution of this matter. However, at this time, after several failed attempts to sell the Commercial Property and against the backdrop of serious criminal allegations, the RCMP Investigation and the Restraint Orders, Roynat has lost faith in the Borrower and Guarantor's ability to repay the Indebtedness. Roynat now seeks the appointment of a Receiver in order to facilitate a transparent sale process, in the interest of all of the Respondent's stakeholders, which will maximize value and expeditiously and efficiently bring this matter to a conclusion.

59. The Receiver is best positioned to address the interests of other stakeholders under the circumstances, including the SPMD, the RCMP and the Crown. It is anticipated that the Receiver

will market the Commercial Property and liquidate the assets that may be contained therein, under the Court's supervision.

60. At PPSC's request, Roynat is proposing that the accounts of the Debtors that are subject to the Account Restraint Orders will not form a part of the Property over which the Receiver is appointed (the "**Excluded Accounts**"). It is not known if the Debtors have any accounts other than the Excluded Accounts. Given that there may be no liquid assets of the Debtors available to the Receiver to funds its expenses, it is anticipated that the Receivership will be funded by loans from Roynat, secured by priority receiver's certificates.

61. It is anticipated that the specific details of the receivership will be developed in consultation with SPMD, to ensure that at all times the Receiver is in compliance with the *Criminal Code* and does not interfere with the RCMP Investigation.

62. Spergel is a licensed insolvency trustee and has consented to act should the Court so appoint it. A copy of Spergel's Consent to Act is attached to the Application Record herein.

63. This Affidavit is made in support of the within application, and for no other purpose.

SWORN BEFORE ME at the City of Toronto, this 3rd day of October, 2019	)))))	
A Commissioner for Taking Affidavits MELISSA M. FERIOZZO LSO # 72209P		**SILVIO MARSILI**

This is **Exhibit "A"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO #72209P

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND REGISTRY OFFICE #66

06054-0805 (LT)

PREPARED FOR STAFF ON 2019/09/25 AT 14:28 '6

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

PROPERTY DESCRIPTION: PCL BLK O-1 SECT M1919 PTS BLKS 9, 10 ON PLAN M1995 AND PT BLK O, BEING A RESERVE ON PLAN M1919; PTS 19 TO 21, 23 TO 28, 49 TO 53, 55 TO 58, 62, 67 & 68 66R15458; TOGETHER WITH EASE & ROW OVER PTS 36, 42, 43, 47 66R15458 AS IN C531411 TOGETHER WITH EASE OVER PTS 29, 36 TO 38, 40 TO 46, 47, 48, 54, 63, 64 & 65 AS IN C531411; SUBJ TO EASE OVER PT 49, 50, 51, 53, 55, 56, 58 66R15458 AS IN C617313 SUBJ TO ROW OVER PTS 49 TO 51, 55, 56 66R15458 AS IN C617313 SUBJ TO EASE & RGT OVER 25 TO 27, 49 66R15458 AS IN C531411 SUBJ TO RGT AS IN A928321 SCARBOROUGH. DESCRIPTION AMENDED 94/11/30 BY K. MASSAROTTO , CITY OF TORONTO

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
ABSOLUTE

RECENTLY:
FIRST CONVERSION FROM BOOK

PIN CREATION DATE:
1991/11/12

OWNERS' NAMES
TAMTAN INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 199[illegible]/11/12 ON THIS PIN						
WAS REPLACED WITH THE "PIN CREATION DATE" OF 1991/11/12						
*** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1991/08/25 ***						
NOTE: THE NO DEALINGS INDICATOR IS IN EFFECT ON THIS PROPERTY						
A928321	1981/06/23	CERTIFICATE				C
	REMARKS: CONSENT					
A928322	1981/06/23	NOTICE AGREEMENT			THE CORPORATION OF THE BOROUGH OF SCARBOROUGH	C
C105089	1982/11/22	NOTICE OF LEASE		*** DELETED AGAINST THIS PROPERTY ***		
66R14547	1986/01/17	PLAN REFERENCE				C
66R14854	1986/12/08	PLAN REFERENCE				C
C344173	1986/12/19	NOTICE AGREEMENT			THE CORPORATION OF THE CITY OF SCARBOROUGH	C
C531412	1988/12/22	NOTICE				C
C523714	1988/12/28	NOTICE		*** COMPLETELY DELETED ***		
	REMARKS: C105089					
C616744	1989/12/13	NOTICE				C
	REMARKS: C531412					
C617313	1989/12/14	TRANSFER		*** COMPLETELY DELETED ***		

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

Ontario ServiceOntario

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #66

06054-0805 (LT)

PREPARED FOR STAFF
ON 2019/09/25 AT 14:23:56

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
					KERSIG, PETER KERSIG, THOMAS	
C617314	1989/12/14	CHARGE		*** COMPLETELY DELETED ***	DEUTSCHE BANK (CANADA)	
C617315	1989/12/14	NOTICE		*** COMPLETELY DELETED ***		
	REMARKS: C617314					
C843535	1993/06/30	TRANSFER		*** COMPLETELY DELETED *** KERSIG, PETER KERSIG, THOMAS	KERKI HOLDINGS LIMITED	
C871388	1993/12/22	NOTICE OF LEASE		*** COMPLETELY DELETED *** KERKI HOLDINGS LIMITED	A A A JEWELLERS LIMITED	
C924585	1994/11/25	APL CH NAME OWNER		*** COMPLETELY DELETED *** DEUTSCHE BANK CANADA		
	REMARKS: C617314 DELETED BY C929399 ON 2005-02-15 BY MW					
C929399	1994/12/22	DISCH OF CHARGE		*** COMPLETELY DELETED *** DEUTSCHE BANK CANADA		
	REMARKS: RE: C617314					
AT738697	2005/02/23	APL (GENERAL)		*** COMPLETELY DELETED *** KERKI HOLDINGS LIMITED		
	REMARKS: DELETE C105089 AND C523714					
AT742146	2005/02/28	TRANSFER		*** COMPLETELY DELETED *** KERKI HOLDINGS LIMITED	457 RICHMOND STREET INC.	
	REMARKS: PLANNING ACT STATEMENT					
AT742383	2005/02/28	CHARGE		*** COMPLETELY DELETED *** 457 RICHMOND STREET INC.	CIBC MORTGAGES INC.	
AT742384	2005/02/28	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 457 RICHMOND STREET INC.	CIBC MORTGAGES INC.	
	REMARKS: AT742383-RENTS					
AT742385	2005/02/28	NO ASSGN RENT SPEC		*** COMPLETELY DELETED *** 457 RICHMOND STREET INC.	CIBC MORTGAGES INC.	
	REMARKS: C871388 AND AT742383					

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY
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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
AT1383318	2007/02/23	APL (GENERAL)		*** COMPLETELY DELETED ***		
				457 RICHMOND STREET INC.		
	REMARKS: C871388, AT742385					
AT1383571	2007/02/23	TRANSFER	$2,600,000	457 RICHMOND STREET INC.	TAMTAN INC.	C
	REMARKS: PLANNING ACT STATEMENTS					
AT1383577	2007/02/23	CHARGE		*** COMPLETELY DELETED ***		
				TAMTAN INC.	457 RICHMOND STREET INC.	
AT1393549	2007/03/08	NO ASSGN RENT GEN		*** COMPLETELY DELETED ***		
				TAMTAN INC.	CIBC MORTGAGES INC.	
	REMARKS: AT742383 DELETED ON 2019/09/25 BY LINDA B.					
AT2131970	2009/07/28	CONSTRUCTION LIEN		*** COMPLETELY DELETED ***		
				MANCUSO PAVING LIMITED		
AT2174138	2009/09/11	CERTIFICATE		*** COMPLETELY DELETED ***		
				MANCUSO PAVING LIMITED	GRAMIAN, NADER	
					1720254 ONTARIO INC.	
					TAMTAN INC	
	REMARKS: AT2131970					
AT2186362	2009/09/25	CONSTRUCTION LIEN		*** COMPLETELY DELETED ***		
				1612372 ONTARIO INC.		
AT2208671	2009/10/21	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED ***		
				1612372 ONTARIO INC.		
	REMARKS: AT2186362.					
AT2340505	2010/03/30	CONSTRUCTION LIEN		*** COMPLETELY DELETED ***		
				1501890 ONTARIO INC		
AT2346518	2010/04/07	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED ***		
				1501890 ONTARIO INC		
	REMARKS: AT2340505.					
AT2353584	2010/04/16	APL AMEND ORDER		*** COMPLETELY DELETED ***		
				ONTARIO SUPERIOR COURT OF JUSTICE	TAMTAN INC.	
	REMARKS: AT2131970/AT2174138					
AT2353616	2010/04/16	CHARGE	$2,750,000	TAMTAN INC.	ROYNAT INC.	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY
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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #66

06054-0805 (LT)

PREPARED FOR STAFF
ON 2019/09/25 AT 14:28:56

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CEKD
AT2353638	2010/04/16	NO ASSGN RENT GEN		TAMTAN INC.	ROYNAT INC	C
	REMARKS: AT2353616					
AT2354052	2010/04/16	DISCH OF CHARGE		*** COMPLETELY DELETED ***		
				457 RICHMOND STREET INC.		
	REMARKS: AT1383577.					
AT2375947	2010/05/11	DISCH OF CHARGE		*** COMPLETELY DELETED ***		
				CIBC MORTGAGES INC		
	REMARKS: AT742383.					
AT3706673	2014/10/03	CHARGE	$3,000,000	TAMTAN INC.	ROYNAT NC	C
AT3706684	2014/10/03	NO ASSGN RENT GEN		TAMTAN INC.	ROYNAT INC.	C
	REMARKS: AT3706673.					
AT5077163	2019/02/14	RESTRICTIONS ORDER		COURT OF QUEBEC	ATTORNEY GENERAL OF CANADA	C
	REMARKS: THIS PROPERTY IS NOT TO BE ENCUMBERED OR OTHERWISE DEALT WITH EXCEPT IN ACCORDANCE WITH THE ATTACHED ORDER; DISCHARGES OF ENCUMBRANCES ARE NOT PROHIBITED.					

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

This is **Exhibit "B"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO #72209P

Request ID: 023225620
Transaction ID: 72135720
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2019/06/18
Time Report Produced: 08:54:45
Page: 1

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
1715584	TAMTAN INC.	2006/11/09
		Jurisdiction
		ONTARIO

Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE

Registered Office Address

46 TOMLIN CRESCENT

RICHMOND HILL
ONTARIO
CANADA L4C 7S9

Mailing Address

46 TOMLIN CRES

RICHMOND HILL
ONTARIO
CANADA L4C 7S9

Date Amalgamated	Amalgamation Ind.
NOT APPLICABLE	NOT APPLICABLE
New Amal. Number	**Notice Date**
NOT APPLICABLE	NOT APPLICABLE
	Letter Date
	NOT APPLICABLE
Revival Date	**Continuation Date**
NOT APPLICABLE	NOT APPLICABLE
Transferred Out Date	**Cancel/Inactive Date**
NOT APPLICABLE	NOT APPLICABLE
EP Licence Eff.Date	**EP Licence Term.Date**
NOT APPLICABLE	NOT APPLICABLE

Number of Directors Minimum	Number of Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
00002	00004	NOT APPLICABLE	NOT APPLICABLE

Activity Classification

NOT AVAILABLE

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1715584	TAMTAN INC.

Corporate Name History	Effective Date
TAMTAN INC.	2006/11/09

Current Business Name(s) Exist:	NO
Expired Business Name(s) Exist:	NO

Administrator: Name (Individual / Corporation)	Address
NADER GRAMIAN-NIK	46 TOMLIN CRES RICHMOND HILL ONTARIO CANADA L4C 7S9

Date Began	First Director	
2006/11/09	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
DIRECTOR		Y

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1715584	TAMTAN INC.

Administrator:
Name (Individual / Corporation)

NADER
GRAMIAN-NIK

Address

46 TOMLIN CRES

RICHMOND HILL
ONTARIO
CANADA L4C 7S9

Date Began	First Director	
2006/11/09	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	PRESIDENT	Y

Administrator:
Name (Individual / Corporation)

NADER
GRAMIAN-NIK

Address

46 TOMLIN CRES

RICHMOND HILL
ONTARIO
CANADA L4C 7S9

Date Began	First Director	
2006/11/09	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	SECRETARY	Y

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1715584	TAMTAN INC.

Administrator: Name (Individual / Corporation)	Address
NADER GRAMIAN-NIK	46 TOMLIN CRES RICHMOND HILL ONTARIO CANADA L4C 7S9

Date Began	First Director	
2006/11/09	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	TREASURER	Y

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1715584	TAMTAN INC.

Last Document Recorded

Act/Code	Description	Form	Date
CIA	ANNUAL RETURN 2016	1C	2017/08/06 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

This is **Exhibit "C"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO # 72209P

Request ID: 023225626
Transaction ID: 72135730
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2019/06/18
Time Report Produced: 08:55:00
Page: 1

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
1308963	1308963 ONTARIO LTD.	1998/08/10
		Jurisdiction
		ONTARIO

Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP	ACTIVE	NOT APPLICABLE

Registered Office Address

46 TOMLIN CRESCENT

RICHMOND HILL
ONTARIO
CANADA L4C 7S9

Mailing Address

46 TOMLIN CRESCENT

RICHMOND HILL
ONTARIO
CANADA L4C 7S9

Date Amalgamated	Amalgamation Ind.
NOT APPLICABLE	NOT APPLICABLE
New Amal. Number	**Notice Date**
NOT APPLICABLE	NOT APPLICABLE
	Letter Date
	NOT APPLICABLE
Revival Date	**Continuation Date**
NOT APPLICABLE	NOT APPLICABLE
Transferred Out Date	**Cancel/Inactive Date**
NOT APPLICABLE	NOT APPLICABLE
EP Licence Eff.Date	**EP Licence Term.Date**
NOT APPLICABLE	NOT APPLICABLE

Number of Directors Minimum	Number of Directors Maximum	Date Commenced in Ontario	Date Ceased in Ontario
00001	00010	NOT APPLICABLE	NOT APPLICABLE

Activity Classification

NOT AVAILABLE

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1308963	1308963 ONTARIO LTD

Corporate Name History	Effective Date
1308963 ONTARIO LTD	1998/08/10

Current Business Name(s) Exist:	YES
Expired Business Name(s) Exist:	YES - SEARCH REQUIRED FOR DETAILS

Administrator: Name (Individual / Corporation)	Address
NADEREH AKHAVAN-FOUMANI	46 TOMLIN CRES RICHMOND HILL ONTARIO CANADA L4C 7S9

Date Began	First Director	
1998/08/10	YES	
Designation	**Officer Type**	**Resident Canadian**
DIRECTOR		Y

Request ID: 023225626
Transaction ID: 72135730
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2019/06/18
Time Report Produced: 08:55:00
Page: 3

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1308963	1308963 ONTARIO LTD

Last Document Recorded

Act/Code	Description	Form	Date
CIA	ANNUAL RETURN 2017	1C	2018/07/08 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

This is **Exhibit "D"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO # 72209P

LRO # 80 **Application For Restrictions Based On Court Order** Registered as **AT5077163** on 2019 02 14 at 15:53

The applicant(s) hereby applies to the Land Registrar. yyyy mm dd Page 1 of 10

Properties

PIN 06054 - 0805 LT *Interest/Estate* Fee Simple

Description PCL BLK 0-1 SECT M1919 PTS BLKS 9, 10 ON PLAN M1995 AND PT BLK O, BEING A RESERVE ON PLAN M1919; PTS 19 TO 21, 23 TO 28, 49 TO 53, 55 TO 58, 62, 67 & 68 66R15458; TOGETHER WITH EASE & ROW OVER PTS 36, 42, 43, 47 66R15458 AS IN C531411 TOGETHER WITH EASE OVER PTS 29, 36 TO 38, 40 TO 46, 47, 48, 54, 63, 64 & 65 AS IN C531411; SUBJ TO EASE OVER PT 49, 50, 51, 53, 55, 56, 58 66R15458 AS IN C617313 SUBJ TO ROW OVER PTS 49 TO 51, 55, 56 66R15458 AS IN C617313 SUBJ TO EASE & RGT OVER 25 TO 27, 49 66R15458 AS IN C531411 SUBJ TO RGT AS IN A928321 SCARBOROUGH. DESCRIPTION AMENDED 94/11/30 BY K. MASSAROTTO , CITY OF TORONTO

Address 1405 MORNINGSIDE AVENUE
SCARBOROUGH

Party From(s)

Name COURT OF QUEBEC

Address for Service Court House
1, rue Notre-Dame Est
Montréal (Québec)
H2Y 1B6

Applicant(s) | Capacity | Share

Name ATTORNEY GENERAL OF CANADA

Address for Service Public Prosecution Service of Canada
Guy-Favreau Complex
200, René-Lévesque Boulevard West
9th Floor - East Tower
Montreal (Québec) H2Z 1X4
Fabienne Simon, Counsel: 514.283.9377

Statements

The applicant applies to register the following order See Schedules. The order is still in full force and effect

The court order contains the following title related restriction: No dealings: I Mary Shenouda, Counsel, state that this property is not to be encumbered or otherwise dealt with except in accordance with the attached order; discharges of encumbrances are not prohibited.

Signed By

Mary Shenouda	400-120 Adelaide Street West Toronto M5H 1T1	acting for Applicant(s)	Signed	2019 02 14

Tel 647-256-0575

Fax 416-973-0809

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

Submitted By

DEPARTMENT OF JUSTICE CANADA 2	400-120 Adelaide Street West Toronto M5H 1T1	2019 02 14

Tel 647-256-0575

Fax 416-973-0809

Fees/Taxes/Payment

Statutory Registration Fee $64.40

Total Paid $64.40

File Number

Applicant Client File Number : 3419126 (10425764/MS/MB)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No 500-38-025571-190

38

COURT OF QUÉBEC
(Criminal and Penal Division)

IN THE MATTER OF AN APPLICATION FOR A RESTRAINT ORDER UNDER SECTION 490.8 OF THE *CRIMINAL CODE* AND A MANAGEMENT ORDER UNDER SECTION 490.81 OF THE *CRIMINAL CODE*

RESTRAINT ORDER AND MANAGEMENT ORDER
(490.8 and 490.81 of the *Criminal code*)

UPON THE *EX PARTE* APPLICATION in writing made this day by the Attorney General of Canada for a restraint order and a management order pursuant to sections 490.8 and 490.81 of the *Criminal Code*;

AND UPON READING the affidavits and schedules of Constable Julien Ferland and Constable Pascal Beauregard and Constable Pascal Beauregard of the Royal Canadian Mounted Police, made in support of the application;

AND BEING satisfied that the giving of notice of this application could jeopardize the ongoing investigation or would result in the disappearance, dissipation or reduction in value of the property;

AND BEING satisfied that there are reasonable grounds to believe that the property listed below is offence-related property pursuant to the *Criminal Code*;

DESIGNATION

Real property 1405 Morningside Ave., Scarborough, ON

"Being more particularly described as: PIN 06054-0805 (LT), Parcel Block 0-1, Section M1919, Parts of Blocks 9 and 10, Plan M1995 and Part of Block 0, being a reserve on Plan M1919, shown as Parts 19 to 21, 23 to 28, 49 to 53, 55 to 58, 62, 67 and 68 on Plan 66R-15458, City of Toronto."

(hereinafter "the property"

FOR THESE REASONS:

1. **I ORDER** the restraint of the property described above and any interest or insurable right in such property, including the right to receive the insurance proceeds paid under any insurance policy relating to such property;

2. I **PROHIBIT** any person, including **TAMTAN Inc., TANIA GERAMIAN-NIK, TAMILLA GERAMIAN-NIK, Nader GRAMIAN-NIK and Roynat Inc.**, from disposing of or otherwise dealing with the property or any interest in the property, in any manner whatsoever, except as provided for in this Order or by further order of the court;

3. **I ORDER** that no judgment or writ of execution may affect this property after the date of this restraint order except in accordance with Part XV of the *Criminal Code*;

4. **I APPOINT** the Minister of Public Works and Government Services as the manager of the property described above for the sole purpose of the fulfillment of its duties under this order;

5. **I ORDER** that any insurance proceeds in respect of the restrained property be paid to the Minister of Public Works and Government Services who will take possession of it and manage it in accordance with the law;

6. **I AUTHORIZE** the Minister of Public Works and Government Services and its representatives to enter the building described above as soon as the order is served, accompanied by the required personnel including a police escort, in order to carry out its duties, including to evaluate and inspect the property described above, to take photographs, make an inventory of the premises, including by videotaping and, thereafter, after 24 hours' notice to **TAMTAN Inc., TANIA GERAMIAN-NIK, TAMILLA GERAMIAN-NIK, or Nader GRAMIAN-NIK**, or to the occupants, it being understood that such notice may be given by posting a copy of the notice on the main entrance door of the building, or without notice in case of emergency;

7. **I ORDER TAMTAN Inc., TANIA GERAMIAN-NIK, TAMILLA GERAMIAN-NIK, and Nader GRAMIAN-NIK**, their heirs and assigns, agents, nominees and other representatives and any other person who may be required to do so, including the occupants of the property described above, to grant access to this property to the Minister of Public Works and Government Services, accompanied by all persons whose assistance may be required, including a police escort, upon service of the order, to carry out its duties, including to conduct the assessment and inspection of real property as provided for in paragraph 6 hereof and, thereafter, with twenty-four (24) hours' notice to **TAMTAN Inc., TANIA GERAMIAN-NIK, TAMILLA GERAMIAN-NIK, or Nader GRAMIAN-NIK** and/or to the occupants, it being understood that such notice may be given by posting a copy of the notice on the main entrance of the building in order to ensure that such persons comply with the obligations described in this order or without notice in case of emergency;

8. **I ORDER TAMTAN Inc., TANIA GERAMIAN-NIK, TAMILLA GERAMIAN-NIK, and Nader GRAMIAN-NIK**, their heirs and assigns, agents, nominees, and other representatives who may be required to do so, to continue to fulfill the obligations of the owner, guardian or occupant with respect to the property described in this order, amongst other things:

a. to pay mortgage payments, monthly payments required in respect of any line of credit secured by a mortgage on the real property described above, all taxes and service charges and to pay any arrears in respect of such payments, taxes or charges;

b. to fulfil all obligations arising from charges or loans on the property in question;

c. to maintain the property in good condition in its entirety, to safeguard its value and to take all necessary measures to preserve it: including insuring the property adequately against all forms of loss and carrying out any necessary repairs or maintenance as long as the property is subject to a restraint order;

d. to forward to the Seized Property Management Directorate, c/o Jean Cadrin, Seized Property Management Directorate, 4225 Dorchester Boulevard West, Westmount, QC, H3Z 1V5, within seven (7) days of service of this order, a copy of the insurance policy or policies that protect the property described above against all forms of loss;

e. to inform, as soon as possible, the Minister of Public Works and Government Services of any change in the insurance policy or policies protecting the property described above by sending a copy of these new policies to the Seized Property Management Directorate, c/o Jean Cadrin, Seized Property Management Directorate, 4225 Dorchester Boulevard West, Westmount, QC, H3Z 1V5;

f. to obtain prior approval from the Minister of Public Works and Government Services for any decision relating to the property described above, except in cases of force majeure;

g. to inform, as soon as possible, the Minister of Public Works and Government Services if the property referred to above becomes vacant;

h. comply with all applicable municipal, provincial and federal regulatory requirements;

9. **I ORDER** the persons referred to in paragraph 8 to report, upon request by a representative of the Minister of Public Works and Government Services, on the performance of their obligations under those paragraphs, by providing the requested information or documents:

10. **I ALLOW** the Minister of Public Works and Government Services to take all conservation measures he deems appropriate with respect to the property if he has reason to believe that the property is in peril;

11. **I ORDER** the persons referred to in paragraph 8 to reimburse, without delay, the Minister of Public Works and Government Services for all costs that may be incurred as a result of the taking of emergency protective measures in respect of the above-mentioned property pursuant to paragraph 10;

12. **I ALLOW** the Minister of Public Works and Government Services to make all necessary verifications with public or private institutions to ensure that the persons referred to in paragraph 8 comply with the obligations described in this order, including the payment of mortgages, lines of credit, taxes and other service charges;

13. **I ORDER** public or private utilities to provide the Minister of Public Works and Government Services with statements or information relating to the property described above within seven (7) working days of a request to that effect;

14. **I PROHIBIT** any person, including **Roynat Inc.**, **TAMTAN Inc.**, **TANIA GERAMIAN-NIK, TAMILLA GERAMIAN-NIK, and Nader GRAMIAN-NIK**, their heirs and assigns, agents, nominees, and other representatives to authorize and/or make any disbursement (mortgage or via a line of credit or credit card or otherwise) or any other form of credit that would constitute an increase in the charge on the property described above, for any amount or additional amount, through the mortgage deed affecting such property or otherwise, in any capacity whatsoever, from the date of service of this restraint order;

15. **I ORDER** that the actual debt or guarantee affecting the property described above be limited to the current amount of the debt or guarantee as at the date of service of this order;

16. **I ORDER** that **Roynat Inc.** shall forthwith upon service of this order, provide a full accounting to SPMD of all particulars of the encumbrances (charges, hypothecs) on the property, including any deposit, withdrawal, term, balance, principal balance, interest rate, accrued interest and service charges. **Roynat Inc.** shall thereafter provide monthly statements to SPMD setting out the current particulars of the property including all service charges and shall provide any supporting documentation that may be requested by SPMD within ten (10) days of the request. **Roynat Inc.** shall inform immediately SPMD if the persons referred to in paragraph 12 do not respect the terms and conditions of the mortgage registered at the Land Registry.

17. **I ORDER** that nothing shall prohibit **Roynat Inc.** from enforcing any rights arising out of the terms and conditions of the mortgage registered at the Land Registry. In the event that any action, application or other proceeding is commenced by **Roynat Inc.,** the SPMD and counsel for Her Majesty the Queen shall be served with notice. **Roynat Inc.** shall forthwith provide a full accounting of any steps taken with respect to the enforcement of its rights, and shall provide any supporting documentation requested by SPMD within ten days of the request. If the property is sold pursuant to a notice of sale, **Roynat Inc**. shall pay any net proceeds of sale to the Receiver General of Canada, to be delivered to and managed by SPMD pursuant to the terms of this Order until further order of this Court or a court of competent jurisdiction. If there is any disagreement with respect to any aspect of the enforcement of rights pursuant to this paragraph, any interested party may apply, on three days' notice to all other interested parties, to the court for directions.

18. **I ORDER** the persons referred to in paragraph 8 to forward to the Seized Property Management Directorate at the attention of c/o Jean Cadrin, Seized Property Management Directorate, 4225 Dorchester Boulevard West, Westmount, QC, H3Z 1V5, within seven (7) days of the service of this order, a copy of all leases and/or agreements relating to the property described above;

19. **I ORDER** the persons referred to in paragraph 8 to obtain prior approval from the Minister of Public Works and Government Services for any decision relating to the occupation, use and/or lease of the property described above, including any new leases, any changes/amendments to the terms of existing leases, lease renewals, changes in tenants, rents, the term of current and future leases;

20. **I ORDER** the officer in charge of the Ontario Land Registry Office to register this restraint order against the property described herein;

21. **I ORDER** that this order be served on:

TAMTAN Inc.
c/o Tania GERAMIAN-NIK and Tamilla GERAMIAN-NIK
9 Honey Locust Crt, Vaughan, ON L6A 1G2

and

Nader GRAMIAN-NIK
9 Honey Locust Crt, Vaughan, ON L6A 1G2

and

SEIZED PROPERTY MANAGEMENT DIRECTORATE
c/o Jean Cadrin
4225 Dorchester Boulevard West
Westmount (Québec) H3Z 1V5

and

David S. Moore
Indusite Realty Corporation
1015 Matheson Blvd E #11
Mississauga, Ontario L4W 3A4

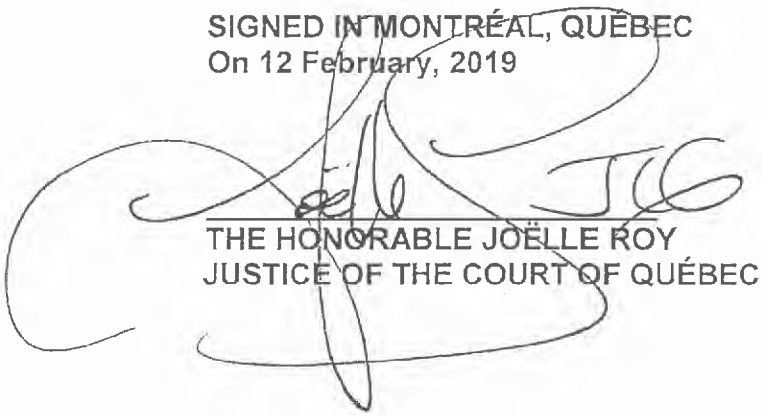
and

Ontario Land Registry Office
Number 65
50 Bloomington Road West, 3rd floor
Aurora, Ontario
L4G 0L8

22. **I ORDER** that this application, the affidavits and their schedules C1 and C2 from Constable Julien Ferland and Constable Pascal Beauregard of the Royal Canadian Mounted Police be sealed until a competent court orders their disclosure;

23. **I ORDER** that no variation shall be made to this Order other than by order of this court, on application in accordance with the *Criminal Code*.

SIGNED IN MONTRÉAL, QUÉBEC
On 12 February, 2019



THE HONORABLE JOËLLE ROY
JUSTICE OF THE COURT OF QUÉBEC

No : 500-38- 025571-190

Cour du Québec
District de Montréal
Chambre criminelle et pénale

DANS L'AFFAIRE D'UNE DEMANDE D'ORDONNANCE DE BLOCAGE EN VERTU DE L'ARTICLE 462.33 DU *CODE CRIMINEL* ET D'UNE ORDONNANCE DE PRISE EN CHARGE EN VERTU DE L'ARTICLE 462.331 DU *CODE CRIMINEL*

ORDONNANCE DE BLOCAGE ET DE PRISE EN CHARGE
(462.33 et 462.331 du *Code criminel*)

ORIGINAL

Me Fabienne Simon
AU 0384
SERVICE DES POURSUITES PÉNALES DU CANADA
Complexe Guy-Favreau
200, boulevard René-Lévesque Ouest
Tour Est, 9e étage
Montréal (Québec) H2Z 1X4
Téléphone : 514 283-9377 / Télécopieur : 514 496-7372
Fabienne.Simon@sppc-ppsc.gc.ca

No de dossier : 3419126 / IL

This is **Exhibit "E"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO # 72209P

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No: 500-38-025575-191

COURT OF QUÉBEC
(Criminal and Penal Division)

IN THE MATTER OF AN APPLICATION FOR A RESTRAINT ORDER UNDER SECTION 490.8 OF THE *CRIMINAL CODE* AND A MANAGEMENT ORDER UNDER SECTION 490.81 OF THE *CRIMINAL CODE*

RESTRAINT ORDER AND MANAGEMENT ORDER
(490.8 and 490.81 of the *Criminal code*)

- **UPON THE *EX PARTE* APPLICATION** in writing made this day by the Attorney General of Canada for a restraint order and a management order pursuant to sections 490.8 and 490.81 of the *Criminal Code*;
- **AND UPON READING** the affidavits and schedules of Constable Julien Ferland and Constable Pascal Beauregard of the Royal Canadian Mounted Police, made in support of the application;
- **AND BEING** satisfied that the giving of notice of this application could jeopardize the ongoing investigation or would result in the disappearance, dissipation or reduction in value of the property;
- **AND BEING** satisfied that there are reasonable grounds to believe that the property listed below is offence-related property pursuant to the *Criminal Code*;

DESIGNATION

The contents of the following accounts and all interest that accrues from the date of restraint:

ROYAL BANK OF CANADA

Account Folio 04062 #1020551 of EZ FOOD GROUP (1308963 Ontario Ltd)

(hereinafter, "the property").

FOR THESE REASONS:

1. **I ORDER** the restraint of the property described above;

2. **I PROHIBIT** any person, including **EZ FOOD GROUP (1308963 Ontario Ltd.), Nader Gramian-Nik, Nadereh Akhavan-Foumani, and Royal Bank of Canada**, from disposing of or otherwise dealing with the property or any interest in the property, in any manner whatsoever, except as provided for in this Order or by further order of this court;

3. **I ORDER** that no proceeding of any kind shall be taken in relation to the property without prior order of this court, obtained on notice to any person or corporation with an interest in the property and the Attorney General of Canada;

4. **I ORDER** that the Royal Bank of Canada shall continue to maintain the property as per its obligations as a chartered financial institution. The financial institution shall not withdraw nor allow any other person, including the Respondents, to withdraw any funds from the property. However, the financial institution may access the property to withdraw reasonable fees associated with the financial institution's management of the property;

5. **I ORDER** that the Royal Bank of Canada shall, within seven days of any request made by SPMD, provide SPMD with a written accounting of the status of its accounts in relation to the property, including an account balance;

6. **I ORDER** that no judgment or writ of execution may affect this property after the date of this restraint order except in accordance with Part XV of the *Criminal Code*;

7. **I APPOINT** the Minister of Public Works and Government Services as the manager of the property for the sole purpose of the fulfillment of its duties under this order;

8. **I AUTHORIZE** the Minister of Public Works and Government Services as manager of the property, to manage and control or otherwise deal with the property in accordance with the following terms: The Minister of Public Works and Government Services shall manage and control or otherwise deal with the property in accordance with the provisions of the accompanying Order, the *Criminal Code*, and the Seized Property Management Act (SPMD). The Minister's powers may be exercised by the SPMD. In this Application, a reference to SPMD includes a reference to the Minister of Public Works and Government Services Canada;

9. **I PROHIBIT** any person from disposing of the property that is the subject of this restraint order, from trading in the rights they hold in it, from exercising any warranty or recourse with respect to such property, except in accordance with Part XV of the *Criminal Code*;

10. **I ORDER** the Royal Bank of Canada to report, upon request by a representative of the Minister of Public Works and Government Services, on the performance of their obligations under those paragraphs, by providing the requested information or documents;

11. **AUTHORIZE** that this Order shall remain in effect until an order of restoration or forfeiture is made under the applicable provisions of the *Criminal Code*, or an order is made for the revocation or variation of this Order under the applicable provisions of the *Criminal Code*. If an appeal is taken from an order of forfeiture or an order of return or an order of revocation, then this Order shall remain in effect until the determination of the appeal;

12. **I ORDER** that no judgment or writ of any kind shall in any way attach to the property other than by order of this court on notice to any person or corporation with an interest in the property and the Attorney General of Canada;

13. **I ORDER that this Order shall be served on:**

EZ FOOD GROUP (1308963 Ontario Ltd)
c/o Nadereh AKHAVAN-FOUMANI and Nader GRAMIAN-NIK
9 Honey Locust Crt, Vaughan, ON L6A 1G2

The Royal Bank of Canada

Seized Property Management Directorate
c/o Jean Cadrin
4225, boul. Dorchester Ouest
Westmount (Québec) H3Z 1V5

14. **I ORDER** that this application, the affidavits and their schedules C1 and C2 from Constable Julien Ferland and Constable Pascal Beauregard of the Royal Canadian Mounted Police be sealed until a competent court orders their disclosure;

15. **I ORDER** that no variation shall be made to this Order other than by order of this court, on application in accordance with the *Criminal Code*.

SIGNED IN MONTRÉAL, QUÉBEC
On 12 February 2019

THE HONORABLE JOËLLE ROY
JUSTICE OF THE COURT OF QUÉBEC

No : 500-38-025575-191

Cour du Québec
District de Montréal
Chambre criminelle et pénale

DANS L'AFFAIRE D'UNE DEMANDE D'ORDONNANCE DE BLOCAGE EN VERTU DE L'ARTICLE 462.33 DU *CODE CRIMINEL* ET D'UNE ORDONNANCE DE PRISE EN CHARGE EN VERTU DE L'ARTICLE 462.331 DU *CODE CRIMINEL*

ORDONNANCE DE BLOCAGE ET DE PRISE EN CHARGE
(462.33 et 462.331 du *Code criminel*)

ORIGINAL

Me Fabienne Simon
AU 0384
SERVICE DES POURSUITES PÉNALES DU CANADA
Complexe Guy-Favreau
200, boulevard René-Lévesque Ouest
Tour Est, 9e étage
Montréal (Québec) H2Z 1X4
Téléphone : 514 283-9377 / Télécopieur : 514 496-7372
Fabienne.Simon@sppc-ppsc.gc.ca

No de dossier : 3419126 / IL

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No: 500-38-025558-197

COURT OF QUÉBEC
(Criminal and Penal Division)

IN THE MATTER OF AN APPLICATION FOR A RESTRAINT ORDER UNDER SECTION 490.8 OF THE *CRIMINAL CODE* AND A MANAGEMENT ORDER UNDER SECTION 490.81 OF THE *CRIMINAL CODE*

RESTRAINT ORDER AND MANAGEMENT ORDER
(490.8 and 490.81 of the *Criminal code*)

- **UPON THE *EX PARTE* APPLICATION** in writing made this day by the Attorney General of Canada for a restraint order and a management order pursuant to sections 490.8 and 490.81 of the *Criminal Code*;
- **AND UPON READING** the affidavits and schedules of Constable Julien Ferland and Constable Pascal Beauregard of the Royal Canadian Mounted Police, made in support of the application;
- **AND BEING** satisfied that the giving of notice of this application could jeopardize the ongoing investigation or would result in the disappearance, dissipation or reduction in value of the property;
- **AND BEING** satisfied that there are reasonable grounds to believe that the property listed below is offence-related property pursuant to the *Criminal Code*;

DESIGNATION

The contents of the following accounts and all interest that accrues from the date of restraint:

ROYAL BANK OF CANADA

Account 04062 #1020692 of TAMTAN Inc.

Account 04062 # 1020544 of TRANS CANADA FOOD SERVICE (1842227 Ontario Inc.)

(hereinafter, "the property").

FOR THESE REASONS:

1. **I ORDER** the restraint of the property described above;

2. **I PROHIBIT** any person, including TAMTAN INC., TRANSCANADA FOOD SERVICE (1842227 Ontario Inc.), and Royal Bank of Canada, from disposing of or otherwise dealing with the property or any interest in the property, in any manner whatsoever, except as provided for in this Order or by further order of this court;

3. **I ORDER** that no proceeding of any kind shall be taken in relation to the property without prior order of this court; obtained on notice to any person or corporation with an interest in the property and the Attorney General of Canada;

4. **I ORDER** that the Royal Bank of Canada shall continue to maintain the property as per its obligations as a chartered financial institution. The financial institution shall not withdraw nor allow any other person, including the Respondents, to withdraw any funds from the property. However, the financial institution may access the property to withdraw reasonable fees associated with the financial institution's management of the property;

5. **I ORDER** that the Royal Bank of Canada shall, within seven days of any request made by SPMD, provide SPMD with a written accounting of the status of its accounts in relation to the property, including an account balance;

6. **I ORDER** that no judgment or writ of execution may affect this property after the date of this restraint order except in accordance with Part XV of the *Criminal Code*;

7. **I APPOINT** the Minister of Public Works and Government Services as the manager of the property for the sole purpose of the fulfillment of its duties under this order;

8. **I AUTHORIZE** the Minister of Public Works and Government Services as manager of the property, to manage and control or otherwise deal with the property in accordance with the following terms: The Minister of Public Works and Government Services shall manage and control or otherwise deal with the property in accordance with the provisions of the accompanying Order, the *Criminal Code*, and the Seized Property Management Act (SPMD). The Minister's powers may be exercised by the SPMD. In this Application, a reference to SPMD includes a reference to the Minister of Public Works and Government Services Canada;

9. **I PROHIBIT** any person from disposing of the property that is the subject of this restraint order, from trading in the rights they hold in it, from exercising any warranty or recourse with respect to such property, except in accordance with Part XV of the *Criminal Code*;

10. **I ORDER** the Royal Bank of Canada to report, upon request by a representative of the Minister of Public Works and Government Services, on the performance of their obligations under those paragraphs, by providing the requested information or documents;

11. **AUTHORIZE** that this Order shall remain in effect until an order of restoration or forfeiture is made under the applicable provisions of the *Criminal Code*, or an order is made for the revocation or variation of this Order under the

applicable provisions of the *Criminal Code*. If an appeal is taken from an order of forfeiture or an order of return or an order of revocation, then this Order shall remain in effect until the determination of the appeal;

12. **I ORDER** that no judgment or writ of any kind shall in any way attach to the property other than by order of this court on notice to any person or corporation with an interest in the property and the Attorney General of Canada;

13. **I ORDER that this Order shall be served on:**

TamTan Inc.
c/o Tania GERAMIAN-NIK and Tamilla GERAMIAN-NIK
9 Honey Locust Crt, Vaughan, ON L6A 1G2

and

Trans Canada Food Service (1842227 Ontario Inc.)
c/o Nadereh AKHAVAN-FOUMANI
9 Honey Locust Crt, Vaughan, ON L6A 1G2

and

Nader GRAMIAN-NIK
9 Honey Locust Crt, Vaughan, ON L6A 1G2

and

The Royal Bank of Canada

and

Seized Property Management Directorate
c/o Jean Cadrin
4225, boul. Dorchester Ouest
Westmount (Québec) H3Z 1V5

14. **I ORDER** that this application, the affidavits and their schedules C1 and C2 from Constable Julien Ferland and Constable Pascal Beauregard of the Royal Canadian Mounted Police be sealed until a competent court orders their disclosure;

15. **I ORDER** that no variation shall be made to this Order other than by order of this court, on application in accordance with the *Criminal Code*.

SIGNED IN MONTRÉAL, QUÉBEC
On 8 February 2019

JCQ

THE HONORABLE JOËLLE ROY
JUSTICE OF THE COURT OF QUÉBEC

No : 500-38- 025558-197

Court of Quebec
District of Montreal
Criminal and Penal Division

IN THE MATTER OF AN APPLICATION FOR A RESTRAINT ORDER UNDER SECTION 490.8 OF THE *CRIMINAL CODE* AND A MANAGEMENT ORDER UNDER SECTION 490.81 OF THE *CRIMINAL CODE*

RESTRAINT ORDER AND MANAGEMENT ORDER
(490.8 and 490.81 of the *Criminal code*)

ORIGINAL

Me Fabienne Simon
AU 0384
PUBLIC PROSECUTION SERVICE OF CANADA
Guy-Favreau Complex
200, René-Lévesque Boulevard West
9th Floor – East Tower
Montreal (Québec) H2Z 1X4
Tel : 514 283-9377 / Fax : 514 496-7372
Fabienne.Simon@sppc-ppsc.gc.ca

File no. : 3419126 / IL

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No: 500-38-025557-199

COURT OF QUÉBEC
(Criminal and Penal Division)

IN THE MATTER OF AN APPLICATION FOR A RESTRAINT ORDER UNDER SECTION 490.8 OF THE *CRIMINAL CODE* AND A MANAGEMENT ORDER UNDER SECTION 490.81 OF THE *CRIMINAL CODE*

RESTRAINT ORDER AND MANAGEMENT ORDER
(490.8 and 490.81 of the *Criminal code*)

- **UPON THE *EX PARTE* APPLICATION** in writing made this day by the Attorney General of Canada for a restraint order and a management order pursuant to sections 490.8 and 490.81 of the *Criminal Code*;
- **AND UPON READING** the affidavits and schedules of Constable Julien Ferland and Constable Pascal Beauregard of the Royal Canadian Mounted Police, made in support of the application;
- **AND BEING** satisfied that the giving of notice of this application could jeopardize the ongoing investigation or would result in the disappearance, dissipation or reduction in value of the property;
- **AND BEING** satisfied that there are reasonable grounds to believe that the property listed below is offence-related property pursuant to the *Criminal Code*;

DESIGNATION

The contents of the following accounts and all interest that accrues from the date of restraint:

BANK OF MONTREAL

Account 0002 # 1808906 of TRANS CANADA FOOD SERVICE (1842227 Ontario Inc.)

(hereinafter, "the property").

FOR THESE REASONS:

1. **I ORDER** the restraint of the property described above;

2. **I PROHIBIT** any person, including TRANS CANADA FOOD SERVICE (1842227 Ontario Inc.), and Bank of Montreal, from disposing of or otherwise dealing with the property or any interest in the property, in any manner whatsoever, except as provided for in this Order or by further order of this court;

3. **I ORDER** that no proceeding of any kind shall be taken in relation to the property without prior order of this court, obtained on notice to any person or corporation with an interest in the property and the Attorney General of Canada;

4. **I ORDER** that the Bank of Montreal shall continue to maintain the property as per its obligations as a chartered financial institution. The financial institution shall not withdraw nor allow any other person, including the Respondents, to withdraw any funds from the property. However, the financial institution may access the property to withdraw reasonable fees associated with the financial institution's management of the property;

5. **I ORDER** that the Bank of Montreal shall, within seven days of any request made by SPMD, provide SPMD with a written accounting of the status of its accounts in relation to the property, including an account balance;

6. **I ORDER** that no judgment or writ of execution may affect this property after the date of this restraint order except in accordance with Part XV of the *Criminal Code*;

7. **I APPOINT** the Minister of Public Works and Government Services as the manager of the property for the sole purpose of the fulfillment of its duties under this order;

8. **I AUTHORIZE** the Minister of Public Works and Government Services as manager of the property, to manage and control or otherwise deal with the property in accordance with the following terms: The Minister of Public Works and Government Services shall manage and control or otherwise deal with the property in accordance with the provisions of the accompanying Order, the *Criminal Code*, and the Seized Property Management Act (SPMD). The Minister's powers may be exercised by the SPMD. In this Application, a reference to SPMD includes a reference to the Minister of Public Works and Government Services Canada;

9. **I PROHIBIT** any person from disposing of the property that is the subject of this restraint order, from trading in the rights they hold in it, from exercising any warranty or recourse with respect to such property, except in accordance with Part XV of the *Criminal Code*;

10. **I ORDER** the Bank of Montreal to report, upon request by a representative of the Minister of Public Works and Government Services, on the performance of their obligations under those paragraphs, by providing the requested information or documents;

11. **I AUTHORIZE** that this Order shall remain in effect until an order of restoration or forfeiture is made under the applicable provisions of the *Criminal Code*, or an order is made for the revocation or variation of this Order under the applicable provisions of the *Criminal Code*. If an appeal is taken from an order of forfeiture or an order of return or an order of revocation, then this Order shall remain in effect until the determination of the appeal;

12. **I ORDER** that no judgment or writ of any kind shall in any way attach to the property other than by order of this court on notice to any person or corporation with an interest in the property and the Attorney General of Canada;

13. **I ORDER that this Order shall be served on:**

TRANS CANADA FOOD SERVICE (1842227 Ontario Inc.)
c/o Nadereh Akhavan-Foumani
9 Honey Locust Crt, Vaughan, ON L6A 1G2

and

Nader Gramian-Nik
9 Honey Locust Crt, Vaughan, ON L6A 1G2

and

Bank of Montreal

and

Seized Property Management Directorate
c/o Jean Cadrin
4225, boul. Dorchester Ouest
Westmount (Québec) H3Z 1V5

14. **I ORDER** that this application, the affidavits and their schedules C1 and C2 from Constable Julien Ferland and Constable Pascal Beauregard of the Royal Canadian Mounted Police be sealed until a competent court orders their disclosure;

15. **I ORDER** that no variation shall be made to this Order other than by order of this court, on application in accordance with the *Criminal Code*;

SIGNED IN MONTRÉAL, QUÉBEC
On 8 February 2019

THE HONORABLE JOËLLE ROY
JUSTICE OF THE COURT OF QUÉBEC

No : 500-38-025557-199

Court of Quebec
District of Montreal
Criminal and Penal Division

IN THE MATTER OF AN APPLICATION FOR A RESTRAINT ORDER UNDER SECTION 490.8 OF THE *CRIMINAL CODE* AND A MANAGEMENT ORDER UNDER SECTION 490.81 OF THE *CRIMINAL CODE*

RESTRAINT ORDER AND MANAGEMENT ORDER
(490.8 and 490.81 of the *Criminal code*)

ORIGINAL

Me Fabienne Simon
AU 0384
PUBLIC PROSECUTION SERVICE OF CANADA
Guy-Favreau Complex
200, René-Lévesque Boulevard West
9th Floor – East Tower
Montreal (Québec) H2Z 1X4
Tel : 514 283-9377 / Fax : 514 496-7372
Fabienne.Simon@sppc-ppsc.gc.ca

File no. : 3419126 / IL

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No: 500-38-025559-195

COURT OF QUÉBEC
(Criminal and Penal Division)

IN THE MATTER OF AN APPLICATION FOR A RESTRAINT ORDER UNDER SECTION 490.8 OF THE *CRIMINAL CODE* AND A MANAGEMENT ORDER UNDER SECTION 490.81 OF THE *CRIMINAL CODE*

RESTRAINT ORDER AND MANAGEMENT ORDER
(490.8 and 490.81 of the *Criminal code*)

UPON THE *EX PARTE* APPLICATION in writing made this day by the Attorney General of Canada for a restraint order and a management order pursuant to sections 490.8 and 490.81 of the *Criminal Code*;

AND UPON READING the affidavits and schedules of Constable Julien Ferland and Constable Pascal Beauregard of the Royal Canadian Mounted Police, made in support of the application;

AND BEING satisfied that the giving of notice of this application could jeopardize the ongoing investigation or would result in the disappearance, dissipation or reduction in value of the property;

AND BEING satisfied that there are reasonable grounds to believe that the property listed below is offence-related property pursuant to the *Criminal Code*;

DESIGNATION

The contents of the following accounts and all interest that accrues from the date of restraint:

BANK OF NOVA SCOTIA

Account 71332 # 066419 of TAMTAN Inc.

Account 71332 # 127612 of EZ FOOD GROUP (1308963 Ontario Inc.)

(hereinafter, "the property").

FOR THESE REASONS:

1. **I ORDER** the restraint of the property described above;

2. **I PROHIBIT** any person, including TAMTAN INC., EZ Food Group (1308963 Ontario Inc.), and Bank of Nova Scotia, from disposing of or otherwise dealing with the property or any interest in the property, in any manner whatsoever, except as provided for in this Order or by further order of this court;

3. **I ORDER** that no proceeding of any kind shall be taken in relation to the property without prior order of this court, obtained on notice to any person or corporation with an interest in the property and the Attorney General of Canada;

4. **I ORDER** that the Bank of Nova Scotia shall continue to maintain the property as per its obligations as a chartered financial institution. The financial institution shall not withdraw nor allow any other person, including the Respondents, to withdraw any funds from the property. However, the financial institution may access the property to withdraw reasonable fees associated with the financial institution's management of the property;

5. **I ORDER** that the Bank of Nova Scotia shall, within seven days of any request made by SPMD, provide SPMD with a written accounting of the status of its accounts in relation to the property, including an account balance;

6. **I ORDER** that no judgment or writ of execution may affect this property after the date of this restraint order except in accordance with Part XV of the *Criminal Code*;

7. **I APPOINT** the Minister of Public Works and Government Services as the manager of the property for the sole purpose of the fulfillment of its duties under this order;

8. **I AUTHORIZE** the Minister of Public Works and Government Services as manager of the property, to manage and control or otherwise deal with the property in accordance with the following terms: The Minister of Public Works and Government Services shall manage and control or otherwise deal with the property in accordance with the provisions of the accompanying Order, the *Criminal Code*, and the Seized Property Management Act (SPMD). The Minister's powers may be exercised by the SPMD. In this Application, a reference to SPMD includes a reference to the Minister of Public Works and Government Services Canada;

9. **I PROHIBIT** any person from disposing of the property that is the subject of this restraint order, from trading in the rights they hold in it, from exercising any warranty or recourse with respect to such property, except in accordance with Part XV of the *Criminal Code*;

10. **I ORDER** the Bank of Nova Scotia to report, upon request by a representative of the Minister of Public Works and Government Services, on the performance of their obligations under those paragraphs, by providing the requested information or documents;

11. **I AUTHORIZE** that this Order shall remain in effect until an order of restoration or forfeiture is made under the applicable provisions of the *Criminal Code*, or an order is made for the revocation or variation of this Order under the applicable provisions of the *Criminal Code*. If an appeal is taken from an order of forfeiture or an order of return or an order of revocation, then this Order shall remain in effect until the determination of the appeal;

12. **I ORDER** that no judgment or writ of any kind shall in any way attach to the property other than by order of this court on notice to any person or corporation with an interest in the property and the Attorney General of Canada;

13. **I ORDER that this Order shall be served on:**

TamTan Inc.
c/o Tania GERAMIAN-NIK and Tamilla GERAMIAN-NIK
9 Honey Locust Crt, Vaughan, ON L6A 1G2

and

Nader GRAMIAN-NIK
9 Honey Locust Crt, Vaughan, ON L6A 1G2

and

EZ Food Group (1308963 Ontario Inc.);
c/o Nader GRAMIAN-NIK and Nadereh AKHAVAN-FOUMANI
9 Honey Locust Crt, Vaughan, ON L6A 1G2

and

Seized Property Management Directorate
c/o Jean Cadrin
4225, boul. Dorchester Ouest
Westmount (Québec) H3Z 1V5

and

The Bank of Nova Scotia;

14. **I ORDER** that this application, the affidavits and their schedules C1 and C2 from Constable Julien Ferland and Constable Pascal Beauregard of the Royal Canadian Mounted Police be sealed until a competent court orders their disclosure;

15. **I ORDER** that no variation shall be made to this Order other than by order of this court, on application in accordance with the *Criminal Code*.

SIGNED IN MONTRÉAL, QUÉBEC
On February 2019

THE HONORABLE JOËLLE ROY
JUSTICE OF THE COURT OF QUÉBEC

No : 500-38- 025559-195

Court of Quebec
District of Montreal
Criminal and Penal Division

IN THE MATTER OF AN APPLICATION FOR A RESTRAINT ORDER UNDER SECTION 490.8 OF THE *CRIMINAL CODE* AND A MANAGEMENT ORDER UNDER SECTION 490.81 OF THE *CRIMINAL CODE*

RESTRAINT ORDER AND MANAGEMENT ORDER
(490.8 and 490.81 of the *Criminal code*)

ORIGINAL

Me Fabienne Simon
AU 0384
PUBLIC PROSECUTION SERVICE OF CANADA
Guy-Favreau Complex
200, René-Lévesque Boulevard West
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Montreal (Québec) H2Z 1X4
Tel : 514 283-9377 / Fax : 514 496-7372
Fabienne.Simon@sppc-ppsc.gc.ca

File no. : 3419126 / IL

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No: 500-38-025576-199

COURT OF QUÉBEC
(Criminal and Penal Division)

IN THE MATTER OF AN APPLICATION FOR A RESTRAINT ORDER UNDER SECTION 490.8 OF THE *CRIMINAL CODE* AND A MANAGEMENT ORDER UNDER SECTION 490.81 OF THE *CRIMINAL CODE*

RESTRAINT ORDER AND MANAGEMENT ORDER
(490.8 and 490.81 of the *Criminal code*)

UPON THE *EX PARTE* APPLICATION in writing made this day by the Attorney General of Canada for a restraint order and a management order pursuant to sections 490.8 and 490.81 of the *Criminal Code*;

AND UPON READING the affidavits and schedules of Constable Julien Ferland and Constable Pascal Beauregard of the Royal Canadian Mounted Police, made in support of the application;

AND BEING satisfied that the giving of notice of this application could jeopardize the ongoing investigation or would result in the disappearance, dissipation or reduction in value of the property;

AND BEING satisfied that there are reasonable grounds to believe that the property listed below is offence-related property pursuant to the *Criminal Code*;

DESIGNATION

The contents of the following accounts and all interest that accrues from the date of restraint:

BANK OF NOVA SCOTIA

Account Folio 71332 #0040215 of EZ CASH & CARRY (1847405 Ontario Inc.)

Account Folio 71332 #0061816 of TRANS CANADA FOOD SERVICE (1842227 Ontario Inc.)

(hereinafter, "the property").

FOR THESE REASONS:

1. **I ORDER** the restraint of the property described above;

2. **I PROHIBIT** any person, including **EZ CASH & CARRY (1847405 Ontario Inc.)**, **Fred Rayman, TRANS CANADA FOOD SERVICE (1842227 Ontario Inc.), Nader Gramian-Nik, Nadereh Akhavan-Foumani,** and **Bank of Nova Scotia**, from disposing of or otherwise dealing with the property or any interest in the property, in any manner whatsoever, except as provided for in this Order or by further order of this court;

3. **I ORDER** that no proceeding of any kind shall be taken in relation to the property without prior order of this court, obtained on notice to any person or corporation with an interest in the property and the Attorney General of Canada;

4. **I ORDER** that the Bank of Nova Scotia shall continue to maintain the property as per its obligations as a chartered financial institution. The financial institution shall not withdraw nor allow any other person, including the Respondents, to withdraw any funds from the property. However, the financial institution may access the property to withdraw reasonable fees associated with the financial institution's management of the property;

5. **I ORDER** that the Bank of Nova Scotia shall, within seven days of any request made by SPMD, provide SPMD with a written accounting of the status of its accounts in relation to the property, including an account balance;

6. **I ORDER** that no judgment or writ of execution may affect this property after the date of this restraint order except in accordance with Part XV of the *Criminal Code*;

7. **I APPOINT** the Minister of Public Works and Government Services as the manager of the property for the sole purpose of the fulfillment of its duties under this order;

8. **I AUTHORIZE** the Minister of Public Works and Government Services as manager of the property, to manage and control or otherwise deal with the property in accordance with the following terms: The Minister of Public Works and Government Services shall manage and control or otherwise deal with the property in accordance with the provisions of the accompanying Order, the *Criminal Code*, and the Seized Property Management Act (SPMD). The Minister's powers may be exercised by the SPMD. In this Application, a reference to SPMD includes a reference to the Minister of Public Works and Government Services Canada;

9. **I PROHIBIT** any person from disposing of the property that is the subject of this restraint order, from trading in the rights they hold in it, from exercising any warranty or recourse with respect to such property, except in accordance with Part XV of the *Criminal Code*;

10. **I ORDER** the Bank of Nova Scotia to report, upon request by a representative of the Minister of Public Works and Government Services, on the performance of their obligations under those paragraphs, by providing the requested information or documents;

11. **I AUTHORIZE** that this Order shall remain in effect until an order of restoration or forfeiture is made under the applicable provisions of the *Criminal Code*, or an order is made for the revocation or variation of this Order under the applicable provisions of the *Criminal Code*. If an appeal is taken from an order of forfeiture or an order of return or an order of revocation, then this Order shall remain in effect until the determination of the appeal;

12. **I ORDER** that no judgment or writ of any kind shall in any way attach to the property other than by order of this court on notice to any person or corporation with an interest in the property and the Attorney General of Canada;

13. **I ORDER that this Order shall be served on:**

EZ CASH & CARRY (1847405 Ontario Inc.)
c/o Fred RAYMAN
88 Montgomery Crt, Unionville, ON L3R 0C1

and

Trans Canada Food Service (1842227 Ontario Inc.)
c/o Nadereh AKHAVAN-FOUMANI
9 Honey Locust Crt, Vaughan, ON L6A 1G2

and

Nader GRAMIAN-NIK
9 Honey Locust Crt, Vaughan, ON L6A 1G2

and

The Bank of Nova Scotia

and

Seized Property Management Directorate
c/o Jean Cadrin
4225, boul. Dorchester Ouest
Westmount (Québec) H3Z 1V5

14. **I ORDER** that this application, the affidavits and their schedules C1 and C2 from Constable Julien Ferland and Constable Pascal Beauregard of the Royal Canadian Mounted Police be sealed until a competent court orders their disclosure;

15. **I ORDER** that no variation shall be made to this Order other than by order of this court, on application in accordance with the *Criminal Code*.

SIGNED IN MONTRÉAL, QUÉBEC
On 12 February 2019

THE HONORABLE JOËLLE ROY
JUSTICE OF THE COURT OF QUÉBEC

No : 500-38-025576-199

Cour du Québec
District de Montréal
Chambre criminelle et pénale

DANS L'AFFAIRE D'UNE DEMANDE D'ORDONNANCE DE BLOCAGE EN VERTU DE L'ARTICLE 462.33 DU *CODE CRIMINEL* ET D'UNE ORDONNANCE DE PRISE EN CHARGE EN VERTU DE L'ARTICLE 462.331 DU *CODE CRIMINEL*

ORDONNANCE DE BLOCAGE ET DE PRISE EN CHARGE
(462.33 et 462.331 du *Code criminel*)

ORIGINAL

Me Fabienne Simon
AU 0384
SERVICE DES POURSUITES PÉNALES DU CANADA
Complexe Guy-Favreau
200, boulevard René-Lévesque Ouest
Tour Est, 9e étage
Montréal (Québec) H2Z 1X4
Téléphone : 514 283-9377 / Télécopieur : 514 496-7372
Fabienne.Simon@sppc-ppsc.gc.ca

No de dossier : 3419126 / IL

This is **Exhibit "F"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERLOZZO
LSO # 72209P

June 24, 2014

Confidential

TamTan Inc.
1405 Morningside Ave.,
Scarborough, Ontario
M1B 3J1

Attention: Nader Gramian-Nik, President.

RE: Offer of Finance

Dear Sir:

We are pleased to confirm that Roynat Inc. (**"Roynat"**) offers to TamTan Inc. (the **"Borrower"**) the financing described herein, on and subject to the terms and conditions described in the Financing Terms and Conditions attached hereto. This letter cancels and supersedes our Offer of Finance dated March 31, 2010 and Amending Letter dated June 9, 2014 or as subsequently amended.

If the arrangements set out in this letter and in the attached Financing Terms and Conditions (collectively, the **"Offer of Finance"**) are acceptable to you, please confirm your acceptance by signing the enclosed copy of this letter in the space indicated below, and return the same to us together with your cheque in the amount of $1,000 in payment of the commitment fees set out in the Financing Terms and Conditions, as well as the enclosed privacy consent form and pre-authorized payment form, no later than July 4, 2014, failing which this Offer of Finance will be null and void.

By signing this Offer of Finance, you confirm that the products and services offered to you will not be used by persons other than those indicated herein, for whom those products and services are intended, unless information pertaining to such persons has been disclosed to Roynat by way of its standard "Third Party Determination" form.

Thank you for giving us the opportunity to contribute to your company's long-term financing. We appreciate your interest and look forward to receiving your acceptance.

Yours truly,

Roynat Inc.

Per:
Name: Michael Prokopich
Title: Senior Associate

Per:
Name: Jeffrey Deacon
Tile: Director & District Manager

Address: 625 Cochrane Drive, Suite 200, Markham, Ontario L3R 9R9
Attention: Michael Prokopich
Fax: (905) 475-5061
E-mail: prokopichm@roynat.com

ACCEPTED this 16 day of July 2014.

Borrower:

TamTan Inc.

Per: Fred Rayman
Name: Fred Rayman
Title: Chief Financial Officer

Per: _____
Name:
Title:

Address:
1405 Morningside Ave.,
Scarborough, Ontario
M1B 3J1

Attention:
Fax: 416 755 8403
E-mail: frayman@opalonline.ca

Guarantor:

1308963 Ontario Limited o/a EZ Food Group

Per: Fred Rayman
Name: Fred Rayman
Title: Vice president

Per: _____
Name:
Title:

Address:
1405 Morningside Ave.,
Scarborough, Ontario
M1B 3J1

Attention:
Fax: frayman@opalonline.ca
E-mail: 416 755 ~~8403~~ 8403

FR

FINANCING TERMS AND CONDITIONS

Offer of Finance dated June 24, 2014

LENDER: Loan A: Roynat Inc.

BORROWER: TamTan Inc. (the "**Borrower**")

CURRENCY: All sums indicated in this Offer of Finance (including all the Appendices hereto, this "**Agreement**") are in **Canadian** dollars, unless otherwise indicated.

PROGRAM

Availment of funds		Source of funds	
Refinance Roynat Term Loan #001 and 002	$2,392,600	Roynat Inc.: Loan A: Term Loan	$2,692,600
Interior Renovations and Equipment Fixture Purchases	$300,000		
Total :	**$2,692,600**	**Total :**	**$2,692,600**

Changes may only be made to the program as described above (the "**Program**") with the prior written consent of Roynat.

LOANS: Loan A: Term loan for an amount in principal of $2,692,600.

(the "**Loan**")

INTEREST:

Loan A: **Canadian Variable Rate** plus 2.75% per annum. For information purposes only, the Canadian Variable Rate as of today's date is 1.74% per annum.

Interest accrued during each Interest Period with respect to the principal balance from time to time outstanding under the Loan shall be calculated and compounded monthly and payable monthly on the 15th day of each month. Any amount of principal or interest which is not paid when due shall bear interest at the Default Rate, compounded monthly, both before and after maturity, default and judgment and shall be payable on demand.

After the first Advance, Roynat will provide the Borrower monthly with a written confirmation of the interest rate applicable to the Loan and the

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amount of interest payable during the current month at least five days prior to each interest payment date but the non-receipt of any such notice shall in no way limit or negate the obligations of the Borrower to pay interest on such payment date.

OPTION TO CONVERT TO / EXTEND A FIXED RATE:

The Borrower may, at any time during any period in which Loan A bears interest at the **Canadian** Variable Rate, or at least five (5) Business Days prior to the expiry of any period during which a Loan bears interest at a fixed rate, ask Roynat to convert this Loan to a loan bearing interest at a fixed rate or ask Roynat to set a new term during which this Loan will bear interest at a fixed rate, subject to the conditions set out in Appendix "A".

DISBURSEMENT DATE:

The full amount of the Loan must be disbursed no later than April 15, 2015 (the "**Lapse Date**") unless Roynat decides to extend this date at its absolute discretion, failing which all of Roynat's obligations hereunder, including Roynat's obligations to make any Advance hereunder, will terminate and be cancelled and Roynat will keep all the fees indicated under the heading "Fees" below.

FEES:

The Borrower shall pay Roynat the following fees:

1. A non-refundable commitment fee in the amount of $1,000 earned and payable in full at the time the Borrower accepts this agreement;
2. Stand-by fees in an amount equal to one percent (1%) per annum on the undisbursed portion of Loan **A** from **December 31, 2014** until the date the Loan is disbursed in full. The stand-by fees are calculated daily and payable monthly on the 15th of each month and Roynat may, at its option, deduct any standby fees payable from amounts disbursed hereunder;
3. Late fees in the amount of $500 per occurrence for any delay over five (5) days in submitting to Roynat any of the documents that are to be submitted to it as stipulated under the "Financial Reporting" heading below;
4. Cancellation fees in an amount equal to three percent (3%) of the undisbursed portion of the Loan if the full amount of the Loan has not been disbursed by the Lapse Date at the latest for one of the following reasons:
   A. the Borrower has failed to raise the other sources of financing described in the Program or has chosen to use another lender to raise some or all of the financing described in the Program;

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B. the Borrower has chosen not to follow up on this financing; however, the cancellation fees will not be payable in the event the financing is intended to finance an acquisition deal and that the financing cannot take place because the seller failed to meet its obligations;

C. the Borrower failed to disclose important information to Roynat prior to the Lapse Date; or

D. the Borrower failed to meet the conditions precedent to the disbursement of the Loan by the Lapse Date at the latest.

REPAYMENT:

Loan A: The Loan principal is repayable as follows:

Number of payments	Amount of principal	Frequency	Due On	Ending On	Total $
6	$10,050	Monthly	July 15, 2014	Dec. 15, 2014	$60,300
12	$10,500	Monthly	Jan. 15, 2015	Dec. 15, 2015	$126,000
12	$11,000	Monthly	Jan. 15, 2016	Dec. 15, 2016	$132,000
5	$11,500	Monthly	Jan. 15, 2017	May 15, 2017	$57,500
1	$2,316,800	Once	June 15, 2017	June 15, 2017	$2,316,800
Total					2,692,600

The existing financing will continue to be repaid in accordance with its current repayment schedule until it is refinanced under this Offer of Finance.

All principal and interest payments stipulated herein are payable in the currency in which the Advance was made on the 15th of each month, unless expressly specified otherwise. Notwithstanding the foregoing, Roynat may, at its absolute discretion, postpone the start date of the repayment schedule set out above in the event there is a delay in disbursing the Loan.

The balance of the principal, if any, together with any interest, costs or other amounts owing hereunder will be payable on the date of the last payment provided for above.

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PREPAYMENT:

If the Loan bears interest at a floating rate, the Borrower may make prepayments, in whole or in part, at any time, on payment of compensation equal to the greater of, (i) three percent (3%) of the principal repaid, or (ii) three (3) months' interest on the principal prepaid at the rate then applicable to this Loan, provided the funds used for prepayment have been internally generated from normal course business operations. If the funds are from any other source, then the payment of compensation to Roynat will be equal to the greater of, (i) six percent (6%) of the principal repaid, or (ii) six (6) months' interest on the principal prepaid at the rate then applicable to this Loan.

Notwithstanding the preceding, the Borrower may repay, once a year without penalty, on the anniversary date of the final disbursement of the Loan in question, an amount not exceeding 20% of the outstanding balance on the date of prepayment, non-cumulatively. This option does not apply if the Loan bears interest at a fixed rate.

Any principal prepaid shall be applied to the principal payable hereunder in inverse order of maturity.

CONDITIONS PRECEDENT:

The disbursement of the first Advance is subject to the submission to Roynat of the following documents, in form and content acceptable to Roynat and its legal advisors, and to the fulfilment of the other conditions precedent stipulated herein:

1. Confirmation that the Program and any required funding has been carried out in accordance with its description under the heading "Program" above without amendment.

2. The pre-authorized payment form (attached as **Appendix "F"**) together with a cheque from the Borrower marked "Void" in respect of the account from which payments will be withdrawn;

3. Financial statements for 1308963 Ontario Limited o/a EZ Food Group for the six month period ending June 30, 2014, satisfactory to Roynat;

4. Executed contract for renovation work, satisfactory to Roynat;

5. The $300,000 relating to renovation work and / or equipment fixtures to be paid directly to supplier by Roynat or paid directly to Borrower through paid invoice confirmed by supplier;
6. Roynat is to be fully satisfied with the quality, value and eligibility of all assets to be financed;

7. The other conditions precedent under the heading "Conditions

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Precedent" in Appendix "A";

8. Any other documents that Roynat may reasonably require.

SECURITY:

The obligations of the Borrower and, if applicable, each Guarantor under this Offer of Finance will be secured at all times by the following security in form and content acceptable to Roynat (collectively, the "Security Documents"):

A. Borrower

$3,000,000 AR M.P.

1. Debenture in the principal amount of ~~$4,500,000~~ creating a first ranking fixed and specific charge on, and security interest in, the real property described in Appendix "B" as well as a security interest in, all of the other present and future tangible and intangible personal and real property of the Borrower, including without limitation, the property described in Appendix "B", subject only to Permitted Liens;
2. General Assignment of Leases and Rents in respect of the real property described in Appendix "B";
3. Assignment of insurance appropriate to the risks involved, with loss payable to either/or (as their interests may appear) Roynat Inc. and Roynat Capital Inc. as mortgagee;

B. Guarantor

4. Corporate guarantee for the full amount of the Loan by 1308963 Ontario Limited (the "Guarantor") supported by General Security Agreement creating a first ranking security interest in all of the present and future tangible and intangible personal and real property of the Borrower, including, without limitation, the personal property described in Appendix "B", if any, subject only to Permitted Liens;

C. General

5. Priority/Intercreditor agreement between Roynat and such other parties and on such terms and conditions as Roynat may require from time to time
6. Any other security that Roynat and its legal advisors may reasonably require.

FINANCIAL COVENANTS:

The following financial covenants (tested on the financial results of the Borrower combined with 1308963 Ontario Limited) must be complied with by the Borrower and as applicable the Guarantor and will be verified by Roynat semi-annually on the basis of the most recent combined financial statements of the Borrower combined with 1308963 Ontario Limited, submitted to Roynat pursuant hereto:

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1. Maintain a Working Capital Ratio equal to or greater than 1.2:1 at all times.
2. Maintain a Debt Service Coverage Ratio equal to or greater than 1.2:1 at all times.

PROPERTY TAXES:

The Borrower undertakes to give to Roynat on an annual basis, upon receipt of and at least thirty (30) days before their due date, a copy of the property tax bills for the Property as well as proof of their payment without subrogation before their due date. In the event the Borrower fails to do so, the Borrower undertakes to give to Roynat, at the same time as the interest payments provided for herein, additional, equal and consecutive payments that are sufficient in Roynat's opinion to ensure that Roynat has the necessary funds to pay all the property taxes on the Real Property when due. As long as an Event of Default has not occurred, the amounts so remitted to Roynat shall be applied to the payment of the property taxes on their due date; if these amounts are not sufficient to pay the said taxes in full, the Borrower shall remit the difference to Roynat at least five (5) days before the due date of the bills. Roynat is not responsible for any penalty, interest or other damages if the property taxes are not paid on time. After an Event of Default has occurred, Roynat may apply these funds collected for the taxes to the payment of any amounts owing to it at its discretion. Roynat shall credit annual interest equal to the Canadian Variable Rate less two percent (2%) per annum on the funds deposited, for the period during which they are not used.

OTHER COVENANTS:

A. Without Roynat's prior written consent, the Borrower **and/or the Guarantor** shall not:

1. cause or permit a change in Control of the Borrower which is currently held by Tania Gramian-Nik and Tamilla Gramian-Nik.
2. cause or permit a change in Control of the Guarantor which is currently held by Nader Gramian-Nik and Nadereh Akhavan-Foumani.

B. The Borrower, and as applicable the Guarantors, shall:

3. On request provide Roynat with evidence confirming all super-priority remittances are current. Super-priorities include all statutory remittances including but not limited to source deductions for income tax, CPP, and employment insurance premiums;

The Borrower **and Guarantor, as applicable** shall also comply with each of the covenants described in **Appendix "A"**.

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FINANCIAL REPORTING:

As long as any Loan remains in effect or a sum due hereunder remains unpaid, the Borrower and Guarantor as applicable will submit to Roynat the following documents in form and content acceptable to Roynat:

1. Annual Notice to Reader financial statements of the Borrower, no later than 90 days following the end of each fiscal period;
2. Annual Review Engagement financial statements of 1308963 Ontario Limited, no later than 90 days following the end of each fiscal period;
3. Unaudited semi-annual financial statements of 1308963 Ontario Limited, no later than 45 days following the end of such period;
4. Signed Personal Net Worth Statements of Nader Gramian-Nik upon request;
5. any other documents, reports and financial information that Roynat may reasonably require from time to time.

Notwithstanding the preceding, Roynat reserves the right to require in the future that the financial statements of the Borrower and Guarantor submitted to Roynat be audited, and the Borrower and Guarantor undertakes to submit such financial statements to Roynat following a written request to that effect.

EXPENSES:

The Borrower undertakes to pay to Roynat on demand all the legal and other costs and expenses incurred by Roynat from time to time, including, without limitation, for, (i) the preparation, negotiation, signing and registration of the Financing Documents as well as any amendment or waiver of the terms thereof, (ii) perfecting and keeping perfected any security interests created by any of the Security Documents, (iii) maintaining the intended priority of any security interests created by any of the Security Documents, and (iv) if applicable, for any survey, appraisal and inspection charges concerning the Collateral and the fees and charges for any search regarding the grantor's title, the whole whether or not the Financing Documents are signed by the Borrower or whether an Advance has been made to the Borrower or not. The said legal and other costs payable at the time of the first Advance made hereunder shall be deducted from the first Advance.

COPIES:

This Offer of Finance may be signed in several counterparts and all such counterparts taken together shall constitute one agreement. Delivery of an executed counterpart of this Offer of Finance by facsimile, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (".pdf") or tagged image file format (".tif"), shall be equally effective as delivery of a manually executed counterpart thereof. Any party delivering an executed counterpart of this Offer of Finance by facsimile, .pdf, or .tif, shall also deliver a manually executed counterpart thereof but failure to do so shall not affect the validity,

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enforceability or binding effect of this Offer of Finance.

DEFINITIONS: In this Offer of Finance, unless otherwise required by context:

1. **"Canadian Fixed Rate"** shall mean the annual interest rate established by Roynat from time to time as being its reference rate for a fixed rate term loan having a term approximately equal to the term chosen by the Borrower which is granted by Roynat to its clients in CAD dollars and which Roynat refers to as being its base Canadian fixed rate for the applicable term.

2. **"Canadian Variable Rate"** shall mean the interest rate set for each Reference Period by adding 50 one hundredths of a percent (0.50%) to the arithmetic mean (rounded off to three decimal points) of the bankers' acceptance rate in Canadian dollars for this period established by referring to the rate posted on each Business Day around ten o'clock a.m. (10:00), Toronto time, on the Reuters screen on the CDOR page under "*BA 1 month*" (as defined by the International Swaps and Derivatives Association, Inc.). If such rate does not appear on the CDOR page for a Business Day during the period concerned, then the applicable rate for that day shall be The Bank of Nova Scotia's prime rate in effect at approximately the same time.

3. **"Debt"** shall mean the total liabilities of the person concerned including, without limitation, obligations for borrowed money, letters of credit or letters of guarantee and bankers' acceptances, capital lease obligations, obligations under sale-leaseback arrangements and the maximum redemption value of the shares of this persons' capital stock that are redeemable at the option of the holder or on a fixed date or at fixed intervals.

4. **"$"** shall mean the legal currency in Canada.

5. **"Combined"** refers to the combined accounts of the Borrower, and **1308963 Ontario Limited** in accordance with GAAP and without duplication

6. **"Working Capital Ratio"** shall mean, with respect to the person concerned, the ratio obtained by dividing the amount of current assets by the amount of current liabilities, as determined according to the GAAP.

Additional defined terms may be found under the heading "Definitions" in the Standard Term and Conditions attached as **Appendix "A"**.

7. **"Debt Service Coverage Ratio"** shall mean, with respect to the person concerned, the ratio obtained by dividing [A] the sum of the net income, deferred income taxes, amortization and

depreciation, interest on the term debt and capital leases, non-recurring or extraordinary items and gains or losses on disposals of assets by [B] the sum of the regular payments of principal and interest made or required to be made on the term debt and the capital leases over the last twelve (12) months.

APPLICABLE LAWS: This Offer of Finance shall be governed by and interpreted in accordance with the laws of the province of **Province of Ontario** and the federal laws of Canada applicable therein (the "**Applicable Jurisdiction**"). Each of the parties hereby attorns to the exclusive jurisdiction of the courts of the Applicable Jurisdiction.

STANDARD TERMS AND CONDITIONS: The Standard Terms and Conditions set out in **Appendix "A"** form an integral part of this agreement and contain additional standard terms and conditions including, Representations and Warranties, Covenants and Events of Default and other general conditions.

Roynat > CAPITAL

APPENDIX "A"

STANDARD TERMS AND CONDITIONS

I. INTERPRETATION

A. Definitions

In this agreement, unless otherwise defined in the Financing Terms and Conditions or otherwise required by context:

1. **"Advance"** shall mean any advance of funds made by Roynat under this agreement.

2. **"Business Day"** shall mean a day (other than a Saturday or Sunday) during which banks and stock markets are open in Toronto (Canada) and, in the case of drawings in US$, in New York (USA).

3. **"Collateral"** shall mean the property of the Obligors which is encumbered in favour of Roynat under the Security Documents.

4. **"Contaminant"** shall mean any solid, liquid, gas, odour, heat, sound, smoke, waste, vibration, radiation or combination of any of them resulting directly or indirectly from human activities that may cause: (i) impairment of the quality of the natural environment for any use that can be made of it, (ii) injury or damage to property or to plant or animal life, (iii) harm or material discomfort to any person, (iv) an adverse affect on the health of any person, (v) impairment of the safety of any person, (vi) rendering any property or plant or animal life unfit for use by man, (vii) loss of enjoyment of normal use of property, or (viii) interference with the normal conduct of business, and includes any pollutant or contaminant as defined in any applicable Environmental Laws and any biological, chemical or physical agent which is regulated, prohibited, restricted or controlled.

5. **"Control"** shall mean the holding by a Person, directly or indirectly, other than as security, of the shares of a legal Person giving it the right to elect the majority of its directors.

6. **"Default Rate"** shall mean the interest rate otherwise applicable to the Loan plus three percent (3%) per annum.

7. **"Distribution"** shall mean any form of payment made by a person to a shareholder, unit holder, director or officer of this person (including, without limitation, a distribution or share redemption that reduces the net worth of this person, a dividend (other than share dividend payments) and the payment of advances (in principal or interest) owing to a third party who is a manager or employee of this person or someone having ties thereto), but excluding the salaries paid during the normal course of business.

8. **"Environmental Laws"** shall mean the common law and all applicable federal, provincial, local, municipal, governmental or quasi-governmental laws, rules, regulations, policies, guidelines, licences, orders, permits, decisions or requirements , concerning Contaminants, occupational or public health and safety or the environment and any other order, injunction, judgment, declaration, notice or demand issued thereunder.

9. **"Equipment"** shall mean, with respect to an Obligor, its present and future materials and equipment, particularly, without limitation, all the tools, instruments, furniture and vehicles.

10. **"Equivalent Amount"** shall mean, on a given date, the amount in $ or in US$, whichever the case, resulting from the conversion of an amount into US$ or in another currency into $ or of an amount into $ or in another currency into US$, respectively, at the noon spot exchange rate of the Bank of Canada for buying US$ or another currency through $ or for buying $ or another currency through US$, respectively, listed, published or otherwise announced by the Bank of Canada on that date.

11. **"Event of Default"** shall mean any event of default described in under the heading "Event of Default" in these Standard Terms and Conditions.

12. **"Financing Documents"** shall mean, collectively, the present agreement, the Security Documents and all the other documents, instruments, certificates and contracts that an Obligor or an officer of an Obligor has signed and delivered in accordance herewith, directly or indirectly, or which are mentioned or contemplated in these presents or in such documents, instruments, certificates or contracts.

13. **"GAAP"** shall mean the generally accepted accounting principles in effect from time to time.

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in Canada, as established, set out or adopted by the Canadian Institute of Chartered Accountants or any successor body, applied consistently from one fiscal period to another, including the International Financial Reporting Standards and Accounting Standards for Private Enterprise.

14. "Interest Period" shall mean each monthly period commencing on the 15th day of a month and ending on the 14th day of the following month.

15. "LIBOR Rate" shall mean, for each Interest Period, an interest rate per annum equal to the one month U.S. Dollar LIBOR rate (rounded upwards to three decimal points) displayed by Reuters (or another commercially available source providing quotations of BBA LIBOR as designated by Roynat from time to time), as published by the British Bankers Association (referred to as "BBA LIBOR") as of 11:00 a.m. (London time) two (2) Business Days prior to the first day of such Interest Period for delivery on the first day of such Interest Period. If such rate is not available at such time for any reason, then the LIBO Rate for such Interest Period will be determined on the basis of the rates at which deposits in U.S. Dollars are offered by the reference banks selected by Roynat at approximately 11:00 a.m., London time, two (2) Business Days prior to the first day of the Interest Period to prime banks in the London interbank market for a period of one month for delivery on the first day of such Interest Period with a term equivalent to one month. Roynat will request the principal London office of each of the reference banks to provide a quotation of its rate. If at least two such quotations are provided, the rate for that day will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that day will be the arithmetic mean of the rates quoted by two or more major banks in New York City, selected by Roynat in its sole discretion at approximately 11:00 a.m., New York City time, two (2) Business Days prior to the commencement of the Interest Period for loans in U.S. Dollars to leading European banks for a term equivalent to one month. Roynat shall provide an invoice or other billing information to Debtor each month indicating the interest rate then in effect and the interest rate payable that month.

16. "Lien" shall mean, any mortgage, debenture, deed of trust, lien, pledge, conventional hypothec, legal hypothec, encumbrance, prior claim, right of retention, fixed or floating charge, assignment for security purposes, consignment, security interest, royalty interest, adverse claim or defect of title, encumbering or affecting any property whatsoever, whether movable or immovable, real or personal, tangible or intangible, presumed or deemed trust, or other right benefitting its bearer, any conditional sales contract, capital lease (or financial lease) or any other rental agreement required to appear on the balance sheet as a lease contract and any other arrangement having the effect of providing security.

17. "Material Adverse Change" shall mean a material adverse change, individually or collectively, in the activities, assets, liabilities, financial situation or operating results of the Borrower or a change having or which may have, in Roynat's opinion, an adverse effect on the Borrower's ability to fulfill its obligations under this agreement or under any other Financing Documents or on the validity or enforceability of any of the Security Documents.

18. "Obligors" shall mean the Borrower, each Guarantor, if any, and any other Person that from time to time guarantees the obligations of the Borrower to Roynat, and "Obligor" shall mean any one of them.

19. "Person" shall mean, depending on the context, a legal person, a natural person, a joint venture company, a partnership, a general partnership, a limited partnership, an undisclosed partnership, a trust, an association, a government or a department, body or other government intermediary.

20. "Permitted Liens" shall mean, at a given time, one or several of the following:

(a) a reserve set out in an original grant from the Crown of land or of rights in and over land, a reserve imposed by law on a title or with respect to mining rights set out in a grant from the Crown or from a predecessor in title;

(b) a servitude or a right of passage for a public service, an encroachment, a right of view or other right, including, without limiting the generality of the foregoing, for sewers, drains, gas and water lines, conveyance of steam, conduits, streetlight, hydro, telephone or telegraph wires and poles, pipelines or a zoning restriction regarding the use of an immovable of an Obligor, which will have no major adverse impact on the use for which said immovable is intended and which will not materially affect any Lien on such immovable;

(c) a Lien on taxes, rates or other charges imposed by government authorities which are not yet due or, if they are due, the validity of which is contested diligently and in good faith by an Obligor or on its behalf by means of legal proceedings duly instituted, provided that the action pertaining to their application was not the subject of an unappealable final decision and that sufficient provision has been made for paying them, in accordance with the GAAP and in a manner that Roynat deems acceptable;

(d) a Lien resulting from a judgment rendered or from a claim brought against an Obligor, which such Obligor contests diligently and in good faith by means of legal proceedings duly instituted, provided that the action pertaining to its application has not been the subject of an unappealable final decision and that sufficient provision has been made for paying it, in accordance with the GAAP and in a manner that Roynat deems acceptable;

(e) a Lien of a stakeholder in the construction or renovation of any immovable whatsoever, provided that the said Lien is securing an obligation of an Obligor which is not overdue or which has not been neglected by such Obligor or, if the obligation is overdue or such Obligor has failed to fulfill it, provided that such Obligor brings an action within fifteen (15) days of its publication in view of its cancellation or elimination, unless such Obligor or a third party acting on its behalf does not diligently and in good faith contest the validity of the Lien by means of legal proceedings duly instituted, provided that the action pertaining to its application has not been the subject of an unappealable final decision and that sufficient provision has been made for paying it, in accordance with the GAAP and in a manner that Roynat deems acceptable;

(f) purchase money security interests consisting of any validly perfected charge, lien, security interest or other encumbrance, created, assumed or arising by operation of law after the date hereof, to provide or secure the whole or any part of the consideration for the acquisition of tangible personal property other than Inventory, where

(i) the principal amount secured thereby does not exceed the cost to the applicable Obligor of such property,

(ii) the applicable Obligor's obligation to repay is secured only by the property so acquired by such Obligor,

(iii) the property is not being acquired as a replacement or substitution for property and assets which are specifically charged hereby, and

(iv) such security includes the renewal or refinancing of any such purchase money security interest on the same property provided that the indebtedness secured and the security therefor is not increased and remains validly perfected;

(g) a minor title defect;

(h) a Lien granted in favour of Roynat;

(i) any Lien described in **Appendix "C,"** if applicable.

21. **"Real Property"** shall mean the real and immovable property of the Obligors, if any, described in **Appendix "B."**

22. **"Reference Period"** shall mean, with respect to any Interest Period, the period commencing on the 8th day of the month in which such Interest Period commences and ending on the 7th day of the following month, except that if the rate of interest hereunder is being determined:

(a) for the purpose of prepayment by the Debtor, the Reference Period shall end on the 7th day preceding the prepayment date;

(b) for any other purpose, other than the payment of interest on the day following an Interest Period, the Reference Period shall end on the day preceding the day on which the rate is being determined and the following Reference Period shall

commence on such day and end on the next following 7th day of a month.

B. Application of GAAP

In the event any corporate Obligor, adopts any change in its policies, practices or accounting methods compared to those applied during the previous fiscal year, such Obligor shall send to Roynat any information required to ensure that the financial information provided after such change is comparable to the financial information presented in the past. In addition, all the calculations done for the purposes of the present Offer of Finance shall continue to be done according to the policies, practices and accounting methods in effect on the date of the most recent fiscal year end. In the event of such change to the policies, practices or accounting methods, Roynat reserves the right to (a) take immediate measures arising from the violations of the financing conditions or of any other term or condition set out in the present Offer of Finance which the application of the policies, practices or accounting methods revealed, and (b) at its discretion and in a reasonable manner, modify the financing conditions affected by the change.

C. Other Interpretation

In this Agreement, unless otherwise specified or the context otherwise requires, (i) "including" or "includes" means "including (or includes) but is not limited to" and shall not be construed to limit any general statement preceding it to the specific or similar items or matters immediately following it, (ii) a reference to any legislation, statutory instrument or regulation or a section of it is a reference to the legislation, statutory instrument, regulation or section as amended, restated and re-enacted from time to time, and (iii) words in the singular include the plural and vice-versa and words in one gender include all genders.

II. REPRESENTATIONS AND WARRANTIES

Each Obligor (as applicable) makes the representations and provides the following warranties to Roynat, which are a valid on the date of each Advance under the Loan and on any subsequent date referred to in any of the said representations or warranties made to Roynat on the date hereof:

1. It is a corporation, partnership or trust, as applicable, duly constituted, validly existing, in good standing and having the necessary capacity, power and authority to carry out its activities and sign each of the Financing Documents;

2. Each of the Financing Documents has been or will be duly authorized and constitutes or will constitute its legally valid and binding obligation;

3. The authorization, creation, execution and delivery of each of the Financing Documents and compliance with their terms:

   (a) does not and will not contravene any applicable law, regulation, rule, order, judgment or injunction or the articles, by-laws or any unanimous shareholders' agreement binding on it;

   (b) does not and shall not result in a breach or a default under any indenture, instrument, lease, agreement or undertaking to which it is a party or by which it or its Collateral may become bound;

4. It, as well as its business and its activities, are in compliance, in all material respects, with all of the applicable laws.

5. It has filed on time all its tax returns and all the reports and statements it is to file and has paid, on time, all the taxes due and payable by their due date at the latest;

6. It owns or will own the Collateral, free and clear of any Lien, with the exception only of the Permitted Liens;

7. All the information and documentation (financial or otherwise) provided by it to Roynat are true and accurate in all material respects and this information and documentation does not contain any material misstatement of fact or any omission of an important fact that is necessary to ensure that the information and documentation is not misleading, and there are no facts that it has not disclosed in writing to Roynat which could constitute a Material Adverse Change;

8. There has been no Material Adverse Change since the date of the last financial statements submitted by it to Roynat in accordance herewith and no situation has occurred that has constituted or could constitute a Material Adverse Change;

9. There is no Event of Default and, after due diligence, no Event of Default is imminent;

10. Its chief executive office is located at the address indicated below its signature on the page of its acceptance of the present agreement;

11. Except as set forth in Appendix "D", no action, lawsuit, arbitration proceeding or any other legal proceeding is in process against the Borrower nor, to its knowledge, after due diligence, is imminent;

12. Except as set forth in Appendix "D", it does not carry on business under any trade or business name, and does not own any Collateral or carry on any material business in any jurisdiction other than the Applicable Jurisdiction;

13. Except as set forth in Appendix "D":

(a) it currently conducts and maintains its business, operations and the Collateral so as to comply in all respects with all applicable Environmental Laws, including having all necessary licenses, permits, consents and approvals required to own or operate the Collateral and the businesses carried on at or from the Real Property;

(b) there are no Contaminants or dangerous or potentially dangerous conditions on or affecting the Collateral whether on or below the surface of the Real Property or located in any improvements thereon, including without limitation, any materials containing gasoline, polychlorinated biphenyls or radioactive substances nor are there any noxious, dangerous, potentially dangerous or toxic substances or conditions present on properties in the vicinity of the Real Property which would affect the uses to which the Collateral may be put or the market value thereof; and

(c) it has not given, nor does it have an obligation to give, nor has it received, any notice or claim or communication regarding any past, present, planned or threatened treatment, storage, disposal, presence, release or spill of any Contaminant at, on, under or from the Real Property or any property adjacent or proximate thereto, including any notice pursuant to any Environmental Laws.

14. It shall use the Loan solely for the purposes described in the Program and in the normal course of business;

III. COVENANTS

A. Positive Covenants

Each Obligor (as applicable), declares, covenants and agrees to:

1. maintain and preserve its existence as a company, partnership or trust, as applicable, not change the nature of its business and obtain and keep all the permits, leases, licenses, rights, privileges, consents and approvals necessary for operating its business;

2. duly pay, on time, all the amounts it is to pay pursuant to the terms of these presents and of any other Financing Document at the time and place and in the currency and manner prescribed therein;

3. continue to run its business diligently, efficiently and prudently and use, conserve and administer the Collateral in the same manner;

4. keep the required books, records and accounts in good and proper form;

5. preserve, repair and maintain the Collateral in good condition and upgrade or replace that which has been destroyed or rendered unusable;

6. comply with the requirements of all the laws and regulations applicable to it, including, in particular, the laws and regulations concerning zoning and urban planning;

7. pay without delay, on time, all the taxes, rates, assessments and other claims that may encumber the Collateral and provide Roynat, on demand, with proof of their payment without subrogation (on a semi-annual basis or more frequently, as required by Roynat) and of payment of all the amounts owing by it to the government authorities as deductions at source. The remittances include the deductions at source related to employees' income tax, employment insurance premiums and Canada Pension Plan contributions. The proof of payment may be in the form of cancelled cheques or payment receipts issued by the government authorities.

8. insure the Collateral and keep it constantly insured against any loss or damage caused by fire or any other disaster which, according to Roynat, should be covered by insurance, up to their replacement value, as well as civil liability insurance (including environmental liability) with one or several insurance companies approved by Roynat and having adequate coverage for a company operating in the field in which it does business. The insurance policy shall also cover the value of the rental income or the loss of income due to an interruption of business, whichever the case, for a period of at least twelve (12) months. Any indemnity under such policy shall be payable to Roynat, based on its interest,

pursuant to a mortgage clause formulated as suggested by the Insurance Bureau of Canada and providing for a notice of at least thirty (30) days to Roynat if the insurance policy is amended or cancelled. No insurance policy shall contain a co-insurance clause without the prior written consent of Roynat.

9. shall, forthwith on the happening of any loss or damage, provide at its sole expense, all necessary proofs and do all necessary act to enable Roynat to obtain payment of the insurance moneys subject to the rights of the holders of Permitted Liens.

10. submit every insurance policy immediately to Roynat and subsequently provide it with proof of its renewal or its replacement at least thirty (30) days before its expiry, failing which, Roynat may, if it so desires, without requesting or giving notice, renew or replace such policy at its expense, without prejudice to its other rights.

11. advise Roynat in writing of the occurrence of any Event of Default, of any action, lawsuit or proceeding instituted which concerns it, or of the registration of a Lien on its property, whether it is a Permitted Lien or not;

12. allow Roynat's representatives, upon reasonable notice and during normal business hours, to examine and copy its books and records or to take extracts therefrom, to inspect the Collateral and to discuss its activities and business with its directors and external accountants;

13. keep all its bank accounts at a financial institution acceptable to Roynat and deposit into these accounts all the amounts received in relation to its debts;

14. comply with the requirements of all Environmental Laws including, without limitation, as follows:

(a) shall conduct and maintain the Real Property, the Collateral and its business, operations, and shall cause any tenant of the Real Property to maintain the Real Property and its business operations, so as to comply in all respects with all applicable Environmental Laws, including obtaining all necessary licenses, permits, consents and approvals required to own or operate the Collateral and the business carried out on, at or from the Real Property;

(b) except as specifically permitted by Roynat in writing, it shall not permit or suffer to exist, Contaminants or dangerous or potentially dangerous conditions in, on or below the Real Property including, without limitation, any polychlorinated biphenyls, radio-active substances, underground storage tanks, asbestos or urea formaldehyde foam insulation;

(c) has no knowledge of the existence of Contaminants or dangerous or potentially dangerous conditions at, on or under the Real Property or any properties in the vicinity of the Real Property which could affect the Real Property or the market value thereof or in levels that exceed the standards in Environmental Laws;

(d) has no knowledge of the Real Property, or any portion thereof, having been used for the disposal of waste;

(e) has not given or received, nor does it have an obligation to give, any notice, claim, communication or information regarding any past, present, planned or threatened treatment, storage, disposal, presence, release or spill of any Contaminant at, on, under or from the Real Property or any property in the vicinity of the Real Property, including any notice pursuant to any Environmental Laws or any environmental report or audit. It shall notify Roynat promptly and in reasonable detail upon receipt of any such claim, notice, communication or information or if it becomes aware of any violation or potential violation by it or any tenant of the Real Property of any Environmental Laws and shall describe therein the action which it intends to take with respect to such matter;

(f) shall at its expense establish and maintain a system to assure and monitor continued compliance with, and to prevent the contravention of, Environmental Laws, which system shall include periodic reviews of such compliance system;

(g) shall provide confirmation to Roynat upon request but not less often than annually that it is in compliance with all applicable Environmental Laws and that

there is no default under this Section 14(g). It shall provide Roynat with its annual environmental questionnaire duly completed;

(h) shall promptly advise Roynat in writing of any material adverse change in the environmental or other legal requirements affecting it or the Collateral or the Real Property upon it becoming aware of any such change, and it shall provide Roynat with a copy of any of the orders, by-laws, agreements or other documents pursuant to which any such change is effected or documented;

(i) shall at its expense promptly take or cause to be taken any and all necessary remedial or clean-up action in response to the presence, storage, use, disposal, transportation, release or discharge of any Contaminant in, on, under or about any of the Real Property, or used by it or any tenant of the Real Property, in compliance with all material laws including, without limitation, Environmental Laws, and in accordance with the orders and directions of all applicable federal, state, provincial, municipal and local governmental authorities;

(j) shall deliver to Roynat a true and complete copy of all environmental audits, evaluations, assessments, studies or tests relating to it, the Real Property or the Collateral now in its possession or control or forthwith after the completion thereof, or upon such materials coming into its possession or control;

(k) shall at its expense, if reasonably requested by Roynat in writing, retain an environmental consultant acceptable to Roynat, acting reasonably, to undertake environmental tests and to prepare a report or audit with respect to the Real Property and deliver same to Roynat for its review; and

(l) shall indemnify and save harmless Roynat, its officers, directors, employees, agents and shareholders from and against all losses, liabilities, damages or costs (including complete reimbursement for 100% of all legal fees and disbursements) suffered including, without limitation, the cost or expense of any environmental investigation, the preparation of any environmental or similar report, and the costs of any remediation arising from or relating to any breach of the foregoing covenants of this Section 14(l), any breach by it, any tenant or any other person now or hereafter having an interest in the Collateral or the Real Property which is asserted or claimed against Roynat; the presence, in any form, of any Contaminant on or under the Real Property, or the discharge, release, spill or disposal of any contaminant by it, which is asserted or claimed against any of these indemnified persons. This indemnity shall survive the payment in full of all amounts due under or in connection with the Financing Documents and the discharge of the Security Agreements. Roynat shall hold the benefit of this indemnity in trust for those indemnified persons who are not parties to the Financing Documents.

B. Negative Covenants

Without the prior written consent of Roynat, each Obligor (as applicable) declares, covenants and agrees not to:

1. generate, contract, accept responsibility for or allow the existence of a Charge encumbering the Collateral or any part thereof, with the exception of the Permitted Liens except that it may give security to its banker (but not to more than one banker or banking syndicate) on its Inventory or under assignments of its trade receivables (by way of confirmation, trade receivables do not include the proceeds of the sale or disposition of Collateral or the proceeds of life insurance policies assigned to Roynat) and such security, if validly perfected, shall rank prior to the interest granted hereby on such Inventory and accounts receivable without further action by Roynat;

2. sell, assign, rent or otherwise alienate the Collateral or any part thereof, except (i) the sale of its inventory in the ordinary course of its business, and (ii) the sale or other disposal of furniture, machinery, equipment, vehicles and accessories having an aggregate value of more than $100,000 which is no longer necessary or useful to the operation of its business or which has become outdated, damaged or otherwise unusable, provided that it substitutes them immediately with other property of the same nature and value so as to form part of the Collateral;

3. change the nature of its business; or

4. change the date of its fiscal year end.

IV. EVENTS OF DEFAULT

A. Events of Default

The occurrence of any of the following events shall constitute an Event of Default under the terms hereof:

1. if any Obligor fails to make the payment of any amount of principal, interest, charges or other amounts owing under the present agreement or under any other Financing Document;

2. if any representation or warranty made or given in this Agreement or in any other Financing Document proves at any point to be false or misleading in any material respect;

3. if any Obligor fails to honour one or several of its Covenants or obligations set out in this Agreement or in any other Financing Document;

4. if a third party obtains a final and binding judgment against any Obligor amounting to $25,000 or more, and such judgment is not satisfied within thirty (30) days from the date it is rendered;

5. if a creditor of an Obligor institutes an action or gives notice for the purpose of exercising its rights and recourse against any Collateral, particularly by seizure, notice of intention, notice of closure, taking of possession, registration of a legal hypothec or the like;

6. if any Obligor fails to meet any monetary or non-monetary obligation in an amount exceeding $25,000 to any of its other creditors or to Roynat under any other financing other than that provided for herein;

7. if any other important provision of the present agreement or of any other Financing Document is declared invalid or unenforceable;

8. if there is a change in Control of any Obligor without the prior written consent of Roynat;

9. if any Obligor commits an act of bankruptcy within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or assigns its property in favour of its creditors or files or consents to the filing of a petition in bankruptcy or a proposal under the *Bankruptcy and Insolvency Act* (Canada) or if any Obligor is deemed insolvent or bankrupt, or consents or approves or makes a petition or applies to the court for the appointment of a trustee, fiduciary, liquidator or receiver with respect to itself or its property, or if any Obligor institutes proceedings with respect to itself or its property pursuant to any law that concerns a reorganization, an arrangement, a recovery, a compromise or a liquidation, in any jurisdiction whatsoever (hereinafter called "**Bankruptcy Proceedings**") or if Bankruptcy Proceedings are instituted against any Obligor or if a trustee, fiduciary, liquidator or receiver for any Obligor or for its property is appointed or if any Obligor consents to, approves or accepts any Bankruptcy Proceedings or the appointment of any trustee, fiduciary, liquidator or receiver with respect to itself or its property; unless, if Bankruptcy Proceedings are instituted against any Obligor, the latter had the right to contest it in good faith and unless Roynat is satisfied, at its entire discretion, that the repayment of the amounts owing under the Loan will not be compromised;

10. if any Obligor takes any proceedings for its dissolution, liquidation or amalgamation with another company or if the legal or corporate existence of any Obligor shall be terminated by expiration, forfeiture or otherwise;

11. if any Person which is a party to any Financing Document (other than an Obligor) defaults in the performance of any condition or covenant in favour of Roynat, and such default continues for ten (10) days after written notice thereof to the Borrower by Roynat; or

12. if Roynat considers in good faith that an Material Adverse Change has occurred or is about to occur.

The mere lapsing of the time allotted to an Obligor for fulfilling an obligation provided for in this Agreement or in any other Financing Document constitutes a default on the part of such Obligor, without any notification or formal notice being necessary.

B. Remedies

1. On the occurrence of an Event of Default:

   (a) all the amounts owing by the Borrower under the Financing Documents shall become immediately due and payable and bear interest at the Default Rate;

   (b) Roynat may terminate the Borrower's right to use the Loan and to obtain Advances thereunder;

   (c) Roynat may carry out any obligation of any Obligor which such Obligor has

failed to honour in the stead, place and at the expense of such Obligor; and

(d) Roynat may exercise all the rights and recourses available to it under the Financing Documents and the law.

2. Notwithstanding paragraph B.1 above, Roynat may, without prejudice to the option of subsequently exercising any right or recourse available to it, waive an Event of Default or grant time to remedy it or take other measures that would seem to be in its interest to take.

V. CONDITIONS PRECEDENT

The disbursement of the first Advance is subject to the delivery to Roynat of the following documents, in form and content acceptable to Roynat and to its legal advisors:

1. certified true copy of the governing documents of each Obligor;

2. certified true copy of a resolution of the board of directors of each Obligor;

3. certificate of attestation, certificate of compliance and any other similar certificate concerning each Obligor, issued by the competent authorities in all jurisdictions where Roynat holds security under the Security Documents;

4. delivery of all the Security Documents and confirmation that the latter has been registered in all applicable jurisdictions in order to grant them the priority provided for herein and to render them enforceable against third parties;

5. certificate of officers signed by an officer of each Obligor confirming certain facts related to the present financing;

6. copy of the certificate(s) (or, if required by Roynat, the policies) of insurance issued in favour of each Obligor, demonstrating that such Obligor took out the requisite insurance under the present agreement. Roynat reserves the right to hire an insurance consultant at the Borrower's expense for the purpose of reporting to it regarding the sufficiency of the insurance coverage of the Obligors, and Roynat must be satisfied that all the deficiencies identified in the said report have been corrected in accordance with the consultant's recommendations;

7. copy signed by each Obligor of the "Business Consent Form" (RC59) of the Canada Revenue Agency (the "CRA") authorizing the CRA to disclose to Roynat certain confidential information concerning such Obligor;

8. in the event that any of the Security Documents include a fixed charge on real property, (a) an up-to-date survey of the Property sent to Roynat, and (b) an opinion on title issued by legal counsel acceptable to Roynat and forwarded to Roynat confirming that such Security Document creates a valid charge (ranking as required by the Offer of Finance) over the Real Property in favour of Roynat or (i) a title insurance policy that is satisfactory to Roynat, including all the riders that Roynat deems useful or necessary and which is issued by a title insurance company acceptable to Roynat, or (ii) a commitment to insure that is satisfactory to Roynat, including all the riders that Roynat deems useful or necessary and which is issued by a title insurance company acceptable to Roynat, as well as confirmation from the title insurance company that the issuance of the policy is only conditional on payment of the premium and on confirmation of registration of the applicable Security Document in the appropriate land registry office;

9. search reports concerning the Liens encumbering the Collateral prepared by Roynat's legal advisors covering each applicable jurisdiction;

10. Roynat is fully satisfied with the quality, value, and eligibility of all assets to be financed;

11. proof that all the charges and fees payable by the Borrower under this Agreement have been paid; and

all other documents and information that Roynat may reasonably require.

VI. GENERAL CONDITIONS

A. FIXED RATE CONVERSION/ EXTENSION OPTION:

The following terms and conditions apply to any conversion or extension of a fixed rate Loan:

1. the Borrower must send Roynat a written request to this effect at least five (5) Business Days before the conversion date or the expiry date of the fixed rate interest period then current; and

2. no Event of Default exists at the time of the conversion or extension request.

Any conversion or extension as provided for herein shall be carried out at the entire discretion of Roynat. If Roynat agrees to follow up on the Borrower's request, Roynat shall send to the Borrower, within five (5) Business Days

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following receipt of the Borrower's request, written confirmation indicating:

1. the interest rate applicable to the Loan in question;

2. the length of the term during which the Loan will bear interest at a fixed rate;

3. the effective date from which the Loan in question will bear interest at a fixed rate;

4. any additional change to these presents required by Roynat following such conversion or extension; and

5. the new repayment terms of the Loan in question following the conversion or extension, including the terms and conditions applicable to prepayment.

The conversion or extension of the Loan in question shall only take effect upon acceptance by the Borrower of the confirmation letter submitted by Roynat. A fee of $500 shall apply.

B. CALCULATION OF INTEREST:

Interest is calculated on the basis of a 365-day year, except in the case where interest is calculated based on the US Variable Rate or the US Fixed Rate, in which case it is calculated on the basis of a 360-day year.

For the purposes of the *Interest Act* (Canada), the annual interest rate equivalent to the US Variable Rate or the US Fixed Rate is obtained, expressed in decimals, by multiplying such rate by a fraction where the numerator equals the number of days included in that year and where the denominator equals 360.

Notwithstanding any other provision of this agreement or any Security Document, in no event shall any such document require the payment or permit the collection of interest or other amounts in an amount or at a rate in excess of the amount or rate that is permitted by applicable law or in an amount or at a rate that would result in the receipt by Roynat of interest at a criminal rate, as the terms "interest" and "criminal rate" are defined under the *Criminal Code* (Canada). If from any circumstance whatever, fulfilment of any provision of this agreement or any Security Document would result in exceeding the highest rate or amount permitted by applicable law for the collection or charging of interest, the obligation to be fulfilled shall be reduced to reflect the highest permitted rate or amount.

C. RECORDS:

The records of any Advance or any repayment related hereto as well as the records of any interest, charges or other amounts owing under this Agreement or any other Financing Document, as held by Roynat, constitute *prima facie* proof of the Borrower's indebtedness to Roynat, as it may fluctuate from time to time.

D. INCREASED COSTS AND TAXES:

If, because of a change to the applicable laws, regulations, rules or orders or because of measures taken in accordance with a guideline or requirement of an authority with which Roynat is bound to comply, Roynat incurs or shall incur increased costs or withstands or shall withstand a reduction in the return on capital related to a Loan, the Borrower must indemnify Roynat for such increased costs or reduced return. All payments pertaining to a Loan must be made free of any withholding tax or of any other current or future tax, rate or deduction.

E. INDEMNIFICATION:

Each Obligor undertakes to indemnify Roynat for any damages, claims, losses, liabilities or expenses borne or incurred by Roynat which can be attributed to the Loan or result directly or indirectly therefrom. Each Obligor undertakes to indemnify Roynat as well as its administrators, officers, employees, agents, successors and assigns and to side with it as regards any applications, lawsuits, judgments, damages, costs, losses or allegations of losses or claims suffered, imposed or incurred by Roynat and arising or resulting from damages caused to the environment by actions or omissions in the operation of its business or in the exercising of its activities or by the contamination of its properties or even by the contamination coming therefrom or any violation of the Environmental Laws, with the exception of claims resulting from the gross or intentional negligence of Roynat.

F. APPLICABLE LAWS:

This agreement shall be governed and interpreted according to the laws of the Applicable Jurisdiction.

G. SUCCESSORS AND ASSIGNS:

This agreement shall be binding on the parties hereto and their respective successors and assigns. Roynat is entitled to assign the Loan and the Financing Documents in whole or in part to any subsidiary or company affiliated to Roynat without the Borrower's consent. The Borrower shall continue to do business with Roynat until Roynat advises the Borrower otherwise. Notwithstanding the foregoing, the Borrower is not entitled to assign its rights or obligations hereunder without the prior written consent of Roynat.

H. SHARING OF INFORMATION:

Roynat may communicate confidential information regarding the Obligors to any potential assignee of the Loan or part thereof in accordance with the terms hereof without incurring any liability.

I. MODIFICATION AND RENUNCIATION:

Any change to or waiver of a provision of the present agreement shall not take effect unless it is in writing and signed by Roynat and each of the Obligors. The fact that Roynat does not exercise a right or recourse available to it under these presents, or delays in doing so, shall not constitute Roynat's waiver of such right or recourse.

J. NOTICES:

Any notice under the Financing Documents must be given in writing and hand delivered to the party concerned or be sent to it by prepaid registered mail or sent by fax or email, and the date of receipt of the said notice, if hand delivered, shall be considered its delivery date; if sent by mail as indicated above, the third (3rd) Business Day following the date it was sent and, if it is sent by fax or email, the transmission date if the transmission is done before 1:00 p.m. on a Business Day, and the Business Day following the transmission date in all other cases. The addresses of the parties hereto for the purposes of any notice are those written below their names on the signature pages of these presents or any other address that a party may indicate by means of a notice sent in the manner set out above.

K. ENTIRE AGREEMENT:

This agreement and the other Financing Documents constitute the entire contract between the parties to the Loan. There is no verbal declaration, promise or arrangement in respect of the Loan.

L. EXCHANGE RATE:

The conversion into Canadian Dollars of any amount owing by the Borrower in US$ required for the purpose of obtaining a judgment is done on the Business Day preceding the judgment date.

In the event of a fluctuation in the exchange rate between the Business Day preceding the judgment date and the payment date, the Borrower shall pay to Roynat on demand (or, if need be, deducted from the payment) the necessary amount to ensure that the amount paid in Canadian dollars is equivalent to the amount owing in US$, after the conversion, on the payment date. The Borrower's obligations under this paragraph constitute an additional obligation on top if its other obligations resulting from the judgment rendered against it.

M. APPLICATION OF PAYMENTS:

Should an Event of Default occur, Roynat shall apply all the amounts it receives regarding the secured Obligations, unless it indicates otherwise in writing, firstly to the payment of the fees, charges and other expenses incurred by Roynat under these presents or under other Financing Documents; secondly to the payment of interest owing on the Loan; thirdly to the payment of principal on the Loan and fourthly to the payment of other secured Obligations. After an Event of Default has occurred, Roynat shall have discretionary authority regarding the application of all the amounts it receives (including the proceeds from realizing on any security held by Roynat).

N. PARAMOUNTCY:

In the event of a conflict between the provisions of this Offer of Finance and of any other agreement entered into or given by an Obligor in favour of Roynat, the terms of this Offer of Finance shall prevail to the extent of any such conflict.

O. NOVATION:

It is expressly understood and agreed between the parties that this agreement does not create novation of the Loan and Roynat expressly reserves all its rights and recourses under the Loan and the Financing Documents. Except as expressly provided for herein, the Borrower's obligations with respect to the Loan will not be deemed to be amended, except in the manner provided for herein. This agreement will not have the effect of releasing any Obligor from their obligations with respect to Roynat under the Loan or the Financing Documents.

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APPENDIX "B"

DESCRIPTION OF PROPERTY

REAL PROPERTY

A. **Immovable/Real Freehold**

Land and Building located at 1405 Morningside Ave., Scarborough, Ontario, M1B 3J1

B. **Leasehold**

"To be advised to and agreed by Roynat."

PERSONAL PROPERTY

Equipment necessary for the operations of the locations listed above

OTHER – CELL, HOME, etc.	CLOSED DATE
Brad Comeau [redacted]	

This is **Exhibit "G"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO # 72209P

DEMAND DEBENTURE

TAMTAN INC.

TO: **ROYNAT INC. ("Roynat")**
40 King Street West, 26th Floor, Toronto, Ontario, M5H 1H1

DATE: **August 14, 2014.**

FOR VALUE RECEIVED and intending to be legally bound by this demand debenture (this "**Debenture**"), the undersigned (the "**Debtor**") agrees as follows:

1. **Promise to Pay**. The Debtor promises to pay on demand to or to the order of Roynat, at its address specified above, all amounts now or in the future owing by the Debtor to Roynat under or in connection with the Obligations (as defined below) up to the principal amount of Three Million Dollars ($3,000,000.00) and interest at the rate of the Canadian Variable Rate plus 2.75% per annum, accruing daily and payable monthly, both before and after maturity, default and judgment, and interest on overdue interest at the same rate.

2. **Security**. As security for the payment and performance of all present and future indebtedness, liabilities and obligations of the Debtor to Roynat, whether direct or indirect, absolute or contingent, liquidated or unliquidated, as principal or as surety, alone or with others, of whatsoever nature or kind, in any currency or otherwise, under or in respect of agreements or dealings between the Debtor and Roynat or agreements or dealings between the Debtor and others by which Roynat may be or become in any manner whatsoever a creditor of the Debtor (all such indebtedness, liabilities, obligations, expenditures, costs and expenses are hereinafter collectively referred to as the "**Obligations**") including, without limitation, obligations under (i) any and all letter agreements and offers to finance/or offers to lease, (as amended from time to time, "**Offers of Finance**") entered into by the Debtor and Roynat from time to time, (ii) any promissory notes, guarantees or indemnities executed by the Debtor in favour of Roynat, and (iii) this Debenture and any other security delivered to Roynat by the Debtor from time to time (collectively, the "**Financing Documents**"), the Debtor:

(a) mortgages and charges, as and by way of a fixed and specific mortgage and charge and grants a security interest to and in favour of Roynat in, all freehold real and immovable property described in Schedule "A" hereto, together with all buildings, erections, fixed machinery and fixed equipment presently situated thereon or which may at any time hereafter be constructed or placed thereon or used in connection therewith;

(b) mortgages and charges, as and by way of a fixed and specific mortgage and charge and grants a security interest to and in favour of Roynat in, all leasehold real and immovable property described in Schedule "B" hereto, together with all buildings, erections, fixed machinery and fixed equipment presently situated thereon or which may at any time hereafter be constructed or placed thereon or used in connection therewith;

(c) mortgages and charges, as and by way of a floating charge and grants a security interest to and in favour of Roynat in, all of its present and future interests in real property not referred to in items (a) and (b) immediately above,

(d) mortgages, charges, assigns, transfers and pledges, as and by way of a fixed and specific mortgage and charge and grants a security interest to and in favour of Roynat in all of the assets, undertaking and property of the Debtor not subject to the charges and security interests in items (a), (b) and (c) immediately above, including, without limitation:

(i) **Intangibles** - all intangible property including without limitation book debts and accounts, all contractual rights and insurance claims, licences, computer software, warranties, ownership certificates, patents, trademarks, trade names, goodwill, copyrights and other industrial property of the Debtor;

(ii) **Books & Records** - all of the Debtor's, manuals, publications, letters, deeds, documents, writings, papers, invoices, books of account and other books relating to or being records of debts, chattel paper or documents of title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;

(iii) **Equipment** - all of the Debtor's tools, machinery, equipment, apparatus, furniture, plants, fixtures, vehicles and other tangible personal property, other than Inventory (as defined below), (collectively, the "**Equipment**") including, without limitation, the Equipment described in Schedule "C" hereto, if any;

(iv) **Inventory** - all of the Debtor's tangible personal property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in a business or profession or that are finished goods (collectively, the "**Inventory**");

(v) **Other Property** - the Debtor's undertaking and all of the Debtor's other property and assets including, without limitation, uncalled capital, judgments, rights, franchises, chattel paper, documents of title, goods, instruments, and money (as those terms are defined in the Personal Property Security Act governing this Debenture); and

(vi) **Investment Property** - all of the Debtor's investment property, including shares stock, warrants, bonds, debenture stock and other securities (in each case whether evidenced by a security certificate or an uncertificated security) and financial assets, security entitlements, securities accounts, futures contracts and futures accounts; and

(vii) **Proceeds** - all of the Debtor's property in any form derived directly or indirectly from any use or dealing with the Collateral or that indemnifies or compensates for loss of or damage to the Collateral (collectively, the "**Proceeds**");

but excluding, (A) any consumer goods, and (B) the last day of the term of any lease, verbal or written, or any agreement therefor now held or hereafter held by the Debtor, but should such charge become enforceable, the Debtor shall thereafter stand possessed of the last day of such leasehold interest in trust for Roynat and shall assign and dispose thereof as Roynat may direct.

Without limiting the preceding part of this Section, a security interest is taken in all of the Debtor's present and after acquired personal property. The security interest created by item (c) above is intended as a floating charge that will attach as provided in Section 3 below. The floating charge shall become a fixed charge as soon as Roynat notifies the Debtor to that effect. And for the same consideration and purposes and subject to the same exceptions, the Debtor hereby charges as and by way of a first floating charge to and in favour of Roynat, and grants to Roynat a security interest in, the undertaking of the Debtor and all its property and assets for the time being, both present and future, and of whatsoever nature and wherever situate (other than property and assets from time to time effectively subjected to the fixed and specific mortgages and charges created hereby or by any instrument supplemental hereto).

All of the assets, property and undertaking and property of the Debtor subject to the charges and security interests above are collectively referred to herein as the "**Collateral**".

3. **Attachment**. All security interests created by this Debenture attach immediately upon execution of the Debenture. The attachment of the floating charge has not been postponed and the floating charge shall attach to any particular property intended to be subject to it as soon as the Debtor has rights in such property.

4. **Covenants**. The Debtor hereby declares, covenants and agrees that:

(a) **To Pay Rents and Taxes** - shall pay all rents, taxes and assessments lawfully imposed upon all real property forming part of the Collateral or on which the Collateral is located or any part thereof when the same become due and payable, and shall provide to Roynat on request receipts for such payment;

(b) **Conduct of Business** - shall carry on and conduct its business in a proper and efficient manner, shall not materially alter the kind of business carried on by it, shall observe and perform all of its obligations under leases, licences and other agreements to which it is a party so as to preserve and protect the Collateral and its value, and shall comply with all laws, regulations and judgments applicable to the Debtor and all of its property, assets and undertaking;

(c) **Not to Sell** - shall not, except for Inventory sold in the ordinary course of business and except as otherwise expressly permitted in any Financing Document, remove, destroy, lease, sell or otherwise dispose or part with possession of any of the Collateral;

(d) **No Other Liens** - shall not create, assume or suffer to exist any charge, lien, federal or provincial government priority claim arising pursuant to statute including any deemed trust, security interest or encumbrance upon any Collateral except as permitted in any applicable Financing Document. No provision hereof shall be construed as a subordination or postponement of the security interest created hereunder to or in favour of any other charge, lien, security interest or encumbrance, whether or not it is permitted;

(e) **To Hold Proceeds of Unauthorized Sale in Trust** - in the event the Collateral or any part thereof is sold or disposed of prior to the full discharge of this Debenture by Roynat, in any manner not authorized by this Debenture, shall hold all proceeds of such sale or disposition received by the Debtor as trustee for Roynat until the Debtor has been fully released from this Debenture by Roynat;

(f) **To Insure** - shall keep insured the Collateral to its full insurable value or in such amounts as Roynat may reasonably require against all risks, with insurers approved by Roynat and will pay all premiums necessary for such purposes as the same shall become due;

(g) **Inspection by Roynat** - shall allow any employees or third parties retained by Roynat at any reasonable time to enter the premises of the Debtor or others to inspect the Collateral and to inspect the books and records of the Debtor relating to the Collateral and make extracts therefrom, and shall permit Roynat prompt access to such other persons, as Roynat may deem necessary or desirable for the purposes of inspecting or verifying any matters relating to any part of the Collateral or the books and records of the Debtor relating to the Collateral, provided that any information so obtained shall be kept confidential, save as required by Roynat in exercising its rights hereunder or pursuant to any applicable law or court order. The Debtor shall pay all costs and expenses of third parties (including complete reimbursement for 100% of all legal fees and disbursements) retained by Roynat for purposes of inspection under this Section 4(g);

(h) **Use and Maintenance** - shall cause the Collateral to be operated in accordance with any applicable manufacturer's manuals or instructions, by

competent and duly qualified personnel. Any and all additions and accessions to and parts and replacements for the Collateral shall immediately become subject to the security interest created hereby. The Debtor shall not change the intended use of the Collateral without obtaining the prior written consent of Roynat which will not be unreasonably withheld or delayed;

(i) **Possession and Control** - shall, on request by Roynat, deliver to Roynat possession of all chattel paper, instruments and negotiable documents of title. The Obligor shall also take whatever steps Roynat requires to enable Roynat to obtain control of any investment property forming part of the Collateral, including (a) arranging for any securities intermediary, futures intermediary or issuer of uncertificated securities to enter into an agreement satisfactory to Roynat to enable Roynat to obtain control, (b) delivering any certificated security to Roynat with any necessary endorsement and (c) having any security registered in the name of Roynat or its nominee;

(j) **Location of Collateral** - shall keep the Collateral in the locations set forth in Schedule "C" hereto, except for goods in transit to such locations, or Inventory on lease or consignment, or with the prior written consent of Roynat and provided that the Debtor shall effect such further registrations and obtain such other consents and grant such other security, at the sole cost and expense of the Debtor, as may be required or desirable to protect or preserve the security hereby created and to maintain the priority intended to be granted to Roynat hereunder as against all others including landlords;and

(k) **No Affixation** - shall not permit the Collateral to be attached to or affixed to real or other personal property without the prior written consent of Roynat which will not be unreasonably withheld or delayed. The Debtor shall obtain and deliver to Roynat such waivers as Roynat may reasonably request from any owner, landlord or mortgagee of premises on which the Collateral is located or to which the Collateral may become affixed or attached. The Debtor shall promptly do, execute and deliver all such further acts, documents, agreements or assurances as Roynat may reasonably require for giving effect to the intent of this Debenture and shall register such notice or documents against the title to such premises as Roynat may reasonably request to protect its interests hereunder and shall maintain plates or marks showing the name of Roynat upon the Collateral as requested.

5. **Waiver of Covenants.** Roynat may waive in writing any breach by the Debtor of any of the provisions contained in this Debenture or any default by the Debtor in the observance or performance of any covenant or condition required to be observed or performed by the Debtor hereunder, provided that no such waiver or any other act, failure to act or omission by Roynat shall extend to or be taken in any manner to affect any subsequent breach or default or the rights of Roynat resulting therefrom.

6. **Performance of Covenants by Roynat.** If the Debtor shall fail to perform any covenant on its part herein contained, Roynat may in its absolute discretion perform any such covenant capable of being performed by it, but Roynat shall be under no obligation to do so. If any such covenant requires the payment of money or if the Collateral or any part thereof shall become subject to any charge, lien, security interest or encumbrance ranking in priority to the security interest created hereby, Roynat may in its absolute discretion make such payment and/or pay or discharge such charge, lien, security interest or encumbrance, but Roynat shall be under no obligation to do so. All sums so paid by Roynat, together with interest at the highest rate chargeable by Roynat from time to time on the Obligations, shall be payable by the Debtor on demand and shall constitute a charge upon the Collateral. No such performance or payment shall relieve the Debtor from any default hereunder or any consequences of such default.

7. **Events of Default.** Each of the following events shall constitute an "Event of Default":

(a) a "default", an "event of default" or similar circumstance identified in any Financing Document; or

(b) the failure of the Debtor to pay any of the Obligations when due; or

(c) any demand for payment validly made by Roynat pursuant to any Financing Document that is not met in accordance with the terms of the demand.

8. **Enforcement.** Upon the happening of any Event of Default, the security granted herein shall become immediately enforceable and Roynat may at its option declare this Debenture to be in default and may exercise any rights, powers or remedies available to Roynat at law or in equity or under the Personal Property Security Act or other applicable legislation and, in addition, may exercise one or more of the following rights, powers or remedies, which rights, powers and remedies are cumulative:

(a) to, without exercising any of its other rights or remedies hereunder, give notice of the security interest in, and the assignment to, Roynat of any debt or liability forming part of the Collateral and may direct such person to make all payments on account of any such debt or liability to Roynat;

(b) to declare the full amount of the Obligations to be immediately due and payable;

(c) to terminate the Debtor's right to possession of the Collateral, cause the Debtor to immediately assemble and deliver the Collateral at such place or places as may be specified by Roynat, and enter upon the premises where the Collateral is located and take immediate possession thereof, whether it is affixed to the realty or not, and remove the Collateral without liability to Roynat for or by reason of such entry or taking of possession, whether for damage to property caused by taking such or otherwise;

(d) to enter upon and hold, possess, use, repair, preserve and maintain all or any part of the Collateral and make such replacements thereof and additions thereto as Roynat shall deem advisable;

(e) to sell, for cash or credit or part cash and part credit, lease or dispose of or otherwise realize upon the whole or any part of the Collateral whether by public or private sale as Roynat in its absolute discretion may determine without notice to the Debtor or advertisement and after deducting from the proceeds of sale (including complete reimbursement for 100% of all legal fees and disbursements) incurred in the repossession, sale, lease or other disposition of the Collateral apply the proceeds thereof to the Obligations in the manner and order to be determined by Roynat, provided however that Roynat shall only be liable to account to the Debtor, any subsequent encumbrancers and others for money actually received by Roynat and provided that the Debtor shall pay any deficiency forthwith;

(f) to appoint by instrument in writing any person or persons to be a receiver or receiver and manager of all or any portion of the Collateral, to fix the receiver's remuneration and to remove any receiver so appointed and appoint another or others in its stead;

(g) to apply to any court of competent jurisdiction for the appointment of a receiver or receiver and manager for all or any portion of the Collateral;

(h) to have any instruments or investment property registered in its name or in the name of its nominee and shall be entitled but not required to exercise voting and other rights that the holder of that Collateral may at any time have; but Roynat shall not be responsible for any loss occasioned by the exercise of those rights or by failure to exercise them. Roynat may also enforce its rights under any agreement with any securities intermediary, futures intermediary or issuer of uncertificated securities; and

(i) to retain the Collateral in satisfaction of the Obligations.

9. **Powers of Receiver.**

(a) Any receiver (which term includes a receiver and manager) shall have all of the powers of Roynat set forth in this Debenture and, in addition, shall have the following powers:

(i) to lease all or any portion of the Collateral and for this purpose execute contracts in the name of the Debtor, which contracts shall be binding upon the Debtor and the Debtor hereby irrevocably constitutes such receiver as its attorney for such purposes;

(ii) to take possession of the Collateral, collect all rents, issues, incomes and profits derived therefrom and realize upon any additional or collateral security granted by the Debtor to Roynat and for that purpose may take any proceedings in the name of the Debtor or otherwise; and

to carry on or concur in carrying on the business which the Debtor is conducting and for that purpose the receiver may borrow money on the security of the Collateral in priority to this Debenture;

(b) Any receiver appointed pursuant to the provisions hereof shall be deemed to be the agent of the Debtor for the purposes of:

(i) carrying on and managing the business and affairs of the Debtor, and

(ii) establishing liability for all of the acts or omissions of the receiver while acting in any capacity hereunder and Roynat shall not be liable for such acts or omissions,

provided that, without restricting the generality of the foregoing, the Debtor irrevocably authorizes Roynat to give instructions to the receiver relating to the performance of its duties as set out herein.

10. **Application of Moneys.** All moneys actually received by Roynat or by the receiver pursuant to Sections 8 and 9 of this Debenture shall be applied:

(a) first, in payment of those claims, if any, of secured creditors of the Debtor (including any claims of the receiver pursuant to Section 9(a)), ranking in priority to the charges created by this Debenture as directed by Roynat or the receiver;

(b) second, in payment of all costs, charges and expenses of and incidental to the appointment of the receiver (including complete reimbursement for 100% of all legal fees and disbursements) and the exercise by the receiver or Roynat of all or any of the powers granted to them under this Debenture, including the reasonable remuneration of the receiver or any agent or employee of the receiver or any agent of Roynat and all outgoings properly paid by the receiver or Roynat in exercising their powers as aforesaid;

(c) third, in or towards the payment to Roynat of all other obligations due to it by the Debtor in such order as Roynat in its sole discretion may determine;

(d) fourth, in or towards the payment of the obligation of the Debtor to persons if any, with security interests against Collateral ranking subsequent to those in favour of Roynat; and

(e) fifth, subject to applicable law any surplus shall be paid to the Debtor.

11. **Realization Costs.** The Debtor shall pay all costs and expenses (including complete reimbursement for 100% of all legal fees and disbursements) of Roynat incidental to or which in any way relates to this Debenture or its enforcement, including, (i) taking, recovering or possessing the Collateral; (ii) taking any actions or other proceedings to enforce the remedies provided herein or

otherwise in relation to this Debenture or the Collateral, or by reason of a default under any Financing Document or the non-payment of the moneys thereby secured;. (iii) taking or responding to proceedings, giving notices and giving responses required under any applicable law concerning or relating to any Financing Document, including compliance with the provisions of applicable bankruptcy, insolvency, personal property security and mortgage enforcement legislation; and (iv) obtaining the advice of counsel and other advisors in relation to the foregoing, all such costs and expenses and other monies payable hereunder, together with interest at the highest rate chargeable by Roynat from time to time on the Obligations, shall form part of the Obligations, shall be payable by the Debtor on demand and shall be secured hereby.

12. **Possession of Collateral.** The Debtor acknowledges that Roynat or any receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and the Debtor agrees upon request from Roynat or any such receiver to assemble and deliver possession of the Collateral at such place or places as directed.

13. **Deficiency.** The Debtor shall remain liable to Roynat for any deficiency after the proceeds of any sale, lease or disposition of Collateral are received by Roynat and applied in accordance with the provisions of Section 10(c) hereof.

14. **Appointment of Monitor.** If in the opinion of Roynat, acting reasonably, a material adverse change has occurred in the financial condition of the Debtor, or if Roynat in good faith believes that the ability of the Debtor to pay any of its obligations to Roynat or to perform any other covenant contained herein has become impaired or if an Event of Default has occurred, Roynat may by written notice to the Debtor, appoint a monitor (the "**Monitor**") to investigate any or a particular aspect of the Collateral, the Debtor or its business and affairs for the purpose of reporting to Roynat. The Debtor shall give the Monitor its full co-operation, including full access to facilities, assets and records of the Debtor and to its creditors, customers, contractors, officers, directors, employees, auditors, legal counsel and agents. The Monitor shall have no responsibility for the affairs of the Debtor nor shall it participate in the management of the Debtor's affairs and shall incur no liability in respect thereof or otherwise in connection with the Debtor, its business and affairs or the Collateral. The Monitor shall act solely on behalf of Roynat and shall have no contractual relationship with the Debtor as a consultant or otherwise. The appointment of a Monitor shall not be regarded as an act of enforcement of this Debenture. All reasonable fees and expenses of the Monitor (including complete reimbursement for 100% of all legal fees and disbursements) shall be paid by the Debtor upon submission to it of a written invoice therefor. Roynat may at its option upon the occurrence of an event of default appoint or seek to have appointed the Monitor as receiver, receiver and manager, liquidator, or trustee in bankruptcy of the Debtor or the Collateral or any part thereof.

15. **Application of Insurance Proceeds.** Any insurance moneys received by Roynat may at the option of Roynat be applied to rebuilding or repairing the Collateral, or be paid to the Debtor, or any such moneys may be applied in the sole discretion of Roynat, in whole or in part, to the repayment of the Obligations or any part thereof whether then due or not, with any partial payments to be credited against principal instalments payable thereunder in inverse order of their maturity dates.

16. **No Merger or Novation.** The taking of any judgment or the exercise of any power of seizure or sale shall not operate to extinguish the liability of the Debtor to perform its obligations hereunder or to pay the Obligations hereby secured, shall not operate as a merger of any covenant herein contained or affect the right of Roynat to interest in effect from time to time hereunder and the acceptance of any payment or other security shall not constitute or create any novation. The execution and delivery of this Debenture or of any instruments or documents supplemental hereto shall not operate as a merger of any representation,

warranty, term, condition or other provision contained in any other obligation or indebtedness of the Debtor to Roynat or under any Offer of Finance.

17. **Security in Addition.** The security hereby constituted is in addition to any other security now or hereafter held by Roynat. The taking of any action or proceedings or refraining from so doing, or any other dealings with any other security for the moneys secured hereby, shall not release or affect the security created hereby.

18. **Partial Discharges.** Roynat may in its sole discretion grant partial discharges or releases of security in respect of any of the Collateral on such terms and conditions as it shall deem fit and no such partial discharges or releases shall affect the remainder of the security created hereby nor shall it alter the obligations of the Debtor under the Obligations or hereunder.

19. **Assignment.** This Debenture may be assigned by Roynat to any other person and, if so assigned, the assignee shall have and be entitled to exercise any and all discretions, rights and powers of Roynat hereunder, and all references herein to Roynat shall include such assignee. The Debtor may not assign this Debenture or any of its rights or obligations hereunder. This Debenture shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Debenture and the security interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against Roynat.

20. **Limited Power of Attorney.** The Debtor hereby appoints Roynat as the Debtor's attorney, with full power of substitution, in the name and on behalf of the Debtor, to execute, deliver and do all such acts, deeds, leases, documents, transfers, demands, conveyances, assignments, contracts, assurances, consents, financing statements and things as the Debtor has agreed to execute, deliver and do hereunder, under any Offer of Finance or otherwise, or as may be required by Roynat or any receiver to give effect to this Debenture or in the exercise of any rights, powers or remedies hereby conferred on Roynat or any receiver, and generally to use the name of the Debtor in the exercise of all or any of the rights, powers or remedies hereby conferred on Roynat or any receiver. This appointment, being coupled with an interest, shall not be revoked by the insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of the Debtor or for any other reason.

21. **Amalgamation**. The Debtor acknowledges that if it amalgamates with any other corporation or corporations (a) the Collateral and the lien created hereby shall extend to and include all the property and assets of each of the amalgamating corporations and the amalgamated corporation and to any property or assets of the amalgamated corporation thereafter owned or acquired, (b) the term "Debtor", where used herein shall extend to and include each of the amalgamating corporations and the amalgamated corporation, and (c) the term, "Obligations", where used herein shall extend to and include the Obligations of each of the amalgamating corporations and the amalgamated corporation. Nothing in this Section 21 shall be interpreted as permitting the Debtor to amalgamate in violation of any covenant of the Debtor contained herein or in any other agreement binding the Debtor.

22. **Severability.** Each of the provisions contained in this Debenture is distinct and severable and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Debenture.

23. **Notices.** Any notice required or desired to be given hereunder or under any Offer of Finance or under any instrument supplemental hereto shall be in writing and may be given by personal delivery, by facsimile or other means of electronic communication or by sending the same by registered mail, postage prepaid, to

Roynat or to the Debtor at their respective addresses set out above and, in the case of electronic communication, to the facsimile numbers set out above. Any notice so delivered shall be conclusively deemed given when personally delivered and any notice sent by facsimile or other means of electronic transmission shall be deemed to have been delivered on the business day following the sending of the notice, and any notice so mailed shall be conclusively deemed given on the third business day following the day of mailing, provided that in the event of a known disruption of postal service, notice shall not be given by mail. Any address for notice or payments herein referred to may be changed by notice in writing given pursuant hereto.

Notwithstanding the foregoing, if the Personal Property Security Act requires that notice be given in a special manner, then such notice or communication shall be given in such manner.

24. **General.**

(a) The Debtor authorizes Roynat to file such financing statements, notices of security interest, caveats and other documents and do such acts and things as Roynat may consider appropriate to perfect its security in the Collateral, to protect and preserve its interest in the Collateral and to realize upon the Collateral.

(b) Nothing in this Debenture will in any way obligate Roynat to advance any funds, or otherwise make or cause to make credit available to the Debtor, nor will Roynat have any liability for any failure or delay in its part to exercise any rights hereunder.

(c) If more than one Debtor executes this Debenture, the obligations of such Debtors hereunder shall be joint and several.

(d) The division of this Debenture into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Debenture.

(e) When the context so requires, the singular shall include the plural and vice versa and words importing gender include all genders; all rights, advantages, privileges, immunities, powers and things hereby secured to the Debtor shall be equally secured to and exercised by its successors and assigns.

(f) Time is of the essence in this Debenture.

(g) The Debtor, if a corporation, waives the rights, benefits and protection given by and agrees that The Limitation of Civil Rights Act and The Land Contracts (Actions) Act, both of Saskatchewan, shall not apply to this Debenture or to any agreement renewing or extending this Debenture or to the rights, powers or remedies of Roynat under this Debenture or under any agreement renewing or extending this Debenture.

25. **Receipt.** The Debtor hereby acknowledges receipt of a true copy of this Debenture and, to the extent permitted by law, waives all rights to receive from Roynat a copy of any financing statement or financing change statement filed, or any verification statement received, at any time in respect of this Debenture or any supplemental or collateral security granted to Roynat.

26. **Governing Law and Headings.** This Debenture shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The division of this Debenture into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Debenture.

27 **Invalidity, etc.** Each of the provisions contained in this Debenture is distinct and severable and a declaration of invalidity, illegality or unenforceability of any such

provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Debenture.

28. **Interest Calculations.** Interest payable on the Debenture shall be payable both before and after demand, default and judgement at the Loan Rate with interest on overdue interest at the same rate. For the purposes of the *Interest Act* (Canada), the yearly rate of interest applicable to amounts owing on this Debenture shall be calculated on the basis of a 365 day year.

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

TAMTAN INC.

By: _____

Schedule "A"-- this belongs with Demand Debenture

SCHEDULE "A"

List of Freehold Property

Parcel Block 0-1, Section M1919, Part of Blocks 9, 10 on Plan M1995 and Part of Block O, being a reserve on Plan M1919; Parts 19 to 21, 23 to 28, 49 to 53, 55 to 58, 62, 67 & 68 66R15458, City of Toronto

Schedule "B"-- this belongs with Demand Debenture

SCHEDULE "B"

List of Leasehold Property

Nil

SCHEDULE "C"

LOCATION [AND DESCRIPTION] OF COLLATERAL

Location of Collateral: 1405 Morningside Avenue, Scarborough, Ontario

[Description of Collateral: **(include equipment by item or kind and, where applicable, the make, model and serial number and, in the case of motor vehicles, the Vehicle Identification numbers.)]**

All machinery and equipment used in the operation of the business located at 1405 Morningside Avenue, Scarborough, Ontario

This is **Exhibit "H"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO # 72209P

Properties

PIN 06054 - 0805 LT

Description PCL BLK 0-1 SECT M1919 PTS BLKS 9, 10 ON PLAN M1995 AND PT BLK O, BEING A RESERVE ON PLAN M1919; PTS 19 TO 21, 23 TO 28, 49 TO 53, 55 TO 58, 62, 67 & 68 66R15458; TOGETHER WITH EASE & ROW OVER PTS 36, 42, 43, 47 66R15458 AS IN C531411 TOGETHER WITH EASE OVER PTS 29, 36 TO 38, 40 TO 46, 47, 48, 54, 63, 64 & 65 AS IN C531411; SUBJ TO EASE OVER PT 49, 50, 51, 53, 55, 56, 58 66R15458 AS IN C617313 SUBJ TO ROW OVER PTS 49 TO 51, 55, 56 66R15458 AS IN C617313 SUBJ TO EASE & RGT OVER 25 TO 27, 49 66R15458 AS IN C531411 SUBJ TO RGT AS IN A928321 SCARBOROUGH. DESCRIPTION AMENDED 94/11/30 BY K. MASSAROTTO , CITY OF TORONTO

Address 1405 MORNINGSIDE AVENUE
SCARBOROUGH

Applicant(s)

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

Name TAMTAN INC.

Address for Service 1405 Morningside Avenue
Scarborough, Ontario M3J 1B1

I, Nader Gramian-Nik 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 ROYNAT INC.

Address for Service 40 King Street West
26th Floor,
Toronto Ontario, M5H 1H1

Statements

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

This notice may be deleted by the Land Registrar when the registered instrument, AT3706673 registered on 2014/10/03 to which this notice relates is deleted

Schedule: See Schedules

This document relates to registration no.(s)AT3706673

Signed By

Barbara Louise Marshall	1600-Four Robert Speck Pkwy Mississauga L4Z 1S1	acting for Applicant(s)	Signed	2014 10 03

Tel 905-276-9111

Fax 905-276-2298

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

Barbara Louise Marshall	1600-Four Robert Speck Pkwy Mississauga L4Z 1S1	acting for Party To(s)	Signed	2014 10 03

Tel 905-276-9111

Fax 905-276-2298

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

Submitted By

KEYSER MASON BALL LLP

1600-Four Robert Speck Pkwy
Mississauga
L4Z 1S1

2014 10 03

Tel 905-276-9111
Fax 905-276-2298

Fees/Taxes/Payment

Statutory Registration Fee	$60.00
Total Paid	$60.00

GENERAL ASSIGNMENT OF RENTS AND LEASES

THIS INDENTURE dated this 14 day of August, 2014.

BETWEEN

TAMTAN INC., a corporation incorporated under the laws of the Province of Ontario, 1405 Morningside Avenue, Scarborough, Ontario

(hereinafter called the "Assignor")

OF THE FIRST PART

- and -

ROYNAT INC. , a corporation incorporated under the laws of Canada and having an office at 40 King Street West, 26th Floor, Toronto, Ontario, M5H 1H1

(hereinafter called "Roynat")

OF THE SECOND PART

WHEREAS by a charge (the "Mortgage") dated the 14 day of August, 2014 in the face amount of $3,000,000.00 which Mortgage was registered in the Land Registry Office for Toronto as number # AT3706673 the Assignor granted, mortgaged and charged to the Roynat the lands and premises described therein (the said lands and premises together with the buildings, improvements and fixtures situate thereon being hereinafter referred to as the "Premises") to secure the payment to the Roynat of the principal of, interest on and all other moneys which may become owing on or pursuant to the Mortgage (whenever in this Indenture reference is made to the Mortgage it shall be deemed to include any renewals or extensions thereof and any Charges taken in substitution therefor either in whole or in part); and

WHEREAS as security for the due performance by the Assignor of all the covenants contained in the Mortgage, the Assignor has agreed to assign, transfer and set over unto the Roynat all of its right, title and interest in all rents, charges and other monies (the "Rents") now due and payable or hereafter to become due and payable under any leases now or hereafter existing of any and all portions of the Premises; and

NOW THIS INDENTURE WITNESSETH that in consideration of the premises and other good and valuable consideration the Assignor represents, covenants and agrees with the Roynat as follows:

1. Assignment The Assignor hereby irrevocably assigns, transfers and sets over unto the Roynat the Rents and all benefits and advantages to be derived therefrom, including any guarantees given to the Assignor in respect of the Rents, to hold and receive the same unto the Roynat its successors and assigns, with full power and authority to demand, collect, sue for, recover, receive receipts for the Rents and to enforce payment of the same in the name of the Assignor.

2. Where Assignor Not In Default Until the Assignor defaults under the covenants, terms and conditions contained in this Indenture or an event of default occurs under the Mortgage, the Assignor may demand, receive, collect and enjoy the Rents only as the same fall due and payable and not in advance, but nothing shall permit or authorize the Assignor to collect or receive Rents contrary to the covenants contained herein.

3. Remedies. The Assignor, in the event of a default hereunder or under the Mortgage, hereby authorizes the Bank, at its option and in addition to any other rights it may have hereunder or under any other agreement or at common law or in equity, to deliver to any or all of the tenants, licencees or occupiers of the Premises notices to pay all Rents to the Roynat and to collect such Rents and, in addition, enter upon the Premises by its officers, agents or employees for the purpose of collecting the Rents and/or operating and maintaining the Premises. The Assignor hereby authorizes the Roynat generally to perform all such acts, including any acts by way of enforcement of the covenants and exercise of the rights contained in the Leases or otherwise, as may in the opinion of the Roynat be necessary or desirable for the proper operation and maintenance of the Premises, which acts may be performed in the name of the Assignor or in the name of the Roynat as in the absolute discretion of the Roynat may seem proper or advisable. The Roynat shall, after deduction of all collection charges and all expenses, which the Roynat in its absolute discretion shall deem advisable to pay for the proper operation and maintenance of the Premises, credit the remainder of the moneys which it may receive in connection with the Premises on account of any amount or amounts due to the Roynat from the Assignor in such manner as the Roynat shall in its sole discretion determine. Notwithstanding anything herein, the Roynat shall be liable to account only for such monies as shall actually come into its hands.

4. Receipts by the Roynat The Assignor hereby agrees that all receipts given by the Roynat to the lessee under any leases on account of any Rents paid to the Roynat in accordance with the terms of this Indenture shall constitute a good and valid discharge therefor to the lessee.

5. Not Mortgagee in Possession Nothing herein contained shall be deemed to have the effect of making the Roynat responsible for the collection of the Rents or any part thereof for the performance of any covenants, terms or conditions either by the Lessors or the lessees contained in any leases and the Roynat shall not by virtue of this Indenture be deemed a mortgagee in possession of the Premises.

6. Perform Covenants of Landlord The Assignor shall at all times perform all of the Lessor's covenants and obligations contained in any leases and any failure on the part of the Assignor thereunder shall constitute a default hereunder and shall be deemed to be in default under the Mortgage.

7. Valid Leases The Assignor hereby covenants with the Roynat notwithstanding any act of the Assignor that all leases are good, valid and subsisting leases and that the Assignor now has good right, full power and absolute authority to assign each such lease according to the true intent and meaning of this Indenture.

8. No prepayment of Rents The Assignor will not accept payment from the lessee in advance and will not cause payment to be made in advance on its direction for a period longer than provided in the respective lease and breach of this covenant shall be deemed to be default under the Mortgage.

9. Covenants The Assignor shall not without the written approval of the Roynat first had and obtained:

(a) do or omit to do any act having the effect of terminating, cancelling or accepting the surrender of any leases to be terminated;

(b) amend, alter or vary the term or rents of any leases;

(c) waive, reduce or abate any of its rights or remedies under any leases or the obligations of any other parties thereunder or in respect thereof; and

(d) permit any material default or breach of covenant by the lessee under any leases.

10. Waiver of Covenants The Roynat may waive any default or breach of covenant and shall not be bound to serve any notice upon any lessee under any leases upon the happening of any default or breach of covenant, but any such waiver shall not extend to any subsequent default or breach of covenant.

11. Further Assurances The Assignor covenants and agrees from time to time and at all times hereafter at the request of the Roynat to execute and deliver at the expense of the Assignor such further assurances for better and more perfectly assigning to the Roynat any Leases whether presently existing or hereafter created and the rents

payable thereunder in the manner aforesaid as the Roynat may require.

12. Re-assignment The assignment, transfer and setting over herein provided shall not be revoked or rescinded by any variation of the terms of the Mortgage or any extension of time for payment or otherwise but shall remain in full force and effect until the Assignor shall have performed all of its obligations under the Mortgage. A discharge of the Mortgage executed by the Roynat shall operate as a re-assignment of the Rents without the need for any further conveyance, but the Roynat shall, at the request and at the expense of the Assignor, execute and deliver a full re-assignment to the Assignor of the Rents and all its right, title and interest therein.

13. Binding Effect This Indenture shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators successors and assigns. This Indenture shall be governed by and construed in accordance with the laws of the Province of Ontario.

IN WITNESS WHEREOF the Assignor has executed this Agreement as of the day and year first above written.

TAMTAN INC.

Per:_____

This is **Exhibit "I"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. PERIOZZO
LSO # 72209P

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

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

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : TAMTAN INC.

FILE CURRENCY : 24SEP 2019

ENQUIRY NUMBER 20190925103521.41 CONTAINS 9 PAGE(S), 3 FAMILY(IES).

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

BLAKE, CASSELS & GRAYDON LLP (ATTN:K. OVERKOTT)

199 BAY STREET, SUITE 4000
TORONTO ON M5L 1A9

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackett
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES
(crj5 06/2019)

CONTINUED... 2

Ontario

RUN NUMBER : 268
RUN DATE : 2019/09/25
ID : 20190925103521.41

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(5374)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TAMTAN INC.
FILE CURRENCY : 24SEP 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

	FILE NUMBER						
00	690752791						
	CAUTION FILING	PAGE NO.	OF TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		001	1		20140808 1314 1590 7986	P PPSA	10

		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME			
02	DEBTOR							
03	NAME	BUSINESS NAME	TAMTAN INC.				ONTARIO CORPORATION NO.	
04		ADDRESS	1405 MORNINGSIDE AVENUE			SCARBOROUGH	ON	M1B 3J1
		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME			
05	DEBTOR							
06	NAME	BUSINESS NAME					ONTARIO CORPORATION NO.	
07		ADDRESS						
08	SECURED PARTY / LIEN CLAIMANT		ROYNAT INC.					
09		ADDRESS	40 KING STREET WEST 26TH FLOOR			TORONTO	ON	M5H 1H1

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10		X	X	X	X	X				

		YEAR	MAKE	MODEL	V.I.N.
11	MOTOR				
12	VEHICLE				
13	GENERAL				
14	COLLATERAL				
15	DESCRIPTION				

16	REGISTERING AGENT	KEYSER MASON BALL, MISSISSAUGA LAWYERS					
17	ADDRESS	1600 - FOUR ROBERT SPECK PARKWAY		MISSISSAUGA	ON	L4Z 1S1

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

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj1fu 06/2019)

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TAMTAN INC.
FILE CURRENCY : 24SEP 2019

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		01	001		20170720 1933 1531 2759	

21 RECORD REFERENCED — FILE NUMBER 698752791

PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
	X	A AMENDMENT		

22 FIRST GIVEN NAME INITIAL SURNAME

23 REFERENCE
24 DEBTOR/ TRANSFEROR — BUSINESS NAME TAMTAN INC.

25 OTHER CHANGE
26 REASON/ DESCRIPTION — AMEND SECURED PARTY ADDRESS
27 FROM - 40 KING STREET WEST, 26TH FLOOR, TORONTO, ON M5H 1H1
28 TO - 5500 NORTH SERVICE ROAD, SUITE 650, BURLINGTON, ONTARIO L7L 6
02/ DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
05 DEBTOR/
03/ TRANSFEREE BUSINESS NAME
06 ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08 ROYNAT INC.
09 ADDRESS 5500 NORTH SERVICE RD. SUITE 650 BURLINGTON ON L7L 6W6

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10										

	YEAR	MAKE	MODEL	V.I.N.
11				

12 MOTOR
13 VEHICLE
14 GENERAL
15 COLLATERAL
16 DESCRIPTION
REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT — CANADIAN SECURITIES REGISTRATION SYSTEMS
17 ADDRESS 4126 NORLAND AVENUE BURNABY BC V5G 3S8

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

CONTINUED... 4

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj2fu 06/2019)

Ontario

RUN NUMBER : 268
RUN DATE : 2019/09/25
ID : 20190925103521.41

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 4
(5376)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TAMTAN INC.
FILE CURRENCY : 24SEP 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

	FILE NUMBER							
00	698752845							
	CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		001		1		20140808 1314 1590 7987	P PPSA	10

02	DEBTOR	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME			
03	NAME	BUSINESS NAME	TAMTAN INC.					
04		ADDRESS	1405 MORNINGSIDE AVENUE			SCARBOROUGH	ONTARIO CORPORATION NO. ON	M1B 3J1
05	DEBTOR	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME			
06	NAME	BUSINESS NAME						
07		ADDRESS					ONTARIO CORPORATION NO.	
08	SECURED PARTY / LIEN CLAIMANT		ROYNAT INC.					
09		ADDRESS	40 KING STREET WEST 26TH FLOOR			TORONTO	ON	M5H 1H1

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10				X	X					

		YEAR	MAKE	MODEL	V.I.N.
11	MOTOR				
12	VEHICLE				

13	GENERAL	GENERAL ASSIGNMENT OF RENTS AND LEASES WITH REGARD TO 1405
14	COLLATERAL	MORNINGSIDE AVENUE, SCARBOROUGH, ONTARIO
15	DESCRIPTION	

16	REGISTERING AGENT	KEYSER MASON BALL, MISSISSAUGA LAWYERS				
17	ADDRESS	1600 - FOUR ROBERT SPECK PARKWAY	MISSISSAUGA	ON	L4Z 1S1	

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

CONTINUED... 5

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj1fu 06/2019)

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TAMTAN INC.
FILE CURRENCY : 24SEP 2019

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		01	001		20170720 1933 1531 2761	

21 RECORD REFERENCED — FILE NUMBER 698752845

PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
22	X	A AMENDMENT		

		FIRST GIVEN NAME	INITIAL	SURNAME
23	REFERENCE			
24	DEBTOR/ TRANSFEROR — BUSINESS NAME	TAMTAN INC.		

25 OTHER CHANGE
26 REASON/
27 DESCRIPTION — AMEND SECURED PARTY ADDRESS
28 FROM - 40 KING STREET WEST, 26TH FLOOR, TORONTO, ON M5H 1H1
TO - 5500 NORTH SERVICE ROAD, SUITE 650, BURLINGTON, ONTARIO L7L 6

	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02/				
05	DEBTOR/			
03/	TRANSFEREE — BUSINESS NAME			

06 ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08 ROYNAT INC.
09 ADDRESS 5500 NORTH SERVICE RD. SUITE 650 BURLINGTON ON L7L 6W6

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10										

	YEAR	MAKE	MODEL	V.I.N.
11	MOTOR			
12	VEHICLE			
13	GENERAL			
14	COLLATERAL			
15	DESCRIPTION			

16	REGISTERING AGENT OR	CANADIAN SECURITIES REGISTRATION SYSTEMS			
17	SECURED PARTY/ LIEN CLAIMANT — ADDRESS	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

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

CONTINUED... 6

CERTIFIED BY/CERTIFIÉES PAR
Barbara Puckett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj2lu 06/2019)

Ontario

RUN NUMBER : 268
RUN DATE : 2019/09/25
ID : 20190925103521.41

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 6
(5378)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TAMTAN INC.
FILE CURRENCY : 24SEP 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

	FILE NUMBER						
00	660382884						
	CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		001	002		20100408 0835 1862 9824	P PPSA	10

		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME		
02	DEBTOR						
03	NAME	BUSINESS NAME	TAMTAN INC.				
						ONTARIO CORPORATION NO.	
04		ADDRESS	1405 MORNINGSIDE AVENUE		SCARBOROUGH	ON	M1B 3J1
		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME		
05	DEBTOR						
06	NAME	BUSINESS NAME					
						ONTARIO CORPORATION NO.	
07		ADDRESS					
08	SECURED PARTY / LIEN CLAIMANT		ROYNAT INC.				
09		ADDRESS	5160 YONGE STREET, P.O. BOX 35, STE. 100		TORONTO	ON	M2N 6L9

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10		X	X	X	X	X				

		YEAR MAKE	MODEL	V.I.N.	
11	MOTOR				
12	VEHICLE				
13	GENERAL				
14	COLLATERAL				
15	DESCRIPTION				
16	REGISTERING AGENT		HEENAN BLAIKIE LLP		
17		ADDRESS	333 BAY STREET, SUITE 2900	TORONTO	ON M5H 2T4

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

CONTINUED . . . 7

CERTIFIED BY/CERTIFIÉES PAR
Barbara Plackett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj1fu 06/2019)

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TAMTAN INC.
FILE CURRENCY : 24SEP 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
00 660382884

	CAUTION FILING	PAGE NO.	OF TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		002	002		20100408 0835 1862 9824		

		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02	DEBTOR				
03	NAME	BUSINESS NAME			ONTARIO CORPORATION NO.
04		ADDRESS			
		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
05	DEBTOR				
06	NAME	BUSINESS NAME			ONTARIO CORPORATION NO.
07		ADDRESS			
08	SECURED PARTY / LIEN CLAIMANT				
09		ADDRESS	0		

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10										

	YEAR	MAKE	MODEL	V.I.N.
11	MOTOR			
12	VEHICLE			

13 GENERAL
14 COLLATERAL
15 DESCRIPTION

16 REGISTERING AGENT
17 ADDRESS

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

CONTINUED... 8

CERTIFIED BY/CERTIFIÉES PAR
Barbara Puckett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crjtfu 06/2019)

Ontario

RUN NUMBER : 268
RUN DATE : 2019/09/25
ID : 20190925103521.41

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 8
(5380)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TAMTAN INC.
FILE CURRENCY : 24SEP 2019

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		01	001		20170720 1933 1531 2764	

21 RECORD REFERENCED FILE NUMBER 660382884

PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
22	X	A AMENDMENT		

23 REFERENCE
24 DEBTOR/ TRANSFEROR BUSINESS NAME TAMTAN INC.

25 OTHER CHANGE
26 REASON/ AMEND SECURED PARTY ADDRESS
27 DESCRIPTION FROM - 5160 YONGE STREET, P.O. BOX 35, STE 1000, TORONTO, ON M2N 6L9
28 TO - 5500 NORTH SERVICE ROAD, SUITE 650, BURLINGTON, ONTARIO L7L 6
02/ DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
05 DEBTOR/
03/ TRANSFEREE BUSINESS NAME
06 ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08 ROYNAT INC.
09 ADDRESS 5500 NORTH SERVICE RD. SUITE 650 BURLINGTON ON L7L 6W6

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10										

YEAR MAKE MODEL V.I.N.

11 MOTOR
12 VEHICLE
13 GENERAL
14 COLLATERAL
15 DESCRIPTION
16 REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT CANADIAN SECURITIES REGISTRATION SYSTEMS
17 ADDRESS 4126 NORLAND AVENUE BURNABY BC V5G 3S8

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

CONTINUED... 9

CERTIFIED BY/CERTIFIÉES PAR
Barbara Plackett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj2lu 06/2019)

Ontario

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TAMTAN INC.
FILE CURRENCY : 24SEP 2019

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
698752791	20140808 1314 1590 7986	20170720 1933 1531 2759		
698752845	20140808 1314 1590 7987	20170720 1933 1531 2761		
660382884	20100408 0835 1862 9824	20170720 1933 1531 2764		

6 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackett
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES
(crfj5 06/2019)

Ontario

This is **Exhibit "J"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO # 72209P

ROYNAT INC.

GUARANTEE AND INDEMNITY

TO: ROYNAT INC. ("Roynat")

DATE: August 14, 2014

RECITALS:

A. Pursuant to an offer of finance dated as of June 24, 2014 (as amended, restated, modified or replaced from time to time, the "**Offer of Finance**") issued by Roynat in favour of Tamtan Inc. (the "**Borrower**"), Roynat has agreed to make certain financing available to the Borrower.

B. The undersigned (the "**Guarantor**") is required to deliver this Guarantee and Indemnity (this "**Agreement**") under the terms of the Offer of Finance and will derive substantial direct and indirect benefits and advantages from the financing provided to the Borrower under the Offer of Finance.

FOR VALUE RECEIVED and intending to be legally bound by this Agreement, the Guarantor agrees as follows:

SECTION 1.
GUARANTEE

1.1 The Guarantor unconditionally guarantees and covenants with Roynat that the Borrower will duly and punctually pay to Roynat all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not at any time owing by the Borrower to Roynat wherever incurred and whether incurred by the Borrower alone or with another or others, including, without limitation, all the principal of, interest on and all other moneys owing under or in connection with the Offer of Finance as and when the same become due and payable according to the terms of the Offer of Finance (the "**Guaranteed Liabilities**").

1.2 The Guarantor hereby acknowledges communication of the terms of the Offer of Finance and consents to and approves of the same. The guarantee herein contained shall take effect and be binding upon the Guarantor notwithstanding any defect in or omission from any documentation or security delivered by the Borrower to Roynat or any default in or omission from the Offer of Finance or any non-registration or non-filing or defective registration or filing or by reason of any failure of the security delivered pursuant to the Offer of Finance or any other security.

1.3 The liability of the Guarantor under Section 1.1 hereof shall be joint and several with that of the Borrower and shall be absolute and unconditional. The Guarantor shall for all purposes of the guarantee be regarded as in the same position as a principal debtor, and hereby expressly waives demand,

presentment, protest and notice thereof and of default. The obligation of the Guarantor hereunder shall be deemed to arise in respect of each default.

SECTION 2.
INDEMNITY

2.1 The Guarantor also unconditionally agrees that, if the Borrower does not unconditionally and irrevocably pay any of the Guaranteed Liabilities when due and those Guaranteed Liabilities are not recoverable from the Guarantor for any reason under Section 1, the Guarantor shall indemnify Roynat immediately on demand against any cost, loss, damage, expense or liability suffered by Roynat as a result of the Borrower's failure to do so.

SECTION 3.
DEFAULT AND ENFORCEMENT

3.1 If the Borrower shall make default in payment of the principal of, interest on or any other moneys owing to Roynat on any of the Guaranteed Liabilities including, without limitation, any principal of, interest on or other monies owing under the Offer of Finance as and when the same become due and payable, then the Guarantor shall forthwith on demand by Roynat pay to Roynat the principal, interest and other moneys in default.

3.2 If the Guarantor shall fail forthwith on demand to make good any such default, Roynat may in its discretion proceed with the enforcement of its rights hereunder and may proceed to enforce such rights or from time to time any thereof prior to, contemporaneously with or after any action taken under any security or other documents delivered by the Borrower or others to Roynat, including the Offer of Finance. The Guarantor shall pay on demand all costs and expenses (including complete reimbursement for 100% of all legal fees and disbursements) incurred by Roynat in enforcing or attempting to enforce its rights hereunder and all proceedings taken in relation hereto; all such costs and expenses and other moneys payable hereunder shall bear interest at the greater of the loan rate or the interest rate provided for in any of the Offer of Finance, other security or loan documents.

3.3 All sums paid to or recovered by Roynat pursuant to the provisions hereof shall be applied by it in payment of its costs and expenses payable hereunder and the principal, interest and other moneys owing to Roynat including, without limitation, all amounts owing under or in connection with the Offer of Finance in such order as Roynat in its sole discretion may determine.

3.4 Roynat may waive any default of the Guarantor hereunder upon such terms and conditions as it may determine provided that no such waiver shall extend to or be taken in any manner whatsoever to affect any subsequent default or the rights resulting therefrom.

3.5 Any moneys paid by or recovered from the Guarantor hereunder shall be held to have been paid pro tanto in discharge of the liability of the Guarantor hereunder, but not in discharge of the liability of the Borrower, and in the event of any such payment by or recovery from the Guarantor, the Guarantor hereby assigns any rights with respect to or arising from such payment or recovery (including without limitation any right of subrogation) to Roynat unless or until Roynat has received in the aggregate payment in full of all moneys owing to Roynat including, without limitation, amounts owing under or in connection with the Offer of Finance. If the Guarantor receives money in payment of any such debts and liabilities, the Guarantor will hold them in trust for, and will immediately pay funds to, Roynat without reducing the Guarantor's liability under this Agreement.

SECTION 4.
ABSOLUTE LIABILITY

4.1 The liability of the Guarantor under this Agreement is absolute and unconditional. It will not be limited or reduced, nor will Roynat be responsible or owe any duty (as a fiduciary or otherwise) to the Guarantor, nor will Roynat's rights under this Agreement be prejudiced, by the existence or occurrence (with or without the Guarantor's knowledge or consent) of any one or more of the following events:

(a) any termination, invalidity, unenforceability or release by Roynat or any of its rights against the Borrower or against any other person or of any security;

(b) any increase, reduction, renewal, substitution or other change in, or discontinuance of, the terms relating to the Guaranteed Liabilities or to any credit extended by Roynat to the Borrower; any agreement to any proposal or scheme of arrangement concerning, or granting any extensions of time or any other indulgences or concessions to, the Borrower or any other person; any taking or giving up of any security; abstaining from taking, perfecting, filing or registering any security; allowing any security to lapse (whether by failing to make or maintain any registration, filing or otherwise); or any neglect or omission by Roynat in respect of, or in the course of, doing any of these things;

(c) accepting compositions from compromises, arrangements or plans of reorganizations or granting releases or discharges to the Borrower or any other person, or any other dealing with the Borrower or any other person or with any security that Roynat considers appropriate;

(d) any unenforceability or loss of or in respect of the Offer of Finance or any security held from time to time by Roynat from the undersigned, the Borrower or any other person, whether the loss is due to the means or timing of any registration, disposition or realization of any collateral that is the subject of that security or otherwise due to Roynat's fault or any other reason;

(e) any change in the Borrower's name; or any reorganization (whether by way of amalgamation, merger, transfer, sale lease or otherwise) of the Borrower or the Borrower's business;

(f) any change in the Borrower's financial condition or that of the Guarantor or any other guarantor (including insolvency and bankruptcy);

(g) any change of effective control of the Borrower;

(h) any event, whether or not attributable to Roynat, that may be considered to have caused or accelerated the bankruptcy or insolvency of the Borrower, the Guarantor or any other guarantor, or to have resulted in the initiation of any such proceedings;

(i) Roynat's filing of any claim for payment with any administrator, provisional liquidator, conservator, trustee, receiver, custodian or other similar officer appointed for the Borrower or for all or substantially all of the Borrower's assets;

(j) any failure by Roynat to abide by any of the terms and conditions of Roynat's agreements with, or to meet any of its obligations or duties owed to, the undersigned, the Borrower or any person, or any breach of any duty (whether as a fiduciary or otherwise) that exists or is alleged to exist between Roynat and the Guarantor, the Borrower or any person;

(k) any incapacity, disability, or lack or limitation of status or of the power of the Borrower or of the Borrower's directors, managers, officers, partners or agents; the discovery that the Borrower is not or may not be a legal entity; or any irregularity, defect or informality in the incurring of any of the Guaranteed Liabilities;

(l) any event whatsoever that might be a defence available to, or result in a reduction or discharge of, the Guarantor, the Borrower or any other person in respect of either the Borrower's Debts or the Guarantor's liability under this Agreement; or

(m) any amendment to any, some or all of the Offer of Finance or any other security or agreements entered into under or in connection therewith.

For greater certainty, the undersigned agrees that Roynat may deal with the Guarantor, the Borrower and any other person in any manner without affecting the Guarantor's liability under this Agreement.

Any claims by the Guarantor against Roynat and its agents in respect of any of the foregoing matters or otherwise are hereby waived.

4.2 After all moneys payable by the Borrower to Roynat including, without limitation, amounts owing under the Offer of Finance, have been paid in full, this Agreement

shall cease and become null and void and Roynat shall, at the request and at the expense of the Guarantor execute and deliver a release to the Guarantor.

SECTION 5.
MISCELLANEOUS

5.1 Any notices given hereunder shall be conclusively deemed effectively given if delivered personally to either of the parties hereto at the address for such party given above or if forwarded by registered mail to such party at such address. Any notice so mailed shall be conclusively deemed given on the third business day after the day of mailing, provided that in the event of a known disruption of postal service notice shall be given by personal delivery only. Either party hereto may effect a change of address by written notice given to the other party hereto in accordance with this section.

5.2 This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario.

5.3 This Agreement shall enure to the benefit of Roynat and its successors and assigns and be binding upon the successors and any permitted assigns of the Guarantor

IN WITNESS WHEREOF the Guarantor has executed this Agreement as of the date first written above.

1308963 ONTARIO LTD.

By: _____

This is **Exhibit "K"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO # 72209P

ROYNAT INC.

GENERAL SECURITY AGREEMENT

TO: ROYNAT INC. ("Roynat")

DATE: August 14, 2014

FOR VALUE RECEIVED and intending to be legally bound by this general security agreement (this "**Security Agreement**"), the undersigned (the "**Debtor**") agrees as follows:

1. **Security.** As security for the payment and performance of all present and future indebtedness, liabilities and obligations of the Debtor to Roynat, whether direct or indirect, absolute or contingent, liquidated or unliquidated, as principal or as surety, alone or with others, of whatsoever nature or kind, in any currency or otherwise, under or in respect of agreements or dealings between the Debtor and Roynat or agreements or dealings between the Debtor and others by which Roynat may be or become in any manner whatsoever a creditor of the Debtor (all such indebtedness, liabilities, obligations, expenditures, costs and expenses are hereinafter collectively referred to as the "**Obligations**") including, without limitation, obligations under (i) any and all letter agreements and offers to finance/or offers to lease, (as amended from time to time, "**Offers of Finance**") entered into by the Debtor and Roynat from time to time, (ii) any promissory notes, guarantees or indemnities executed by the Debtor in favour of Roynat, and (iii) this Security Agreement and any other security delivered to Roynat by the Debtor from time to time (collectively, the "**Financing Documents**"), the Debtor hereby assigns, charges, pledges, mortgages and grants to Roynat a security interest in all of the undertaking, property and assets of the Debtor, both real and personal, immoveable and moveable, tangible and intangible, legal and equitable, of whatsoever nature and kind and wheresoever situate, now owned or hereafter acquired by or on behalf of the Debtor or in respect of which the Debtor now or hereafter has any right, title or interest (all of which is hereinafter called the "**Collateral**"), including without limitation:

   (a) **Intangibles** - all intangible property including without limitation book debts and accounts, all contractual rights and insurance claims, licences, computer software, warranties, ownership certificates, patents, trademarks, trade names, goodwill, copyrights and other industrial property of the Debtor;

   (b) **Books & Records** - all of the Debtor's, manuals, publications, letters, deeds, documents, writings, papers, invoices, books of account and other books relating to or being records of debts, chattel paper or documents of title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;

(c) **Equipment** - all of the Debtor's tools, machinery, equipment, apparatus, furniture, plants, fixtures, vehicles and other tangible personal property, other than Inventory (as defined below), (collectively, the "**Equipment**") including, without limitation, the Equipment described in Schedule "A" hereto, if any;

(d) **Inventory** - all of the Debtor's tangible personal property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in a business or profession or that are finished goods (collectively, the "**Inventory**");

(e) **Real Property** - all of the Debtor's real and immovable property, both freehold and leasehold, now or hereafter owned, acquired or occupied by the Debtor, together with all buildings, erections, improvements and fixtures situate upon or used in connection therewith, including any lease, verbal or written or any agreement therefor, (collectively, the "**Real Property**");

(f) **Other Property** - the Debtor's undertaking and all of the Debtor's other property and assets including, without limitation, uncalled capital, judgments, rights, franchises, chattel paper, documents of title, goods, instruments, and money (as those terms are defined in the Personal Property Security Act governing this Security Agreement); and

(g) **Investment Property** - all of the Debtor's investment property, including shares stock, warrants, bonds, debenture stock and other securities (in each case whether evidenced by a security certificate or an uncertificated security) and financial assets, security entitlements, securities accounts, futures contracts and futures accounts; and

(h) **Proceeds** - all of the Debtor's property in any form derived directly or indirectly from any use or dealing with the Collateral or that indemnifies or compensates for loss of or damage to the Collateral (collectively, the "**Proceeds**");

but excluding, (A) any consumer goods, and (B) the last day of the term of any lease, verbal or written, or any agreement therefor now held or hereafter held by the Debtor, but should such charge become enforceable, the Debtor shall thereafter stand possessed of the last day of such leasehold interest in trust for Roynat and shall assign and dispose thereof as Roynat may direct.

2. **Attachment.** The security interest given hereunder will attach immediately upon the execution of this Security Agreement. The security interest granted hereby has not been postponed and will attach to any particular Collateral as soon as the Debtor has rights in such Collateral.

3. **General Covenants.** The Debtor hereby declares, covenants and agrees that it:

(a) **To Pay Rents and Taxes** - shall pay all rents, taxes and assessments lawfully imposed upon the Real Property where the Collateral is located or any part thereof when the same become due and payable, and shall provide to Roynat on request receipts for such payment;

(b) **Conduct of Business** - shall carry on and conduct its business in a proper and efficient manner, shall not materially alter the kind of business carried on by it, shall observe and perform all of its obligations under leases, licences and other agreements to which it is a party so as to preserve and protect the Collateral and its value, and shall comply with all laws, regulations and judgments applicable to the Debtor and all of its property, assets and undertaking;

(c) **Not to Sell** - shall not, except for Inventory sold in the ordinary course of business and except as otherwise expressly permitted in any Financing Document, remove, destroy, lease, sell or otherwise dispose or part with possession of any of the Collateral;

(d) **No Other Liens** - shall not create, assume or suffer to exist any charge, lien, federal or provincial government priority claim arising pursuant to statute including any deemed trust, security interest or encumbrance upon any Collateral except as permitted in any applicable Financing Document. No provision hereof shall be construed as a subordination or postponement of the security interest created hereunder to or in favour of any other charge, lien, security interest or encumbrance, whether or not it is permitted;

(e) **To Hold Proceeds of Unauthorized Sale in Trust** - in the event the Collateral or any part thereof is sold or disposed of prior to the full discharge of this Security Agreement by Roynat, in any manner not authorized by this Security Agreement, shall hold all proceeds of such sale or disposition received by the Debtor as trustee for Roynat until the Debtor has been fully released from this Security Agreement by Roynat;

(f) **To Insure** - shall keep insured the Collateral to its full insurable value or in such amounts as Roynat may reasonably require against all risks, with insurers approved by Roynat and will pay all premiums necessary for such purposes as the same shall become due;

(g) **Inspection by Roynat** - shall allow any employees or third parties retained by Roynat at any reasonable time to enter the premises of the Debtor or others to inspect the Collateral and to inspect the books and records of the Debtor relating to the Collateral and make extracts therefrom, and shall permit Roynat prompt access to such other persons, as Roynat may deem necessary or desirable for the purposes of inspecting or verifying any matters relating to any part of the Collateral or the books and records of the Debtor relating to the Collateral, provided

that any information so obtained shall be kept confidential, save as required by Roynat in exercising its rights hereunder or pursuant to any applicable law or court order. The Debtor shall pay all costs and expenses of third parties (including complete reimbursement for 100% of all legal fees and disbursements) retained by Roynat for purposes of inspection under this Section 3(g);

(h) **Use and Maintenance** - shall cause the Collateral to be operated in accordance with any applicable manufacturer's manuals or instructions, by competent and duly qualified personnel. Any and all additions and accessions to and parts and replacements for the Collateral shall immediately become subject to the security interest created hereby. The Debtor shall not change the intended use of the Collateral without obtaining the prior written consent of Roynat which will not be unreasonably withheld or delayed;

(i) **Possession and Control** - shall, on request by Roynat, deliver to Roynat possession of all chattel paper, instruments and negotiable documents of title. The Obligor shall also take whatever steps Roynat requires to enable Roynat to obtain control of any investment property forming part of the Collateral, including (a) arranging for any securities intermediary, futures intermediary or issuer of uncertificated securities to enter into an agreement satisfactory to Roynat to enable Roynat to obtain control, (b) delivering any certificated security to Roynat with any necessary endorsement and (c) having any security registered in the name of Roynat or its nominee;

(j) **Location of Collateral** - shall keep the Collateral in the locations set forth in Schedule "A" hereto, except for goods in transit to such locations, or Inventory on lease or consignment, or with the prior written consent of Roynat and provided that the Debtor shall effect such further registrations and obtain such other consents and grant such other security, at the sole cost and expense of the Debtor, as may be required or desirable to protect or preserve the security hereby created and to maintain the priority intended to be granted to Roynat hereunder as against all others including landlords; and

(k) **No Affixation** - shall not permit the Collateral to be attached to or affixed to real or other personal property without the prior written consent of Roynat which will not be unreasonably withheld or delayed. The Debtor shall obtain and deliver to Roynat such waivers as Roynat may reasonably request from any owner, landlord or mortgagee of premises on which the Collateral is located or to which the Collateral may become affixed or attached. The Debtor shall promptly do, execute and deliver all such further acts, documents, agreements or assurances as Roynat may reasonably require for giving effect to the intent of this Security Agreement and shall register such notice or documents against the title to such

premises as Roynat may reasonably request to protect its interests hereunder and shall maintain plates or marks showing the name of Roynat upon the Collateral as requested.

4. **Waiver of Covenants.** Roynat may waive in writing any breach by the Debtor of any of the provisions contained in this Security Agreement or any default by the Debtor in the observance or performance of any covenant or condition required to be observed or performed by the Debtor hereunder, provided that no such waiver or any other act, failure to act or omission by Roynat shall extend to or be taken in any manner to affect any subsequent breach or default or the rights of Roynat resulting therefrom.

5. **Performance of Covenants by Roynat.** If the Debtor shall fail to perform any covenant on its part herein contained, Roynat may in its absolute discretion perform any such covenant capable of being performed by it, but Roynat shall be under no obligation to do so. If any such covenant requires the payment of money or if the Collateral or any part thereof shall become subject to any charge, lien, security interest or encumbrance ranking in priority to the security interest created hereby, Roynat may in its absolute discretion make such payment and/or pay or discharge such charge, lien, security interest or encumbrance, but Roynat shall be under no obligation to do so. All sums so paid by Roynat, together with interest at the highest rate chargeable by Roynat from time to time on the Obligations, shall be payable by the Debtor on demand and shall constitute a charge upon the Collateral. No such performance or payment shall relieve the Debtor from any default hereunder or any consequences of such default.

6. **Events of Default.** Each of the following events shall constitute an "Event of Default":

   (a) a "default", an "event of default" or similar circumstance identified in any Financing Document; or

   (b) the failure of the Debtor to pay any of the Obligations when due; or

   (c) any demand for payment validly made by Roynat pursuant to any Financing Document that is not met in accordance with the terms of the demand.

7. **Enforcement.** Upon the happening of any Event of Default, the security granted herein shall become immediately enforceable and Roynat may at its option declare this Security Agreement to be in default and may exercise any rights, powers or remedies available to Roynat at law or in equity or under the Personal Property Security Act or other applicable legislation and, in addition, may exercise one or more of the following rights, powers or remedies, which rights, powers and remedies are cumulative:

   (a) to, without exercising any of its other rights or remedies hereunder, give notice of the security interest in, and the assignment to, Roynat of any

debt or liability forming part of the Collateral and may direct such person to make all payments on account of any such debt or liability to Roynat;

(b) to declare the full amount of the Obligations to be immediately due and payable;

(c) to terminate the Debtor's right to possession of the Collateral, cause the Debtor to immediately assemble and deliver the Collateral at such place or places as may be specified by Roynat, and enter upon the premises where the Collateral is located and take immediate possession thereof, whether it is affixed to the realty or not, and remove the Collateral without liability to Roynat for or by reason of such entry or taking of possession, whether for damage to property caused by taking such or otherwise;

(d) to enter upon and hold, possess, use, repair, preserve and maintain all or any part of the Collateral and make such replacements thereof and additions thereto as Roynat shall deem advisable;

(e) to sell, for cash or credit or part cash and part credit, lease or dispose of or otherwise realize upon the whole or any part of the Collateral whether by public or private sale as Roynat in its absolute discretion may determine without notice to the Debtor or advertisement and after deducting from the proceeds of sale (including complete reimbursement for 100% of all legal fees and disbursements) incurred in the repossession, sale, lease or other disposition of the Collateral apply the proceeds thereof to the Obligations in the manner and order to be determined by Roynat, provided however that Roynat shall only be liable to account to the Debtor, any subsequent encumbrancers and others for money actually received by Roynat and provided that the Debtor shall pay any deficiency forthwith;

(f) to appoint by instrument in writing any person or persons to be a receiver or receiver and manager of all or any portion of the Collateral, to fix the receiver's remuneration and to remove any receiver so appointed and appoint another or others in its stead;

(g) to apply to any court of competent jurisdiction for the appointment of a receiver or receiver and manager for all or any portion of the Collateral;

(h) to have any instruments or investment property registered in its name or in the name of its nominee and shall be entitled but not required to exercise voting and other rights that the holder of that Collateral may at any time have; but Roynat shall not be responsible for any loss occasioned by the exercise of those rights or by failure to exercise them. Roynat may also enforce its rights under any agreement with any securities intermediary, futures intermediary or issuer of uncertificated securities; and

(i) to retain the Collateral in satisfaction of the Obligations.

8. **Powers of Receiver.**

(a) Any receiver (which term includes a receiver and manager) shall have all of the powers of Roynat set forth in this Security Agreement and, in addition, shall have the following powers:

(i) to lease all or any portion of the Collateral and for this purpose execute contracts in the name of the Debtor, which contracts shall be binding upon the Debtor and the Debtor hereby irrevocably constitutes such receiver as its attorney for such purposes;

(ii) to take possession of the Collateral, collect all rents, issues, incomes and profits derived therefrom and realize upon any additional or collateral security granted by the Debtor to Roynat and for that purpose may take any proceedings in the name of the Debtor or otherwise; and

to carry on or concur in carrying on the business which the Debtor is conducting and for that purpose the receiver may borrow money on the security of the Collateral in priority to this Security Agreement;

(b) Any receiver appointed pursuant to the provisions hereof shall be deemed to be the agent of the Debtor for the purposes of:

(i) carrying on and managing the business and affairs of the Debtor, and

(ii) establishing liability for all of the acts or omissions of the receiver while acting in any capacity hereunder and Roynat shall not be liable for such acts or omissions,

provided that, without restricting the generality of the foregoing, the Debtor irrevocably authorizes Roynat to give instructions to the receiver relating to the performance of its duties as set out herein.

9. **Application of Moneys.** All moneys actually received by Roynat or by the receiver pursuant to Sections 7 and 8 of this Security Agreement shall be applied:

(a) first, in payment of those claims, if any, of secured creditors of the Debtor (including any claims of the receiver pursuant to Section 8(a)), ranking in priority to the charges created by this Security Agreement as directed by Roynat or the receiver;

(b) second, in payment of all costs, charges and expenses of and incidental to the appointment of the receiver (including complete reimbursement for 100% of all legal fees and disbursements) and the exercise by the receiver or Roynat of all or any of the powers granted to them under this

Security Agreement, including the reasonable remuneration of the Receiver or any agent or employee of the receiver or any agent of Roynat and all outgoings properly paid by the receiver or Roynat in exercising their powers as aforesaid;

(c) third, in or towards the payment to Roynat of all other obligations due to it by the Debtor in such order as Roynat in its sole discretion may determine;

(d) fourth, in or towards the payment of the obligation of the Debtor to persons if any, with security interests against Collateral ranking subsequent to those in favour of Roynat; and

(e) fifth, subject to applicable law any surplus shall be paid to the Debtor.

10. **Possession of Collateral.** The Debtor acknowledges that Roynat or any receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and the Debtor agrees upon request from Roynat or any such Receiver to assemble and deliver possession of the Collateral at such place or places as directed.

11. **Realization Costs**. The Debtor shall pay all costs and expenses (including complete reimbursement for 100% of all legal fees and disbursements) of Roynat incidental to or which in any way relates to this Security Agreement or its enforcement, including, (i) taking, recovering or possessing the Collateral; (ii) taking any actions or other proceedings to enforce the remedies provided herein or otherwise in relation to this Security Agreement or the Collateral, or by reason of a default under any Financing Document or the non-payment of the moneys thereby secured; (iii) taking or responding to proceedings, giving notices and giving responses required under any applicable law concerning or relating to any Financing Document, including compliance with the provisions of applicable bankruptcy, insolvency, personal property security and mortgage enforcement legislation; and (iv) obtaining the advice of counsel and other advisors in relation to the foregoing, all such costs and expenses and other monies payable hereunder, together with interest at the highest rate chargeable by Roynat from time to time on the Obligations, shall form part of the Obligations, shall be payable by the Debtor on demand and shall be secured hereby.

12. **Deficiency.** The Debtor shall remain liable to Roynat for any deficiency after the proceeds of any sale, lease or disposition of Collateral are received by Roynat and applied in accordance with the provisions of Section 9(c) hereof.

13. **Appointment of Monitor.** If in the opinion of Roynat, acting reasonably, a material adverse change has occurred in the financial condition of the Debtor, or if Roynat in good faith believes that the ability of the Debtor to pay any of its obligations to Roynat or to perform any other covenant contained herein has become impaired or if an Event of Default has occurred, Roynat may by written

notice to the Debtor, appoint a monitor (the "**Monitor**") to investigate any or a particular aspect of the Collateral, the Debtor or its business and affairs for the purpose of reporting to Roynat. The Debtor shall give the Monitor its full co-operation, including full access to facilities, assets and records of the Debtor and to its creditors, customers, contractors, officers, directors, employees, auditors, legal counsel and agents. The Monitor shall have no responsibility for the affairs of the Debtor nor shall it participate in the management of the Debtor's affairs and shall incur no liability in respect thereof or otherwise in connection with the Debtor, its business and affairs or the Collateral. The Monitor shall act solely on behalf of Roynat and shall have no contractual relationship with the Debtor as a consultant or otherwise. The appointment of a Monitor shall not be regarded as an act of enforcement of this Security Agreement. All reasonable fees and expenses of the Monitor (including complete reimbursement for 100% of all legal fees and disbursements) shall be paid by the Debtor upon submission to it of a written invoice therefor. Roynat may at its option upon the occurrence of an event of default appoint or seek to have appointed the Monitor as receiver, receiver and manager, liquidator, or trustee in bankruptcy of the Debtor or the Collateral or any part thereof.

14. **Application of Insurance Proceeds.** Any insurance moneys received by Roynat may at the option of Roynat be applied to rebuilding or repairing the Collateral, or be paid to the Debtor, or any such moneys may be applied in the sole discretion of Roynat, in whole or in part, to the repayment of the Obligations or any part thereof whether then due or not, with any partial payments to be credited against principal instalments payable thereunder in inverse order of their maturity dates.

15. **No Merger or Novation.** The taking of any judgment or the exercise of any power of seizure or sale shall not operate to extinguish the liability of the Debtor to perform its obligations hereunder or to pay the Obligations hereby secured, shall not operate as a merger of any covenant herein contained or affect the right of Roynat to interest in effect from time to time hereunder and the acceptance of any payment or other security shall not constitute or create any novation. The execution and delivery of this Security Agreement or of any instruments or documents supplemental hereto shall not operate as a merger of any representation, warranty, term, condition or other provision contained in any other obligation or indebtedness of the Debtor to Roynat or under any Offer of Finance.

16. **Security in Addition.** The security hereby constituted is in addition to any other security now or hereafter held by Roynat. The taking of any action or proceedings or refraining from so doing, or any other dealings with any other security for the moneys secured hereby, shall not release or affect the security created hereby.

17 **Partial Discharges.** Roynat may in its sole discretion grant partial discharges or releases of security in respect of any of the Collateral on such terms and

conditions as it shall deem fit and no such partial discharges or releases shall affect the remainder of the security created hereby nor shall it alter the obligations of the Debtor under the Obligations or hereunder.

18. **Assignment.** This Security Agreement may be assigned by Roynat to any other person and, if so assigned, the assignee shall have and be entitled to exercise any and all discretions, rights and powers of Roynat hereunder, and all references herein to Roynat shall include such assignee. The Debtor may not assign this Security Agreement or any of its rights or obligations hereunder. This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Security Agreement and the security interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against Roynat.

19. **Limited Power of Attorney.** The Debtor hereby appoints Roynat as the Debtor's attorney, with full power of substitution, in the name and on behalf of the Debtor, to execute, deliver and do all such acts, deeds, leases, documents, transfers, demands, conveyances, assignments, contracts, assurances, consents, financing statements and things as the Debtor has agreed to execute, deliver and do hereunder, under any Offer of Finance or otherwise, or as may be required by Roynat or any receiver to give effect to this Security Agreement or in the exercise of any rights, powers or remedies hereby conferred on Roynat or any receiver, and generally to use the name of the Debtor in the exercise of all or any of the rights, powers or remedies hereby conferred on Roynat or any receiver. This appointment, being coupled with an interest, shall not be revoked by the insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of the Debtor or for any other reason.

20. **Amalgamation.** The Debtor acknowledges that if it amalgamates with any other corporation or corporations (a) the Collateral and the lien created hereby shall extend to and include all the property and assets of each of the amalgamating corporations and the amalgamated corporation and to any property or assets of the amalgamated corporation thereafter owned or acquired, (b) the term "Debtor", where used herein shall extend to and include each of the amalgamating corporations and the amalgamated corporation, and (c) the term, "Obligations", where used herein shall extend to and include the Obligations of each of the amalgamating corporations and the amalgamated corporation. Nothing in this Section 20 shall be interpreted as permitting the Debtor to amalgamate in violation of any covenant of the Debtor contained herein or in any other agreement binding the Debtor.

21. **Severability.** Each of the provisions contained in this Security Agreement is distinct and severable and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not

debt or liability forming part of the Collateral and may direct such person to make all payments on account of any such debt or liability to Roynat;

(b) to declare the full amount of the Obligations to be immediately due and payable;

(c) to terminate the Debtor's right to possession of the Collateral, cause the Debtor to immediately assemble and deliver the Collateral at such place or places as may be specified by Roynat, and enter upon the premises where the Collateral is located and take immediate possession thereof, whether it is affixed to the realty or not, and remove the Collateral without liability to Roynat for or by reason of such entry or taking of possession, whether for damage to property caused by taking such or otherwise;

(d) to enter upon and hold, possess, use, repair, preserve and maintain all or any part of the Collateral and make such replacements thereof and additions thereto as Roynat shall deem advisable;

(e) to sell, for cash or credit or part cash and part credit, lease or dispose of or otherwise realize upon the whole or any part of the Collateral whether by public or private sale as Roynat in its absolute discretion may determine without notice to the Debtor or advertisement and after deducting from the proceeds of sale (including complete reimbursement for 100% of all legal fees and disbursements) incurred in the repossession, sale, lease or other disposition of the Collateral apply the proceeds thereof to the Obligations in the manner and order to be determined by Roynat, provided however that Roynat shall only be liable to account to the Debtor, any subsequent encumbrancers and others for money actually received by Roynat and provided that the Debtor shall pay any deficiency forthwith;

(f) to appoint by instrument in writing any person or persons to be a receiver or receiver and manager of all or any portion of the Collateral, to fix the receiver's remuneration and to remove any receiver so appointed and appoint another or others in its stead;

(g) to apply to any court of competent jurisdiction for the appointment of a receiver or receiver and manager for all or any portion of the Collateral;

(h) to have any instruments or investment property registered in its name or in the name of its nominee and shall be entitled but not required to exercise voting and other rights that the holder of that Collateral may at any time have; but Roynat shall not be responsible for any loss occasioned by the exercise of those rights or by failure to exercise them. Roynat may also enforce its rights under any agreement with any securities intermediary, futures intermediary or issuer of uncertificated securities; and

(i) to retain the Collateral in satisfaction of the Obligations.

8. **Powers of Receiver.**

(a) Any receiver (which term includes a receiver and manager) shall have all of the powers of Roynat set forth in this Security Agreement and, in addition, shall have the following powers:

(i) to lease all or any portion of the Collateral and for this purpose execute contracts in the name of the Debtor, which contracts shall be binding upon the Debtor and the Debtor hereby irrevocably constitutes such receiver as its attorney for such purposes;

(ii) to take possession of the Collateral, collect all rents, issues, incomes and profits derived therefrom and realize upon any additional or collateral security granted by the Debtor to Roynat and for that purpose may take any proceedings in the name of the Debtor or otherwise; and

to carry on or concur in carrying on the business which the Debtor is conducting and for that purpose the receiver may borrow money on the security of the Collateral in priority to this Security Agreement;

(b) Any receiver appointed pursuant to the provisions hereof shall be deemed to be the agent of the Debtor for the purposes of:

(i) carrying on and managing the business and affairs of the Debtor, and

(ii) establishing liability for all of the acts or omissions of the receiver while acting in any capacity hereunder and Roynat shall not be liable for such acts or omissions,

provided that, without restricting the generality of the foregoing, the Debtor irrevocably authorizes Roynat to give instructions to the receiver relating to the performance of its duties as set out herein.

9. **Application of Moneys.** All moneys actually received by Roynat or by the receiver pursuant to Sections 7 and 8 of this Security Agreement shall be applied:

(a) first, in payment of those claims, if any, of secured creditors of the Debtor (including any claims of the receiver pursuant to Section 8(a)), ranking in priority to the charges created by this Security Agreement as directed by Roynat or the receiver;

(b) second, in payment of all costs, charges and expenses of and incidental to the appointment of the receiver (including complete reimbursement for 100% of all legal fees and disbursements) and the exercise by the receiver or Roynat of all or any of the powers granted to them under this

Security Agreement, including the reasonable remuneration of the Receiver or any agent or employee of the receiver or any agent of Roynat and all outgoings properly paid by the receiver or Roynat in exercising their powers as aforesaid;

(c) third, in or towards the payment to Roynat of all other obligations due to it by the Debtor in such order as Roynat in its sole discretion may determine;

(d) fourth, in or towards the payment of the obligation of the Debtor to persons if any, with security interests against Collateral ranking subsequent to those in favour of Roynat; and

(e) fifth, subject to applicable law any surplus shall be paid to the Debtor.

10. **Possession of Collateral.** The Debtor acknowledges that Roynat or any receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and the Debtor agrees upon request from Roynat or any such Receiver to assemble and deliver possession of the Collateral at such place or places as directed.

11. **Realization Costs.** The Debtor shall pay all costs and expenses (including complete reimbursement for 100% of all legal fees and disbursements) of Roynat incidental to or which in any way relates to this Security Agreement or its enforcement, including, (i) taking, recovering or possessing the Collateral; (ii) taking any actions or other proceedings to enforce the remedies provided herein or otherwise in relation to this Security Agreement or the Collateral, or by reason of a default under any Financing Document or the non-payment of the moneys thereby secured; (iii) taking or responding to proceedings, giving notices and giving responses required under any applicable law concerning or relating to any Financing Document, including compliance with the provisions of applicable bankruptcy, insolvency, personal property security and mortgage enforcement legislation; and (iv) obtaining the advice of counsel and other advisors in relation to the foregoing, all such costs and expenses and other monies payable hereunder, together with interest at the highest rate chargeable by Roynat from time to time on the Obligations, shall form part of the Obligations, shall be payable by the Debtor on demand and shall be secured hereby.

12. **Deficiency.** The Debtor shall remain liable to Roynat for any deficiency after the proceeds of any sale, lease or disposition of Collateral are received by Roynat and applied in accordance with the provisions of Section 9(c) hereof.

13. **Appointment of Monitor.** If in the opinion of Roynat, acting reasonably, a material adverse change has occurred in the financial condition of the Debtor, or if Roynat in good faith believes that the ability of the Debtor to pay any of its obligations to Roynat or to perform any other covenant contained herein has become impaired or if an Event of Default has occurred, Roynat may by written

notice to the Debtor, appoint a monitor (the "**Monitor**") to investigate any or a particular aspect of the Collateral, the Debtor or its business and affairs for the purpose of reporting to Roynat. The Debtor shall give the Monitor its full co-operation, including full access to facilities, assets and records of the Debtor and to its creditors, customers, contractors, officers, directors, employees, auditors, legal counsel and agents. The Monitor shall have no responsibility for the affairs of the Debtor nor shall it participate in the management of the Debtor's affairs and shall incur no liability in respect thereof or otherwise in connection with the Debtor, its business and affairs or the Collateral. The Monitor shall act solely on behalf of Roynat and shall have no contractual relationship with the Debtor as a consultant or otherwise. The appointment of a Monitor shall not be regarded as an act of enforcement of this Security Agreement. All reasonable fees and expenses of the Monitor (including complete reimbursement for 100% of all legal fees and disbursements) shall be paid by the Debtor upon submission to it of a written invoice therefor. Roynat may at its option upon the occurrence of an event of default appoint or seek to have appointed the Monitor as receiver, receiver and manager, liquidator, or trustee in bankruptcy of the Debtor or the Collateral or any part thereof.

14. **Application of Insurance Proceeds.** Any insurance moneys received by Roynat may at the option of Roynat be applied to rebuilding or repairing the Collateral, or be paid to the Debtor, or any such moneys may be applied in the sole discretion of Roynat, in whole or in part, to the repayment of the Obligations or any part thereof whether then due or not, with any partial payments to be credited against principal instalments payable thereunder in inverse order of their maturity dates.

15. **No Merger or Novation.** The taking of any judgment or the exercise of any power of seizure or sale shall not operate to extinguish the liability of the Debtor to perform its obligations hereunder or to pay the Obligations hereby secured, shall not operate as a merger of any covenant herein contained or affect the right of Roynat to interest in effect from time to time hereunder and the acceptance of any payment or other security shall not constitute or create any novation. The execution and delivery of this Security Agreement or of any instruments or documents supplemental hereto shall not operate as a merger of any representation, warranty, term, condition or other provision contained in any other obligation or indebtedness of the Debtor to Roynat or under any Offer of Finance.

16. **Security in Addition.** The security hereby constituted is in addition to any other security now or hereafter held by Roynat. The taking of any action or proceedings or refraining from so doing, or any other dealings with any other security for the moneys secured hereby, shall not release or affect the security created hereby.

17. **Partial Discharges.** Roynat may in its sole discretion grant partial discharges or releases of security in respect of any of the Collateral on such terms and

conditions as it shall deem fit and no such partial discharges or releases shall affect the remainder of the security created hereby nor shall it alter the obligations of the Debtor under the Obligations or hereunder.

18. **Assignment.** This Security Agreement may be assigned by Roynat to any other person and, if so assigned, the assignee shall have and be entitled to exercise any and all discretions, rights and powers of Roynat hereunder, and all references herein to Roynat shall include such assignee. The Debtor may not assign this Security Agreement or any of its rights or obligations hereunder. This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Security Agreement and the security interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against Roynat.

19. **Limited Power of Attorney.** The Debtor hereby appoints Roynat as the Debtor's attorney, with full power of substitution, in the name and on behalf of the Debtor, to execute, deliver and do all such acts, deeds, leases, documents, transfers, demands, conveyances, assignments, contracts, assurances, consents, financing statements and things as the Debtor has agreed to execute, deliver and do hereunder, under any Offer of Finance or otherwise, or as may be required by Roynat or any receiver to give effect to this Security Agreement or in the exercise of any rights, powers or remedies hereby conferred on Roynat or any receiver, and generally to use the name of the Debtor in the exercise of all or any of the rights, powers or remedies hereby conferred on Roynat or any receiver. This appointment, being coupled with an interest, shall not be revoked by the insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of the Debtor or for any other reason.

20. **Amalgamation.** The Debtor acknowledges that if it amalgamates with any other corporation or corporations (a) the Collateral and the lien created hereby shall extend to and include all the property and assets of each of the amalgamating corporations and the amalgamated corporation and to any property or assets of the amalgamated corporation thereafter owned or acquired, (b) the term "Debtor", where used herein shall extend to and include each of the amalgamating corporations and the amalgamated corporation, and (c) the term, "Obligations", where used herein shall extend to and include the Obligations of each of the amalgamating corporations and the amalgamated corporation. Nothing in this Section 20 shall be interpreted as permitting the Debtor to amalgamate in violation of any covenant of the Debtor contained herein or in any other agreement binding the Debtor.

21. **Severability.** Each of the provisions contained in this Security Agreement is distinct and severable and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not

affect the validity or enforceability of any other provision of this Security Agreement.

22. **Notices.** Any notice required or desired to be given hereunder or under any Offer of Finance or under any instrument supplemental hereto shall be in writing and may be given by personal delivery, by facsimile or other means of electronic communication or by sending the same by registered mail, postage prepaid, to Roynat or to the Debtor at their respective addresses set out above and, in the case of electronic communication, to the facsimile numbers set out above. Any notice so delivered shall be conclusively deemed given when personally delivered and any notice sent by facsimile or other means of electronic transmission shall be deemed to have been delivered on the Business Day following the sending of the notice, and any notice so mailed shall be conclusively deemed given on the third Business Day following the day of mailing, provided that in the event of a known disruption of postal service, notice shall not be given by mail. Any address for notice or payments herein referred to may be changed by notice in writing given pursuant hereto.

Notwithstanding the foregoing, if the Personal Property Security Act requires that notice be given in a special manner, then such notice or communication shall be given in such manner.

23. **General.**

(a) The Debtor authorizes Roynat to file such financing statements, notices of security interest, caveats and other documents and do such acts and things as Roynat may consider appropriate to perfect its security in the Collateral, to protect and preserve its interest in the Collateral and to realize upon the Collateral.

(b) Nothing in this Security Agreement will in any way obligate Roynat to advance any funds, or otherwise make or cause to make credit available to the Debtor, nor will Roynat have any liability for any failure or delay in its part to exercise any rights hereunder.

(c) If more than one Debtor executes this Security Agreement, the obligations of such Debtors hereunder shall be joint and several.

(d) The division of this Security Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Security Agreement.

(e) When the context so requires, the singular shall include the plural and vice versa and words importing gender include all genders; all rights, advantages, privileges, immunities, powers and things hereby secured to the Debtor shall be equally secured to and exercised by its successors and assigns.

(f) Time is of the essence in this Security Agreement.

(g) The Debtor, if a corporation, waives the rights, benefits and protection given by and agrees that The Limitation of Civil Rights Act and The Land Contracts (Actions) Act, both of Saskatchewan, shall not apply to this Security Agreement or to any agreement renewing or extending this Security Agreement or to the rights, powers or remedies of Roynat under this Security Agreement or under any agreement renewing or extending this Security Agreement.

24. **Receipt.** The Debtor acknowledges that it has received an executed copy of this Security Agreement and, to the extent permitted by law, waives all rights to receive from Roynat a copy of any financing statement or financing change statement filed, or any verification statement received, at any time in respect of this Security Agreement or any supplemental or collateral security granted to Roynat.

25. **Governing Law.** This Security Agreement or any amendment or renewal thereof will be governed by and construed in accordance with the laws of Ontario and the laws of Canada applicable therein and the Debtor hereby irrevocably attorns to the jurisdiction of the courts of such province.

The Debtor has duly executed this Security Agreement as of the date first written above.

1308963 ONTARIO LTD.

Per: _____

SCHEDULE "A"

LOCATION AND DESCRIPTION OF COLLATERAL

Location of Collateral: 1405 Morningside Avenue, Scarborough, Ontario

[Description of Collateral: **(include equipment by item or kind and, where applicable, the make, model and serial number and, in the case of motor vehicles, the Vehicle Identification numbers.)]**

ALL MACHINERY AND EQUIPMENT USED IN THE OPERATION OF THE BUSINESS LOCATED AT 1405 MORNINGSIDE AVENUE, SCARBOROUGH, ONTARIO

This is **Exhibit "L"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO # 72209P

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

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

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.

FILE CURRENCY : 24SEP 2019

ENQUIRY NUMBER 20190925103545.43 CONTAINS 15 PAGE(S), 4 FAMILY(IES).

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

BLAKE, CASSELS & GRAYDON LLP (ATTN:K. OVERKOTT)

199 BAY STREET, SUITE 4000
TORONTO ON M5L 1A9

CERTIFIED BY/CERTIFIÉES PAR
Sabrina Plaskett
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES
(crfj5 06/2019)

CONTINUED... 2

Ontario

RUN NUMBER : 268
RUN DATE : 2019/09/25
ID : 20190925103545.43

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(5383)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

	FILE NUMBER	CAUTION FILING	PAGE NO.	OF TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
00	710697861							
01			001	3		20151008 1005 1902 5125	P PPSA	05

		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME			
02	DEBTOR							
03	NAME	BUSINESS NAME	1308963 ONTARIO LTD.				ONTARIO CORPORATION NO.	
04		ADDRESS	1405 MORNINGSIDE AVE			SCARBOROUGH	ON	M1B 2J1
		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME			
05	DEBTOR							
06	NAME	BUSINESS NAME					ONTARIO CORPORATION NO.	
07		ADDRESS						
08	SECURED PARTY / LIEN CLAIMANT		ROYNAT INC.					
09		ADDRESS	SUITE 1500, 4710 KINGSWAY ST.			BURNABY	BC	V5H 4M2

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10			X		X					

		YEAR	MAKE	MODEL	V.I.N.
11	MOTOR				
12	VEHICLE				

13	GENERAL	CARTONER(S). MANUAL LOAD CARTONER MACHINE(S) TOGETHER WITH ALL
14	COLLATERAL	ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS
15	DESCRIPTION	ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM

16	REGISTERING AGENT		AVS SYSTEMS INC.			
17		ADDRESS	201 - 1325 POLSON DR.	VERNON	BC	V1T 8H2

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

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackett
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES
(crj1fu 06/2019)

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
00 710697861

	CAUTION FILING	PAGE NO.	OF TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		002	3		20151008 1005 1902 5125		

		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02	DEBTOR				
03	NAME	BUSINESS NAME			ONTARIO CORPORATION NO.
04		ADDRESS			

		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
05	DEBTOR				
06	NAME	BUSINESS NAME			ONTARIO CORPORATION NO.
07		ADDRESS			

08 SECURED PARTY / LIEN CLAIMANT
09 ADDRESS

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10										

		YEAR	MAKE	MODEL	V.I.N.
11	MOTOR				
12	VEHICLE				

13 GENERAL DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE
14 COLLATERAL COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER PAYMENT THAT
15 DESCRIPTION INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR

16 REGISTERING AGENT
17 ADDRESS

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

CONTINUED... 4

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crjlfu 06/2019)

Ontario

RUN NUMBER : 268
RUN DATE : 2019/09/25
ID : 20190925103545.43

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 4
(5385)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
00 710697861

	CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		003		3		20151008 1005 1902 5125		

		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02	DEBTOR				
03	NAME	BUSINESS NAME			ONTARIO CORPORATION NO.
04		ADDRESS			
		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
05	DEBTOR				
06	NAME	BUSINESS NAME			ONTARIO CORPORATION NO.
07		ADDRESS			
08	SECURED PARTY / LIEN CLAIMANT				
09		ADDRESS			

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10										

		YEAR	MAKE	MODEL	V.I.N.
11	MOTOR				
12	VEHICLE				

13 GENERAL PROCEEDS OF THE COLLATERAL
14 COLLATERAL
15 DESCRIPTION

16 REGISTERING AGENT
17 ADDRESS

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

CONTINUED... 5

CERTIFIED BY/CERTIFIÉES PAR
Sabrina Ackett
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES
(crj1fu 06/2019)

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

	FILE NUMBER							
00	698752863							
	CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD	
01		001	1		20140808 1315 1590 7988	P PPSA	10	
		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME			
02	DEBTOR							
03	NAME	BUSINESS NAME	1308963 ONTARIO LTD.			ONTARIO CORPORATION NO.		
04		ADDRESS	1405 MORNINGSIDE AVENUE		SCARBOROUGH		ON	M1B 3J1
		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME			
05	DEBTOR							
06	NAME	BUSINESS NAME				ONTARIO CORPORATION NO.		
07		ADDRESS						
08	SECURED PARTY / LIEN CLAIMANT		ROYNAT INC.					
09		ADDRESS	40 KING STREET WEST, 26TH FLOOR		TORONTO		ON	M5H 1H1

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10		X	X	X	X	X				

		YEAR	MAKE	MODEL	V.I.N.
11	MOTOR				
12	VEHICLE				
13	GENERAL				
14	COLLATERAL				
15	DESCRIPTION				

16	REGISTERING AGENT	KEYSER MASON BALL, MISSISSAUGA LAWYERS				
17	ADDRESS	1600 - FOUR ROBERT SPECK PARKWAY	MISSISSAUGA	ON	L4Z 1S1

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

CONTINUED... 6

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj1fu 06/2019)

Ontario

RUN NUMBER : 268
RUN DATE : 2019/09/25
ID : 20190925103545.43

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 6
(5387)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO.	OF TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		01	001		20170720 1933 1531 2760	

21 RECORD REFERENCED — FILE NUMBER 698752863

	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
22		X	A AMENDMENT		

23 REFERENCE

		FIRST GIVEN NAME	INITIAL	SURNAME
24 DEBTOR/ TRANSFEROR	BUSINESS NAME	1308963 ONTARIO LTD.		

25 OTHER CHANGE
26 REASON/ AMEND SECURED PARTY ADDRESS
27 DESCRIPTION FROM - 40 KING STREET WEST, 26TH FLOOR, TORONTO, ON M5H 1H1
28 TO - 5500 NORTH SERVICE ROAD, SUITE 650, BURLINGTON, ONTARIO L7L 6

	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02/05 DEBTOR/				
03/06 TRANSFEREE	BUSINESS NAME			

ONTARIO CORPORATION NO.

04/07 ADDRESS

29 ASSIGNOR SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08 ROYNAT INC.
09 ADDRESS 5500 NORTH SERVICE RD. SUITE 650 BURLINGTON ON L7L 6W6

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10										

	YEAR	MAKE	MODEL	V.I.N.
11 MOTOR				
12 VEHICLE				
13 GENERAL				
14 COLLATERAL				
15 DESCRIPTION				

16 REGISTERING AGENT OR CANADIAN SECURITIES REGISTRATION SYSTEMS
17 SECURED PARTY/ LIEN CLAIMANT ADDRESS 4126 NORLAND AVENUE BURNABY BC V5G 3S8

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

CONTINUED... 7

CERTIFIED BY/CERTIFIÉES PAR
Barbara Flackett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj2fu 06/2019)

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
00 665146611

	CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		001		002		20101014 0802 1862 3480	P PPSA	10

		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME			
02	DEBTOR							
03	NAME	BUSINESS NAME	1308963 ONTARIO LTD.				ONTARIO CORPORATION NO.	
04		ADDRESS	1405 MORNINGSIDE AVENUE			SCARBOROUGH	ON	M1B 3J1
		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME			
05	DEBTOR							
06	NAME	BUSINESS NAME	EZ FOODS				ONTARIO CORPORATION NO.	
07		ADDRESS	1405 MORNINGSIDE AVENUE			SCARBOROUGH	ON	M1B 3J1
08	SECURED PARTY / LIEN CLAIMANT		ROYNAT INC.					
09		ADDRESS	5160 YONGE STREET, P.O. BOX 35, STE. 100			TORONTO	ON	M2N 6L9

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10		X	X	X	X	X				

	YEAR	MAKE	MODEL	V.I.N.
11	MOTOR			
12	VEHICLE			
13	GENERAL			
14	COLLATERAL			
15	DESCRIPTION			

16	REGISTERING AGENT	HEENAN BLAIKIE LLP				
17	ADDRESS	333 BAY STREET, SUITE 2900	TORONTO	ON	M5H 2T4

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

CONTINUED... 8

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackett
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES
(crj1fu 06/2019)

Ontario

RUN NUMBER : 268
RUN DATE : 2019/09/25
ID : 20190925103545.43

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 8
(5389)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
00 665146611

	CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		002		002		20101014 0802 1862 3480		

02 DEBTOR — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
03 NAME — BUSINESS NAME
04 ADDRESS — ONTARIO CORPORATION NO.

05 DEBTOR — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
06 NAME — BUSINESS NAME
07 ADDRESS — ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT
09 ADDRESS 0

COLLATERAL CLASSIFICATION
10 CONSUMER GOODS | INVENTORY | EQUIPMENT | ACCOUNTS | OTHER | MOTOR VEHICLE INCLUDED | AMOUNT | DATE OF MATURITY OR | NO FIXED MATURITY DATE

11 MOTOR VEHICLE — YEAR MAKE | MODEL | V.I.N.

13 GENERAL COLLATERAL DESCRIPTION
14
15

16 REGISTERING AGENT
17 ADDRESS

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

CONTINUED... 9

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj1fu 06/2019)

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO.	OF TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		01	002		20160714 1941 1531 3439	

21 RECORD REFERENCED — FILE NUMBER 665146611

	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
22		X	A AMENDMENT		

		FIRST GIVEN NAME	INITIAL	SURNAME
23	REFERENCE			
24	DEBTOR/ TRANSFEROR — BUSINESS NAME	1308963 ONTARIO LTD.		

25 OTHER CHANGE
26 REASON/
27 DESCRIPTION — CHANGE SECURED PARTY ADDRESS FROM
28 5160 YONGE STREET, P.O. BOX 35, STE. 100
TORONTO, ON M2N 6L9

		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02/					
05	DEBTOR/				
03/	TRANSFEREE — BUSINESS NAME				

06 ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08 ROYNAT INC.
09 ADDRESS 5500 NORTH SERVICE RD. SUITE 650 BURLINGTON ON L7L 6W6

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10										

	YEAR	MAKE	MODEL	V.I.N.
11	MOTOR			
12	VEHICLE			
13	GENERAL			
14	COLLATERAL			
15	DESCRIPTION			

16 REGISTERING AGENT OR CANADIAN SECURITIES REGISTRATION SYSTEMS
17 SECURED PARTY/ LIEN CLAIMANT — ADDRESS 4126 NORLAND AVENUE BURNABY BC V5G 3S8

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

CONTINUED... 10

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj2fu 06/2019)

Ontario

RUN NUMBER : 268
RUN DATE : 2019/09/25
ID : 20190925103545.43

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 10
(5391)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		02	002		20160714 1941 1531 3439	

21 RECORD REFERENCED FILE NUMBER 665146611

PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD

22

23 REFERENCE
24 DEBTOR/ TRANSFEROR BUSINESS NAME

FIRST GIVEN NAME INITIAL SURNAME

25 OTHER CHANGE
26 REASON/ TO
27 DESCRIPTION 5500 NORTH SERVICE RD. SUITE 650
28 BURLINGTON, ON L7L 6W6
02/ DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
05 DEBTOR/
03/ TRANSFEREE BUSINESS NAME
06 ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08
09 ADDRESS
COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10										

YEAR MAKE MODEL V.I.N.

11 MOTOR
12 VEHICLE
13 GENERAL
14 COLLATERAL
15 DESCRIPTION
16 REGISTERING AGENT OR
17 SECURED PARTY/ LIEN CLAIMANT ADDRESS

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

CONTINUED... 11

CERTIFIED BY/CERTIFIÉES PAR
Barbara Plackett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj2fu 06/2019)

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
00 660382893

	CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		001		002		20100408 0835 1862 9825	P PPSA	10

		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME			
02	DEBTOR							
03	NAME	BUSINESS NAME	1308963 ONTARIO LTD.				ONTARIO CORPORATION NO.	
04		ADDRESS	1405 MORNINGSIDE AVENUE			SCARBOROUGH	ON	M1B 3J1
		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME			
05	DEBTOR							
06	NAME	BUSINESS NAME					ONTARIO CORPORATION NO.	
07		ADDRESS						
08	SECURED PARTY / LIEN CLAIMANT		ROYNAT INC.					
09		ADDRESS	5160 YONGE STREET, P.O. BOX 35, STE. 100			TORONTO	ON	M2N 6L9

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10		X	X	X	X	X				

	YEAR	MAKE	MODEL	V.I.N.
11	MOTOR			
12	VEHICLE			

13 GENERAL
14 COLLATERAL
15 DESCRIPTION

16	REGISTERING AGENT	HEENAN BLAIKIE LLP			
17	ADDRESS	333 BAY STREET, SUITE 2900	TORONTO	ON	M5H 2T4

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

CONTINUED... 12

CERTIFIED BY/CERTIFIÉES PAR
Barbara Puckett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj1fu 06/2019)

Ontario

RUN NUMBER : 268
RUN DATE : 2019/09/25
ID : 20190925103545.43

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 12
(5393)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
00 660382893

	CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		002		002		20100408 0835 1862 9825		

02 DEBTOR
03 NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME BUSINESS NAME
ONTARIO CORPORATION NO.
04 ADDRESS

05 DEBTOR
06 NAME DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME BUSINESS NAME
ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT
09 ADDRESS 0

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10										

11 MOTOR
12 VEHICLE
YEAR MAKE MODEL V.I.N.

13 GENERAL
14 COLLATERAL
15 DESCRIPTION

16 REGISTERING AGENT
17 ADDRESS

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

CONTINUED... 13

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj1fu 06/2019)

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		001	1		20101001 1637 1793 0795	

21 RECORD REFERENCED — FILE NUMBER 660382893

	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED A AMENDMENT	RENEWAL YEARS	CORRECT PERIOD
22					

		FIRST GIVEN NAME	INITIAL	SURNAME
23	REFERENCE			
24	DEBTOR/ TRANSFEROR — BUSINESS NAME	1308963 ONTARIO LTD.		

25 OTHER CHANGE
26 REASON/
27 DESCRIPTION — TO ADD AN ADDITIONAL DEBTOR TO REFERENCE FILE NUMBER 660382893 AND REGISTRATION NUMBER 20100408083518629825.
28

		DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
02/					
05	DEBTOR/				
03/	TRANSFEREE — BUSINESS NAME		EZ FOOD		
06					

ONTARIO CORPORATION NO.

04/07	ADDRESS	1405 MORNINGSIDE AVENUE	SCARBOROUGH	ON	M1B3J1

29 ASSIGNOR
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08
09 ADDRESS

COLLATERAL CLASSIFICATION

	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
10										

	YEAR	MAKE	MODEL	V.I.N.
11	MOTOR			
12	VEHICLE			
13	GENERAL			
14	COLLATERAL			
15	DESCRIPTION			

16	REGISTERING AGENT OR	HEENAN BLAIKIE LLP J. BORRELLI			
17	SECURED PARTY/ LIEN CLAIMANT — ADDRESS	333 BAY STREET, SUITE 2900	TORONTO	ON	M5H2T4

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

CONTINUED... 14

CERTIFIED BY/CERTIFIÉES PAR
Barbara Plackett
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(orj2fu 06/2019)

Ontario

RUN NUMBER : 268
RUN DATE : 2019/09/25
ID : 20190925103545.43

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 14
(5395)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO.	OF TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		01	001		20170720 1933 1531 2765	

21 RECORD REFERENCED — FILE NUMBER 660382893

PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
22	X	A AMENDMENT		

23 REFERENCE
24 DEBTOR/ TRANSFEROR — BUSINESS NAME 1308963 ONTARIO LTD.

25 OTHER CHANGE
26 REASON/
27 DESCRIPTION — AMEND SECURED PARTY ADDRESS
28 FROM - 5160 YONGE STREET, P.O. BOX 35, STE 1000, TORONTO, ON M2N 6L9
TO - 5500 NORTH SERVICE ROAD, SUITE 650, BURLINGTON, ONTARIO L7L 6

02/ DATE OF BIRTH — FIRST GIVEN NAME — INITIAL — SURNAME
05 DEBTOR/
03/ TRANSFEREE — BUSINESS NAME
06 — ONTARIO CORPORATION NO.
04/07 — ADDRESS

29 ASSIGNOR
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08 — ROYNAT INC.
09 — ADDRESS 5500 NORTH SERVICE RD. SUITE 650 — BURLINGTON — ON — L7L 6W6

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE

10 YEAR MAKE MODEL V.I.N.
11 MOTOR
12 VEHICLE
13 GENERAL
14 COLLATERAL
15 DESCRIPTION
16 REGISTERING AGENT OR — CANADIAN SECURITIES REGISTRATION SYSTEMS
17 SECURED PARTY/ LIEN CLAIMANT — ADDRESS 4126 NORLAND AVENUE — BURNABY — BC — V5G 3S8

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

CONTINUED... 15

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rachitt
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES
(crj2fu 06/2019)

Ontario

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1308963 ONTARIO LTD.
FILE CURRENCY : 24SEP 2019

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
710697861	20151008 1005 1902 5125			
698752863	20140808 1315 1590 7988	20170720 1933 1531 2760		
665146611	20101014 0802 1862 3480	20160714 1941 1531 3439		
660382893	20100408 0835 1862 9825	20101001 1637 1793 0795	20170720 1933 1531 2765	

8 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.

CERTIFIED BY/CERTIFIÉES PAR
Barbara Rackett
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES
(crfj5 06/2019)

Ontario

This is **Exhibit "M"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO # 72209P

Roynat CAPITAL™

April 08, 2019

VIA REGISTERED and REGULAR MAIL

TamTan Inc.
46 Tomlin Crescent
Richmond Hill, Ontario L4C 7S9

and

1405 Morningside Avenue
Scarborough, Ontario M1B 3J1

Attention: Nader Gramian-Nik

RE: Demand for Payment

Dear Sir:

Reference is made to the following documents, among others:

1. Offer of Finance dated June 24, 2014 issued by Roynat Inc. (**"Roynat"**) and accepted by TamTan Inc. (**"TamTan"**), as borrower, and 1308963 Ontario Limited o/a EZ Food Group, as guarantor (as amended on May 24, 2016, the **"Facility Letter"**);

2. Demand Debenture dated August 14, 2014 granted by TamTan to Roynat (the **"Debenture"**);

3. Charge/Mortgage granted by TamTan to Roynat registered on October 3, 2014 (the **"Charge"**); and

4. General Assignment of Rents and Leases dated August 14, 2014 between TamTan and Roynat (the **"GAR"**).

Pursuant to the terms of the Debenture, TamTan promises to pay on demand all amounts now or in the future owing to Roynat under or in connection with the Obligations, as defined in the Debenture, up to the principal amount of $3,000,000.00 and interest at the rate of the Canadian Variable Rate plus 2.75% per annum.

As security for the payment and performance of its present and future indebtedness, liabilities and obligations, TamTan granted the Charge and the GAR to Roynat.

Upon an Event of Default (as defined in the Debenture) the security granted by TamTan is immediately enforceable and Roynat may at its option declare the Debenture in default and may

exercise any rights, powers or remedies available to it, including, without limitation, declaring the full amount of the Obligations (as defined in the Debenture) to be immediately due and payable.

Failure to pay any of the Obligations when due is an Event of Default. TamTan failed to pay the monthly instalment of $12,050 on February 15, 2019 and March 15, 2019, as required pursuant to the Facility Letter. The occurrence of a Material Adverse Change (as defined in the Facility Letter) is also an Event of Default. The issuance of a Restraint Order and Management Order by the Court of Quebec (Criminal and Penal Division) on February 12, 2019 against the Borrower and in respect of the property secured by the Charge is a Material Adverse Change.

Accordingly, Events of Default have occurred pursuant to the Debenture and Roynat hereby declares the full amount of the Obligations to be immediately due and payable. As of April 8, 2019, the total amount of the Obligations owing by TamTan to Roynat is $2,317,726.39, plus interest that shall continue to accrue thereon (as more particularly set out in the enclosed statement), together with all applicable costs and expenses recoverable by Roynat under the terms of the Debenture, the Charge or the GAR (the "**Indebtedness**").

Roynat hereby makes formal demand for immediate payment of the Indebtedness, together with any additional interest or expenses that have accrued thereon to the date of payment.

If Roynat does not immediately receive payment of the Indebtedness, Roynat will take such steps as it deems necessary to recover the amounts owing to it. Such steps may include the enforcement of the security granted by TamTan, including the appointment of a receiver. Roynat reserves all of its rights to pursue all available legal remedies to recover the Indebtedness. No failure or delay in exercising such rights shall operate as a waiver thereof.

Enclosed is a Notice of Intention to Enforce Security provided in accordance with Section 244 of the *Bankruptcy and Insolvency Act* (Canada), together with a Consent for the immediate enforcement by Roynat. Should you wish to consent to immediate enforcement by Roynat, please return a copy of the Consent executed by duly authorized representatives of TamTan to the undersigned at your earliest convenience.

Please contact the undersigned if you have any questions.

Yours very truly,

Silvio Marsili
Managing Director, Roynat Capital Inc.

NOTICE OF INTENTION TO ENFORCE SECURITY
(Rule 124)
(Section 244 of the Bankruptcy and Insolvency Act)

TO: TAMTAN INC., an insolvent person
(the "**Debtor**")
46 Tomlin Crescent
Richmond Hill, Ontario L4C 7S9

and

1405 Morningside Avenue
Scarborough, Ontario M1B 3J1

Attention: Nader Gramian-Nik

Take notice that:

1. ROYNAT INC. ("**Roynat**"), a secured creditor, intends to enforce its Security (as defined herein) on the property of the Debtor as described below:

> Substantially all of the assets, property and undertaking of the Debtor described in Section 2 of the Demand Debenture dated August 14, 2014 between the Debtor and Roynat, including, without limitation, the Real Property (defined below);
>
> All of the Debtor's right, title and interest in all rents, charges and other monies now due and payable or hereafter to become due and payable under any leases nor or hereafter existing of any and all portions of the Premises (as defined in the GAR, defined below);
>
> (collectively, the "**Collateral**").

2. The security that is to be enforced is in the form of: (i) the Demand Debenture dated August 14, 2014 granted by the Debtor to Roynat; (ii) the Charge/Mortgage granted by the Debtor to Roynat and registered as Instrument No. AT3706673 on property described as PIN 06054-0805 (LT) (the "**Real Property**") with the Land Registry Office #66; and (iii) the General Assignment of Rents and Leases dated August 14, 2014 between the Debtor and Roynat (the "**GAR**") (collectively, the "**Security**").

3. The total amount of the indebtedness secured by the Security is $2,317,726.39 as at April 8, 2019, plus interest accrued thereon from such date at the applicable rates, together with all applicable costs, expenses and charges, including but not limited to legal fees, incurred by or on behalf of Roynat.

4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the Debtor consents to an earlier enforcement.

DATED at Toronto Ontario, this 8th day of April, 2019.

ROYNAT INC.

Per: _____
Name: Silvio Marsilli
Title: Managing Director, Roynat Capital Inc.

CONSENT

TO: ROYNAT INC.

TAMTAN INC. (the "**Debtor**") hereby acknowledges that Roynat Inc. has sent a notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) and that such notice has been received by it and it hereby consents to the immediate enforcement of the security granted by the Debtor to Roynat Inc.

Dated at _____, this _____ day of April, 2019.

TAMTAN INC.

Per: _____
Name:
Title:

This is **Exhibit "N"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO #72209P

Roynat | Scotiabank

June 18, 2019

VIA REGISTERED and REGULAR MAIL

1308963 Ontario Ltd.
46 Tomlin Crescent
Richmond Hill, Ontario L4C 7S9

and

1405 Morningside Avenue
Scarborough, Ontario M1B 3J1

Attention: Nader Gramian-Nik

RE: Demand for Payment

Dear Sir:

Reference is made to the following documents, among others:

1. Offer of Finance dated June 24, 2014 issued by Roynat Inc. (**"Roynat"**) and accepted by TamTan Inc. (**"TamTan"**), as borrower, and 1308963 Ontario Ltd. o/a EZ Food Group (**"EZ Food"**), as guarantor (as amended on May 24, 2016, the **"Facility Letter"**);

2. Guarantee and Indemnity dated August 14, 2014 granted by EZ Food to Roynat; (the **"Guarantee"**); and

3. General Security Agreement dated August 14, 2014 granted by EZ Food to Roynat (the **"GSA"**).

Pursuant to the terms of the Guarantee, EZ Food unconditionally guaranteed the payment of all debts and liabilities owing by TamTan to Roynat, including, without limitation, the principal, interest and other monies owing under or in connection with the Facility Letter (collectively, the **"Guaranteed Liabilities"**). Pursuant to the terms of the Guarantee, EZ Food is jointly and severally liable with TamTan for the Guaranteed Liabilities.

As security for its obligations under the Guarantee, EZ Food granted the GSA in favour of Roynat.

Pursuant to the terms of the Guarantee, upon receiving notice from Roynat of TamTan's failure to pay any of the Guaranteed Liabilities, EZ Food is required to pay Roynat the full amount of such outstanding Guaranteed Liabilities forthwith on demand.

TamTan is in default of its obligations under the Facility Letter and other security documents granted by it to Roynat, including, without limitation, the Demand Debenture dated August 14, 2014 (the "**Debenture**"), which obligations are Guaranteed Liabilities. Specifically, TamTan failed to pay the monthly instalment of $12,050 on February 15, 2019, March 15, 2019, and April 15, 2019, and the final instalment on May 15, 2019, as required pursuant to the Facility Letter, which failure to pay is an Event of Default (as defined in the Debenture). As a result of such Event of Default, among others, and in accordance with the terms of the Debenture, Roynat declared the full amount of the Obligations (as defined in the Debenture and which Obligations are Guaranteed Liabilities) to be immediately due and payable.

As of June 17, 2019, the total amount of the Obligations owing by TamTan to Roynat is $2,341,191.94 plus interest which shall continue to accrue thereon, together with all applicable costs and expenses recoverable by Roynat (the "**Indebtedness**"). By letter dated April 8, 2019, Roynat issued to TamTan a demand for immediate payment of the Indebtedness, together with a notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) and a Consent to immediate enforcement (collectively, the "**Demand Letter**"). A copy of the Demand Letter is enclosed.

EZ Food guaranteed payment of the Indebtedness to Roynat and is jointly and severally liable with TamTan in this regard. Accordingly, Roynat hereby demands immediate payment of the Indebtedness by EZ Food. If Roynat does not immediately receive payment of the Indebtedness, Roynat will take such steps as it deems necessary to recover the amounts owing to it. Such steps may include the enforcement of the security granted by EZ Food pursuant to the GSA, including the appointment of a receiver. Roynat reserves all of its rights to pursue all available legal remedies to recover the Indebtedness. No failure or delay in exercising such rights shall operate as a waiver thereof.

Enclosed is a Notice of Intention to Enforce Security provided in accordance with Section 244 of the *Bankruptcy and Insolvency Act* (Canada), together with a Consent for the immediate enforcement by Roynat. Should you wish to consent to immediate enforcement by Roynat, please return a copy of the Consent, executed by duly authorized representatives of EZ Food, to the undersigned at your earliest convenience.

Please contact the undersigned if you have any questions.

Yours very truly,

Rocco Fabiano
VP, Special Accounts Management
Bank of Nova Scotia

Jeremy Izso
Manager, Investment Enhancement Group
Roynat Inc.

Enclosures.

NOTICE OF INTENTION TO ENFORCE SECURITY
(Rule 124)
(Section 244 of the Bankruptcy and Insolvency Act)

TO: 1308963 ONTARIO LTD., an insolvent person
(the "**Debtor**")

46 Tomlin Crescent
Richmond Hill, Ontario L4C 7S9

and

1405 Morningside Avenue
Scarborough, Ontario M1B 3J1

Attention: Nader Gramian-Nik

Take notice that:

1. ROYNAT INC. ("**Roynat**"), a secured creditor, intends to enforce its Security (as defined herein) on the property of the Debtor as described below:

> All of the present and after acquired assets, property and undertaking of the Debtor, including the proceeds thereof, as described in Section 1 of General Security Agreement dated August 14, 2014 between the Debtor and Roynat.

2. The security that is to be enforced is in the form of the General Security Agreement dated August 14, 2014 between the Debtor and Roynat (the "**Security**").

3. The total amount of the indebtedness secured by the Security is $2,341,191.94 as at June 17, 2019, plus interest accrued thereon from such date at the applicable rates, together with all applicable costs and expenses incurred.

4. Roynat will not have the right to enforce the Security until after the expiry of the 10-day period after this notice is sent unless the Debtor consents to an earlier enforcement.

DATED at Toronto, this 18th day of June, 2019.

ROYNAT INC.

Per: _____
Name: Jeremy Izso
Title: Manager, IEG

BANK OF NOVA SCOTIA

Per: _____
Name: Rocco Fabiano
Title: VP, Special Accounts Management

CONSENT

TO: **ROYNAT INC.**

1308963 ONTARIO LTD. (the "**Debtor**") hereby acknowledges that Roynat Inc. has sent a notice of intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) and that such notice has been received by it and it hereby consents to the immediate enforcement of the security granted by the Debtor to Roynat Inc.

Dated at _____, this _____ day of June, 2019.

1308963 ONTARIO LTD.

Per: _____
Name:
Title:

This is **Exhibit "O"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO # 72209P

NOTICE OF SALE UNDER MORTGAGE

TO: TamTan Inc.
46 Tomlin Crescent
Richmond Hill, Ontario L4C 7S9

AND TO: The parties shown on Schedule "A" attached hereto

TAKE NOTICE that default has been made in payment of the moneys due under a certain mortgage (the "**Mortgage**") dated the 14th day of August, 2014, made between TamTan Inc., as mortgagor, and Roynat Inc., as mortgagee, on the security of the lands and premises (the "**Property**") described in Schedule "B" attached hereto, which Mortgage was registered in the Land Registry Office for the Land Titles Division of Metro Toronto (No. 80) on the 3rd day of October, 2014 as Instrument No. AT3706673.

AND ROYNAT INC. hereby gives you notice that the amounts now due on the Mortgage for principal money, interest and costs, respectively, are as follows:

Principal money	$2,289,647.74
Accrued interest to and including date hereof	$42,218.85
Late Payment Charge in arrears	$574.21
Returned Cheque Fee in arrears	$300.00
Accrued Late Payment Charge (2019/05/15 to 2019/06/06)	$8,679.15
Returned Cheque Fee	$100.00
Realization costs under the Mortgage including legal fees and disbursements of Roynat Inc. (estimated)	$55,000.00
HST on the above	$7,150.00
Cost of these proceedings To the date hereof (estimated)	$7,500.00
HST on the above	$975.00
TOTAL	$2,412,144.95

AND UNLESS the said sums, together with interest thereon at the rate of five point two two nine percent (5.229%) per annum calculated monthly, not in advance, from the date hereof, and any further costs and disbursements incurred in these proceedings, are paid on or before the 26th day of July, 2019, Roynat Inc. shall sell the Property covered by the Mortgage under the provisions contained in the Mortgage.

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

DATED at Toronto, Ontario, this 18th day of June, 2019.

ROYNAT INC.

By its solicitors and authorized agents, Messrs. Blake, Cassels & Graydon LLP, Box 25, Commerce Court West, Toronto, Ontario M5L 1A9

per: _____
Daniel Kofman

Schedule "A"

AND TO: TamTan Inc.
1405 Morningside Avenue
Scarborough, Ontario M3J 1B1

AND TO: TamTan Inc.
1405 Morningside Avenue
Scarborough, Ontario M1B 3J1

AND TO: TamTan Inc.
9 Honey Locust Court
Vaughan, Ontario L6A 1G2

AND TO: 1308963 Ontario Ltd. (operating as EZ Food Group)
1405 Morningside Avenue
Scarborough, Ontario M1B 3J1

AND TO: 1308963 Ontario Ltd. (operating as EZ Food Group)
1405 Morningside Avenue
Scarborough, Ontario M3J 1B1

AND TO: 1308963 Ontario Ltd. (operating as EZ Food Group)
46 Tomlin Crescent
Richmond Hill, Ontario L4C 7S9

AND TO: 1308963 Ontario Ltd. (operating as EZ Food Group)
9 Honey Locust Court
Vaughan, Ontario L6A 1G2

AND TO: Nader Gramian-Nik
46 Tomlin Crescent
Richmond Hill, Ontario L4C 7S9

AND TO: Nader Gramian-Nik
9 Honey Locust Court
Vaughan, Ontario L6A 1G2

AND TO: Tania Gramian-Nik
46 Tomlin Crescent
Richmond Hill, Ontario L4C 7S9

AND TO: Tania Gramian-Nik
9 Honey Locust Court
Vaughan, Ontario L6A 1G2

AND TO: Tamilla Gramian-Nik
46 Tomlin Crescent
Richmond Hill, Ontario L4C 7S9

AND TO: Tamilla Gramian-Nik
9 Honey Locust Court
Vaughan, Ontario L6A 1G2

AND TO: Nadereh Akhavan-Foumani
46 Tomlin Crescent
Richmond Hill, Ontario L4C 7S9

AND TO: The Denbar Food Group, Inc.
1405 Morningside Avenue
Scarborough, Ontario M1B 3J1

AND TO: The Denbar Food Group, Inc.
900 Division Street, Unit 200
Cobourg, Ontario, K9A 5V2

AND TO: The Denbar Food Group, Inc.
328 Wicklow Beach Road, Suite 202
Colborne, Ontario K0K 1S0

AND TO: 1978240 Ontario Inc.
(operating as OpalOnline and formerly 1562712 Ontario Inc.)
1405 Morningside Avenue
Scarborough, Ontario M1B 3J1

AND TO: 1978240 Ontario Inc.
(operating as OpalOnline and formerly 1562712 Ontario Inc.)
102 Industrial Drive
Whitby, Ontario L1N 5Z9

AND TO: 1978240 Ontario Inc.
(operating as OpalOnline and formerly 1562712 Ontario Inc.)
102 Industrial Drive
Whitby, Ontario L1N 5Z8

AND TO: All Tenants
1405 Morningside Avenue
Scarborough, Ontario M1B 3J1

AND TO: Seized Property Management Directorate
c/o Jean Cadrin
4225 Dorchester Boulevard West
Westmount, Quebec H3Z 1V5

AND TO: Her Majesty the Queen
c/o Attorney General of Canada
Public Prosecution Service of Canada
Guy-Favreau Complex
200, René-Lévesque Boulevard West
9th Floor – East Tower
Montréal, Québec H2Z 1X4

Attention : Fabienne Simon, Counsel

COURTESY COPIES

TO: Prouse, Dash & Crouch, LLP
Barristers and Solicitors
50 Queen Street West
Brampton, Ontario L6X 4H3

Attention: Louie Sopov

AND TO: SMM Law Professional Corporation
The Fleming Building
1005 Elgin Street West, Suite 205
Cobourg, Ontario K9A 5J4

Attention: Sarah Jacob

Schedule "B"

1405 MORNINGSIDE AVENUE
SCARBOROUGH, ON M1B 3J1

LEGAL DESCRIPTION:

PCL BLK 0-1 SECT M1919 PTS BLKS 9, 10 ON PLAN M1995 AND PT BLK O, BEING A RESERVE ON PLAN M1919; PTS 19 TO 21, 23 TO 28, 49 TO 53, 55 TO 58, 62, 67 & 68 66R15458; TOGETHER WITH EASE & ROW OVER PTS 36, 42, 43, 47 66R15458 AS IN C531411 TOGETHER WITH EASE OVER PTS 29, 36 TO 38, 40 TO 46, 47, 48, 54, 63, 64 & 65 AS IN C531411; SUBJ TO EASE OVER PT 49, 50, 51, 53, 55, 56, 58 66R15458 AS IN C617313 SUBJ TO ROW OVER PTS 49 TO 51, 55, 56 66R15458 AS IN C617313 SUBJ TO EASE & RGT OVER 25 TO 27, 49 66R15458 AS IN C531411 SUBJ TO RGT AS IN A928321 SCARBOROUGH. DESCRIPTION AMENDED 94/11/30 BY K. MASSAROTTO, CITY OF TORONTO, BEING PIN 06054-0805 (LT)

This is **Exhibit "P"** referred to in the

Affidavit of Silvio Marsili

sworn before me
this 3rd day of October, 2019

A Commissioner, etc.
MELISSA M. FERIOZZO
LSO #72209P

Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

Vanja Ginic
Associate
Dir: 416-863-3278
vanja.ginic@blakes.com

August 23, 2019

VIA E-MAIL

Reference: 00053786/000141

Prouse Dash & Crouch, LLP
50 Queen Street West,
Brampton, Ontario L6X 4H3

Attention: Louie Sopov (LSopov@pdclawyers.ca)

RE: Indebtedness owing by TamTan Inc. (the "Borrower") to Roynat Inc. ("Roynat") pursuant to, among other things, the Demand Debenture dated August 14, 2014 and registered against title to the Property (defined below), which Indebtedness is guaranteed by 1308963 Ontario Ltd. (the "Guarantor")

Re: Transaction for the sale of the real property at 1405 Morningside Avenue, Toronto, Ontario (the "Property") by the Borrower to Forest Ridge Inc. (the "Purchaser")

Dear Sir:

We are counsel to Roynat. We understand that you are counsel to the Borrower and the Guarantor. Reference is made to the following documents:

(1) Letter dated April 8, 2019 (the "**Borrower Demand Letter**") issued by Roynat to the Borrower;

(2) Notice of Intention to Enforce Security dated April 8, 2019 issued by Roynat to the Borrower in accordance with section 244 of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**");

(3) Letter dated June 18, 2019 (the "**Guarantor Demand Letter**") issued by Roynat to the Guarantor;

(4) Notice of Intention to Enforce Security dated June 18, 2019 issued by Roynat to the Guarantor in accordance with section 244 of the BIA;

(5) Notice of Sale under Mortgage dated June 18, 2019, issued by Roynat to the Borrower, among others, in respect of the Property (the "**Notice of Sale**");

(6) Agreement of Purchase and Sale dated May 30, 2019 (including all schedules thereto) between the Borrower and the Purchaser in respect of a transaction for the purchase and sale of, among other things, the Property (the "**APS**"), a copy of which you had provided to our client.

Capitalized terms used but not defined herein are as defined in the Borrower Demand Letter, a copy of which is enclosed.

As you know, on April 8, 2019, Roynat made demand on the Borrower pursuant to the Borrower Demand Letter for repayment of the Indebtedness following the occurrence of several Events of Default. Shortly thereafter, Roynat was advised that the Borrower was in the process of negotiating a purchase agreement with the Purchaser for the sale of the Property and that a portion of the proceeds from such transaction would be used to repay the Indebtedness. In order to facilitate this transaction, Roynat refrained from taking further enforcement steps and patiently waited while the parties attempted to resolve ongoing issues in the transaction. Once the parties reached an impasse and the transaction fell through, Roynat made demand on the Guarantor pursuant to the Guarantor Demand Letter and issued the Notice of Sale. Shortly after the Notice of Sale was issued, Roynat was advised of the transaction contemplated by the current APS between the Purchaser and the Borrower. Amid assurances that both the Borrower and Purchaser were determined to close this new transaction, Roynat continued to cooperate with the parties in an effort to facilitate the transaction, notwithstanding that the notice period under the Notice of Sale had expired on July 26, 2019 and the Indebtedness remained outstanding. In this regard, please be advised that Roynat's patience with respect to this transaction should not be interpreted as its consent thereto. Roynat expressly reserves all rights and remedies with respect to the transaction and all other matters noted herein.

Despite Roynat's cooperation, it has become clear that the parties continue to face challenges in satisfying the conditions required to advance the transaction to closing. In light of these challenges, Roynat has to take such steps as it considers appropriate to protect its interest. In particular, we note that if the transaction contemplated by the APS (in its current form) does not close by the October 24, 2019 outside date contemplated therein (the "**Outside Closing Date**"), Roynat intends to seek the appointment of a receiver over the assets of the Borrower and Guarantor, including the Property. Any costs incurred as a result of this, or any other enforcement step will be added to the Indebtedness owing by the Borrower.

We further understand that there are open permits for construction on the Property as well as outstanding property taxes in the amount of approximately $86,000. In accordance with the terms of the Facility Letter, please provide us with all documentation regarding the foregoing construction permits and property taxes. Please also keep us apprised of the status of the transaction moving forward, including, without limitation, with respect to the satisfaction of the Buyer and Seller's (as such terms are defined in the APS) conditions in accordance with the timelines set forth in the APS.

As noted above, Roynat reserves the right to exercise such rights and remedies as it considers appropriate against the Borrower and Guarantor, including at any time prior to the Outside Closing Date.

Yours truly,

Vanja Ginic
GIN

Encl.

c. Client
D. Kofman, L. Rogers, M. Matheson (*Blake, Cassels & Graydon LLP*)

Roynat CAPITAL

April 08, 2019

VIA REGISTERED and REGULAR MAIL

TamTan Inc.
46 Tomlin Crescent
Richmond Hill, Ontario L4C 7S9

and

1405 Morningside Avenue
Scarborough, Ontario M1B 3J1

Attention: Nader Gramian-Nik

RE: Demand for Payment

Dear Sir:

Reference is made to the following documents, among others:

1. Offer of Finance dated June 24, 2014 issued by Roynat Inc. (**"Roynat"**) and accepted by TamTan Inc. (**"TamTan"**), as borrower, and 1308963 Ontario Limited o/a EZ Food Group, as guarantor (as amended on May 24, 2016, the **"Facility Letter"**);

2. Demand Debenture dated August 14, 2014 granted by TamTan to Roynat (the **"Debenture"**);

3. Charge/Mortgage granted by TamTan to Roynat registered on October 3, 2014 (the **"Charge"**); and

4. General Assignment of Rents and Leases dated August 14, 2014 between TamTan and Roynat (the **"GAR"**).

Pursuant to the terms of the Debenture, TamTan promises to pay on demand all amounts now or in the future owing to Roynat under or in connection with the Obligations, as defined in the Debenture, up to the principal amount of $3,000,000.00 and interest at the rate of the Canadian Variable Rate plus 2.75% per annum.

As security for the payment and performance of its present and future indebtedness, liabilities and obligations, TamTan granted the Charge and the GAR to Roynat.

Upon an Event of Default (as defined in the Debenture) the security granted by TamTan is immediately enforceable and Roynat may at its option declare the Debenture in default and may

exercise any rights, powers or remedies available to it, including, without limitation, declaring the full amount of the Obligations (as defined in the Debenture) to be immediately due and payable.

Failure to pay any of the Obligations when due is an Event of Default. TamTan failed to pay the monthly instalment of $12,050 on February 15, 2019 and March 15, 2019, as required pursuant to the Facility Letter. The occurrence of a Material Adverse Change (as defined in the Facility Letter) is also an Event of Default. The issuance of a Restraint Order and Management Order by the Court of Quebec (Criminal and Penal Division) on February 12, 2019 against the Borrower and in respect of the property secured by the Charge is a Material Adverse Change.

Accordingly, Events of Default have occurred pursuant to the Debenture and Roynat hereby declares the full amount of the Obligations to be immediately due and payable. As of April 8, 2019, the total amount of the Obligations owing by TamTan to Roynat is $2,317,726.39, plus interest that shall continue to accrue thereon (as more particularly set out in the enclosed statement), together with all applicable costs and expenses recoverable by Roynat under the terms of the Debenture, the Charge or the GAR (the "**Indebtedness**").

Roynat hereby makes formal demand for immediate payment of the Indebtedness, together with any additional interest or expenses that have accrued thereon to the date of payment.

If Roynat does not immediately receive payment of the Indebtedness, Roynat will take such steps as it deems necessary to recover the amounts owing to it. Such steps may include the enforcement of the security granted by TamTan, including the appointment of a receiver. Roynat reserves all of its rights to pursue all available legal remedies to recover the Indebtedness. No failure or delay in exercising such rights shall operate as a waiver thereof.

Enclosed is a Notice of Intention to Enforce Security provided in accordance with Section 244 of the *Bankruptcy and Insolvency Act* (Canada), together with a Consent for the immediate enforcement by Roynat. Should you wish to consent to immediate enforcement by Roynat, please return a copy of the Consent executed by duly authorized representatives of TamTan to the undersigned at your earliest convenience.

Please contact the undersigned if you have any questions.

Yours very truly,

Silvio Marsili
Managing Director, Roynat Capital Inc.

Court File No.:

ROYNAT INC. **- and -** **TAMTAN INC. and 1308963 ONTARIO LIMITED (o/a EZ FOOD Group)**

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding Commenced at Toronto

AFFIDAVIT OF SILVIO MARSILI
Sworn October 3, 2019

BLAKE, CASSELS & GRAYDON LLP
Barristers and Solicitors
199 Bay Street
Suite 4000, Commerce Court West
Toronto, Ontario M5sL 1A9

Chris Burr, LSO #55172H
Tel: 416-863-3261
Fax: 416-863-2653
Email: chris.burr@blakes.com

Lawyers for the Applicant

TAB 3

Court File No. _____

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE ___	)	THURSDAY, THE 10th DAY
	)	
JUSTICE _____	)	OF OCTOBER, 2019

ROYNAT INC.

Applicant

- and -

TAMTAN INC. and 1308963 ONTARIO LIMITED (o/a EZ FOOD GROUP)

Respondents

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing msi Spergel Inc. as receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of TamTan Inc. and 1308963 Ontario Limited (o/a EZ Food Group) (together, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, excluding the bank accounts listed in Schedule A hereof (the "**Property**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Silvio Marsili sworn October 3. 2019 and the Exhibits thereto and on hearing the submissions of counsel for [NAMES], no one appearing for [NAME]

although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of msi Spergel Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, msi Spergel Inc. hereby appointed Receiver, without security, of all of the Property.

RECEIVER'S POWERS

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

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;

(d) to engage consultants, appraisers, agents, experts, real estate brokers, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;

(g) to settle, extend or compromise any indebtedness owing to the Debtors;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;

(i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding $50,000, provided that the aggregate consideration for all such transactions does not exceed $150,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of either Debtor;

(p) to enter into agreements with any trustee in bankruptcy appointed in respect of either Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by such Debtor;

(q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and

(r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service

provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or any Debtor to carry on any business which such Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or any Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with either Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to such Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of such Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of such Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

NO DISTRIBUTIONS WITHOUT FURTHER ORDER

14. THIS COURT ORDERS that the Receiver shall not may any distribution of any Property, or any proceeds thereof, without further Order of the Court.

EMPLOYEES

15. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the applicable Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

16. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such

personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

18. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

19. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

20. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

21. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

22. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $200,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any

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

23. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

24. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

25. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

26. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL "www.spergelcorporate.ca".

27. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the

records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

28. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of any Debtor.

30. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

31. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. THIS COURT ORDERS that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from each Debtor's estate with such priority and at such time as this Court may determine.

33. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

_____

SCHEDULE "A"

ACCOUNTS NOT SUBJECT TO PROPOSED RECEIVERSHIP

ROYAL BANK OF CANADA

1. Account Folio 04062 #1020551 of EZ FOOD GROUP (1308963 Ontario Ltd.)
2. Account 04062 #1020692 of TAMTAN Inc.
3. Account 04062 #1020544 of TRANS CANADA FOOD SERVICE (1842227 Ontario Inc.)

BANK OF MONTREAL

4. Account 0002 #1808906 of TRANS CANADA FOOD SERVICE (1842227 Ontario Inc.)

BANK OF NOVA SCOTIA

5. Account 71332 #066419 of TAMTAN Inc.
6. Account 71332 #127612 of EZ FOOD GROUP (1308963 Ontario Inc.)
7. Account Folio 71332 #0040215 of EZ CASH & CARRY (1847405 Ontario Inc.)
8. Account Folio 71332 #0061816 of TRANS CANADA FOOD SERVICE (1842227 Ontario Inc.)

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that msi Spergel Inc., the receiver (the "**Receiver**") of the assets, undertakings and properties TamTan Inc. and 1308963 Ontario Limited (o/a EZ Food Group) acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 10th day of October, 2019 (the "**Order**") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of $_____, being part of the total principal sum of $200,000 which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the _____ day of _____, 20__.

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

Per: _____

Name:

Title:

Court File No.:

ROYNAT INC. **- and -** **TAMTAN INC. and 1308963 ONTARIO LIMITED (o/a EZ FOOD Group)**

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding Commenced at Toronto

ORDER
(Appointing Receiver)

BLAKE, CASSELS & GRAYDON LLP
Barristers and Solicitors
199 Bay Street
Suite 4000, Commerce Court West
Toronto, Ontario M5L 1A9

Chris Burr (LSO#:55172H)
Tel: 416-863-3261
Fax: 416-863-2653
Email: chris.burr@blakes.com

Lawyers for the Applicant

TAB 4

~~Revised: January 21, 2014~~

~~s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver~~

Court File No. ——

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE ——	)	~~WEEKDAY~~THURSDAY, THE #10th
~~JUSTICE ——~~	)	DAY ~~OF MONTH, 20YR~~
	)	
	)	
JUSTICE ——	)	OF OCTOBER, 2019

ROYNAT INC.

~~PLAINTIFF[1]~~

~~Plaintiff~~

Applicant

- and -

~~DEFENDANT~~

~~Defendant~~

TAMTAN INC. and 1308963 ONTARIO LIMITED (o/a EZ FOOD GROUP)

Respondents

~~[1] The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

ORDER
(appointingAppointing Receiver)

THIS MOTIONAPPLICATION made by the Plaintiff[2]Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing [RECEIVER'S NAME]msi Spergel Inc. as receiver [and manager] (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of [DEBTOR'S NAME] (TamTan Inc. and 1308963 Ontario Limited (o/a EZ Food Group) (together, the "Debtor"**Debtors**") acquired for, or used in relation to a business carried on by the DebtorDebtors, excluding the bank accounts listed in Schedule A hereof (the "**Property**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of [NAME]Silvio Marsili sworn [DATE]October 3, 2019 and the Exhibits thereto and on hearing the submissions of counsel for [NAMES], no one appearing for [NAME] although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of [RECEIVER'S NAME]msi Spergel Inc. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion is hereby abridged and validated[3] so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, [RECEIVER'S NAME] ismsi Spergel Inc. hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "Property").

[2] Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".
[3] If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.

RECEIVER'S POWERS

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

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the ~~Debtor~~Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the ~~Debtor~~Debtors;

(d) to engage consultants, appraisers, agents, experts, real estate brokers, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver~~'~~'s powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the ~~Debtor~~Debtors or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the ~~Debtor~~Debtors and to exercise all remedies of the ~~Debtor~~Debtors in collecting

such monies, including, without limitation, to enforce any security held by the ~~Debtor~~Debtors;

(g) to settle, extend or compromise any indebtedness owing to the ~~Debtor~~Debtors;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the ~~Debtor~~Debtors, for any purpose pursuant to this Order;

(i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the ~~Debtor~~Debtors, the Property or the Receiver, and to settle or compromise any such proceedings.[4] The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding $~~_____~~50,000, provided that the aggregate consideration for all such transactions does not exceed $~~_____~~150,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

[4] ~~This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, ~~[~~or section 31 of the Ontario *Mortgages Act*, as the case may be,~~]~~[5] shall not be required~~, and in each case the Ontario *Bulk Sales Act* shall not apply~~.

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of ~~the~~either Debtor;

(p) to enter into agreements with any trustee in bankruptcy appointed in respect of ~~the~~either Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by ~~the~~such Debtor;

(q) to exercise any shareholder, partnership, joint venture or other rights which the ~~Debtor~~Debtors may have; and

(r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

~~[5] If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the ~~Debtor~~Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the ~~Debtor~~Debtors, (ii) all of ~~its~~their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the ~~Debtor~~Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto

paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the ~~Debtor~~Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the ~~Debtor~~Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or ~~the~~any Debtor to carry on any business which ~~the~~such Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or ~~the~~any Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the ~~Debtor~~Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with ~~the~~either Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to ~~the~~such Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of ~~the~~such Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of ~~the~~such Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "~~"~~**Post Receivership Accounts**~~"~~") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

NO DISTRIBUTIONS WITHOUT FURTHER ORDER

14. THIS COURT ORDERS that the Receiver shall not may any distribution of any Property, or any proceeds thereof, without further Order of the Court.

EMPLOYEES

15. ~~14.~~ THIS COURT ORDERS that all employees of the ~~Debtor~~Debtors shall remain the employees of the ~~Debtor~~Debtors until such time as the Receiver, on the applicable Debtor~~'~~'s behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

16. ~~15.~~ THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "~~"~~**Sale**~~"~~"). Each prospective purchaser or bidder to

whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the ~~Debtor~~Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. ~~16.~~ THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

18. ~~17.~~ THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this

Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

19. ~~18.~~ THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.[6]

20. ~~19.~~ THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

21. ~~20.~~ THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

22. ~~21.~~ THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $~~_____~~200,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it

[6] ~~Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the ~~"~~"**Receiver~~'~~'s Borrowings Charge**~~"~~") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

23. ~~22.~~ THIS COURT ORDERS that neither the Receiver~~'~~'s Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

24. ~~23.~~ THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule ~~"A"~~"B" hereto (the ~~"~~"**Receiver's Certificates**~~"~~") for any amount borrowed by it pursuant to this Order.

25. ~~24.~~ THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver~~'~~'s Certificates.

SERVICE AND NOTICE

26. ~~25.~~ THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a

Case Website shall be established in accordance with the Protocol with the following URL '<@>'."www.spergelcorporate.ca".

27. 26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor'sDebtors' creditors or other interested parties at their respective addresses as last shown on the records of the DebtorDebtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

28. 27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. 28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of theany Debtor.

30. 29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

31. 30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within

proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. ~~31.~~ THIS COURT ORDERS that the Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from ~~the~~each Debtor's estate with such priority and at such time as this Court may determine.

33. ~~32.~~ THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

~~DOCSTOR: 1771742\8~~

SCHEDULE "A"

ACCOUNTS NOT SUBJECT TO PROPOSED RECEIVERSHIP

ROYAL BANK OF CANADA

1. Account Folio 04062 #1020551 of EZ FOOD GROUP (1308963 Ontario Ltd.)
2. Account 04062 #1020692 of TAMTAN Inc.
3. Account 04062 #1020544 of TRANS CANADA FOOD SERVICE (1842227 Ontario Inc.)

BANK OF MONTREAL

4. Account 0002 #1808906 of TRANS CANADA FOOD SERVICE (1842227 Ontario Inc.)

BANK OF NOVA SCOTIA

5. Account 71332 #066419 of TAMTAN Inc.
6. Account 71332 #127612 of EZ FOOD GROUP (1308963 Ontario Inc.)
7. Account Folio 71332 #0040215 of EZ CASH & CARRY (1847405 Ontario Inc.)
8. Account Folio 71332 #0061816 of TRANS CANADA FOOD SERVICE (1842227 Ontario Inc.)

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

~~1.~~1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~msi Spergel Inc., the receiver (the ~~"~~"**Receiver**~~"~~") of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~TamTan Inc. and 1308963 Ontario Limited (o/a EZ Food Group) acquired for, or used in relation to a business carried on by the ~~Debtor~~Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the ~~"~~"Court~~"~~") dated the ~~__~~10th day of ~~_____~~October, ~~20__~~2019 (the ~~"~~"**Order**~~"~~") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the ~~"~~"**Lender**~~"~~") the principal sum of $_____, being part of the total principal sum of $~~_____~~200,000 which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the _____ day of _____, 20__.

Per: _____

Name:

Title:

~~[RECEIVER'S NAME]~~msi Spergel Inc., ~~solely in its~~ capacity as Receiver of the Property, and not in its personal capacity

Document comparison by Workshare 10.0 on Thursday, October 3, 2019 6:54:07 PM

Input:	
Document 1 ID	PowerDocs://TOR_2024/13001075/1
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Document 2 ID	PowerDocs://TOR_2528/23742406/4
Description	TOR_2528-#23742406-v4-Roynat_-_TamTan_Order
Rendering set	Standard

Legend:	
Insertion	
~~Deletion~~	
~~Moved from~~	
Moved to	
Style change	
Format change	
~~Moved deletion~~	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	186
Deletions	188
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	374

Court File No.: CV-19-00628569-00CL

ROYNAT INC. **- and -** **TAMTAN INC. and 1308963 ONTARIO LIMITED (o/a EZ FOOD Group)**

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding Commenced at Toronto

APPLICATION RECORD
(Re: Appointment of Receiver)
(Returnable October 10, 2019)

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