

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

B E T W E E N:

**ROYAL BANK OF CANADA**

Plaintiff

and

**1818216 ONTARIO INC., operating as RAVI KITCHEN and RAVI  
WRAPS AND SALADS, RAVI SOUPS AND WRAPS INC., 1865994  
ONTARIO INC. and THARMINI KANDASAMY**

Defendants

**MOTION RECORD**

(Motion for an Order appointing a Receiver  
Hearing Date: March 6, 2024 at 10:00am, via video conference)

February 23, 2024

**FOGLER, RUBINOFF LLP**

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Lawyers for the Plaintiff, Royal Bank of  
Canada

## SERVICE LIST

NO.	NAME	METHOD OF SERVICE
1.	<b>1818216 ONTARIO INC. operating as RAVI KITCHEN and RAVI WRAPS AND SALADS</b> 322 Adelaide Street Toronto, ON M5V 1R1	BY MAIL
2.	<b>RAVI SOUPS AND WRAPS INC.</b> 196 Glen Road Toronto, ON M4W 2X1	BY MAIL
3.	<b>1865994 ONTARIO INC.</b> 622 The Queensway Toronto, ON M8Y 1K3	BY MAIL
4.	<b>THARMINI KANDASAMY</b> 622 The Queensway Toronto, ON M8Y 1K3 Email: <a href="mailto:ravisoups.restaurant@gmail.com">ravisoups.restaurant@gmail.com</a>	BY MAIL AND BY E-MAIL TO: <a href="mailto:ravisoups.restaurant@gmail.com">ravisoups.restaurant@gmail.com</a>
5.	<b>BDO CANADA LIMITED</b> 805 – 25 Main Street West Hamilton, ON L8P 1H1  <b>Darren Griffiths</b> Tel: 289-678-0231 Email: <a href="mailto:dgriffiths@bdo.ca">dgriffiths@bdo.ca</a>  Proposed Receiver	BY E-MAIL TO: <a href="mailto:dgriffiths@bdo.ca">dgriffiths@bdo.ca</a>
6.	<b>AIRD &amp; BERLIS LLP</b> Brookfield Place, 181 Bay Street Suite 1800 Toronto, ON M5J 2T9  <b>Steven L. Graff</b> Tel: 416-865-7726 Email: <a href="mailto:sgraff@airdberlis.com">sgraff@airdberlis.com</a>  Counsel for the Proposed Receiver, BDO Canada Limited	BY E-MAIL TO: <a href="mailto:sgraff@airdberlis.com">sgraff@airdberlis.com</a>

7.	<b>CANADA REVENUE AGENCY</b> c/o Department of Justice Ontario Regional Office 120 Adelaide St. W., Suite 400 Toronto ON M5H 1T1  Email: <a href="mailto:AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca">AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca</a>	<b>BY E-MAIL TO:</b> <a href="mailto:AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca">AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca</a>
8.	<b>HIS MAJESTY THE KING IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTRY OF FINANCE</b> as represented by Ministry of Finance Legal Services Branch 33 King Street, 6th Floor Oshawa L1H 8H5  <b>Attention: Steven Groeneveld</b> Senior Counsel, Ministry of Finance Tel: 905-440-2470 Email: <a href="mailto:steven.groeneveld@ontario.ca">steven.groeneveld@ontario.ca</a>	<b>BY E-MAIL TO:</b> <a href="mailto:steven.groeneveld@ontario.ca">steven.groeneveld@ontario.ca</a>
9.	<b>INSOLVENCY UNIT</b> Province of Ontario Email: <a href="mailto:insolvency.unit@ontario.ca">insolvency.unit@ontario.ca</a>	<b>BY E-MAIL TO:</b> <a href="mailto:insolvency.unit@ontario.ca">insolvency.unit@ontario.ca</a>
10.	<b>MERCEDEZ-BENZ FINANCIAL</b> 2680 Matheson Blvd. E., Suite 500 Mississauga, ON L4W 0A5  <b>Gurjinder Gill</b> Account Manager Tel: 1-866-870-9329 ext. 37191 Email: <a href="mailto:gurjinder.gill@mercedes-benz.com">gurjinder.gill@mercedes-benz.com</a>	<b>BY E-MAIL TO:</b> <a href="mailto:gurjinder.gill@mercedes-benz.com">gurjinder.gill@mercedes-benz.com</a>
11.	<b>MERCEDEZ-BENZ FINANCIAL SERVICES CANADA CORPORATION</b> 2680 Matheson Blvd. E., Suite 500 Mississauga, ON L4W 0A5  <b>Gurjinder Gill</b> Account Manager Tel: 1-866-870-9329 ext. 37191 Email: <a href="mailto:gurjinder.gill@mercedes-benz.com">gurjinder.gill@mercedes-benz.com</a>	<b>BY E-MAIL TO:</b> <a href="mailto:gurjinder.gill@mercedes-benz.com">gurjinder.gill@mercedes-benz.com</a>

12.	<p><b>CS LAWYERS PROFESSIONAL CORPORATION</b> 220 Advance Blvd., Suite 203 Brampton, ON L4T 4J5</p> <p><b>Yuvraj S. Chhina</b> Tel: 416-619-4969 Email: <a href="mailto:y.chhina@cslawfirm.ca">y.chhina@cslawfirm.ca</a></p> <p>Counsel for the Mortgagee, Daljit Singh Banga</p>	<p><b>BY E-MAIL TO:</b> <a href="mailto:y.cchina@cslawfirm.ca">y.cchina@cslawfirm.ca</a></p>
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14.	<p><b>RAJINDER SINGH PAHAL</b> 12 – 2023 Williams Pkwy Brampton, ON L6S 5N1</p>	<p><b>BY MAIL</b></p>
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15.	<p><b>DH LAW</b> 2200 – 4950 Yonge Street Toronto, ON M2N 6K1</p> <p><b>S. David Hwang</b> Tel: 416-661-8822 Email: <a href="mailto:david@dhlegal.ca">david@dhlegal.ca</a></p> <p>Former Lawyer for 1818216 Ontario Inc., Ravi Soups and Wraps Inc., 1865994 Ontario Inc. and Tharmini Kandasamy</p>	<p><b>BY E-MAIL TO:</b> <a href="mailto:david@dhlegal.ca">david@dhlegal.ca</a></p>

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**TAB 1**



Court File No. CV-24-00714666-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

B E T W E E N:

**ROYAL BANK OF CANADA**

Plaintiff

and

**1818216 ONTARIO INC., operating as RAVI KITCHEN and RAVI WRAPS AND  
SALADS, RAVI SOUPS AND WRAPS INC., 1865994 ONTARIO INC. and THARMINI  
KANDASAMY**

Defendants

**NOTICE OF MOTION**

(Motion for an Order appointing a Receiver  
Hearing Date: March 6, 2024 at 10:00am, via video conference)

The Plaintiff, Royal Bank of Canada ("**RBC**"), will make a motion to Justice Black presiding over the Commercial List on Wednesday, March 6, 2024 at 10:00 a.m., or as soon after that time as the Motion can be heard by way of video conference.

**PROPOSED METHOD OF HEARING:** The Motion is to be heard:

In writing under subrule 37.12.1(1) because it is  
[insert on consent, unopposed or made without notice];

In writing as an opposed motion under subrule 37.12.1(4);

In person;

By telephone conference;

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[ X ] By video conference.

at the following location: 330 University Avenue, Toronto, Ontario.

**THE MOTION IS FOR:**

1. An Order:

- (a) appointing BDO Canada Limited as receiver without security, over all of the assets, undertakings and property of the defendant, 1818216 Ontario Inc. (the "**Borrower**"), including the real properties: (i) the Coronet Road Property municipally known as Unit 17, 27 Coronet Road, Toronto, Ontario (the "**Coronet Road Property**"); and (ii) the Markham Road Property municipally known as Unit 101 and Unit 102, 2855 Markham Road, Toronto, Ontario (the "**Markham Road Property**"; together with the Coronet Road Property, the "**Real Properties**"), and all other property, assets and undertakings related thereto pursuant to section 243 of the Bankruptcy and Insolvency Act ("**BIA**") and section 101 of the Courts of Justice Act; and
- (b) such further and other relief as counsel may advise and this Honourable Court may permit.

**THE GROUNDS FOR THE MOTION ARE:**

1. The Borrower is indebted to RBC pursuant to a credit agreement dated August 4, 2021.

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2. The Borrower operated a restaurant/café business from the Real Properties.
3. In the Summer, 2023, the accounts of the Borrower were transferred to RBC's Special Loans & Advisory Services Group.
4. The Borrower committed multiple defaults under its credit agreement with RBC.
5. RBC issued payment demands and BIA section 244 notices of intention to enforce security against the Borrower and all guarantors.
6. Payment demands have expired and the indebtedness remains outstanding.
7. RBC has provided the Borrower with more than sufficient time to repay the indebtedness. The Borrower has been unable to fulfill its obligations to RBC.
8. RBC has lost confidence in the Borrower.
9. At this stage, RBC wishes to take any and all steps necessary to enforce its security and realize on same.
10. RBC considers it reasonable and prudent for it to begin enforcement of its security in an effort to recover the outstanding indebtedness.
11. The appointment of a receiver is provided for in the security documents delivered to RBC by the Borrower (i.e., section 13 of the general security agreement and section 11 of the chattel mortgage security agreement, "Receivership" section of the standard charge terms which form part of the mortgage security).

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12. RBC proposes that BDO Canada Limited be appointed as receiver of the Borrower.
13. BDO Canada Limited has consented to act as receiver should the Court so appoint it.
14. The other grounds set out in the affidavit of Angella White-Smith sworn February 15, 2024.
15. Section 243(1) of the BIA.
16. Section 101 of the *Courts of Justice Act*.
17. Rules 1.04, 1.05, 2.01, 2.03, 3.02 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended.
18. 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 Motion:

- (a) Affidavit of Angella White-Smith sworn February 15, 2024 and the Exhibits thereto;
- (b) Consent of the Receiver; and
- (c) Such further and other evidence as counsel may advise and this Honourable Court may permit.

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February 23, 2024

**FOGLER, RUBINOFF LLP**

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Lawyers for the Plaintiff, Royal Bank of  
Canada

TO: **SERVICE LIST**

**ROYAL BANK OF CANADA**  
Plaintiff

-and- **1818216 ONTARIO INC. et al.**  
Defendants

Court File No. CV-24-00714666-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT  
TORONTO

**NOTICE OF MOTION**

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Lawyers for the Plaintiff, Royal Bank of Canada

**TAB 2**

Court File No. CV-24-00714666-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

B E T W E E N:

**ROYAL BANK OF CANADA**

Plaintiff

and

**1818216 ONTARIO INC., operating as RAVI KITCHEN and RAVI WRAPS AND  
SALADS, RAVI SOUPS AND WRAPS INC., 1865994 ONTARIO INC. and THARMINI  
KANDASAMY**

Defendants

**AFFIDAVIT OF ANGELLA WHITE-SMITH  
(sworn February 15, 2024)**

I, **ANGELLA WHITE-SMITH**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a manager of the Special Loans and Advisory Services group ("**SLAS**") of the Plaintiff, Royal Bank of Canada ("**RBC**"), with carriage of the RBC accounts of the defendants, 1818216 Ontario Inc. (the "**Borrower**"), Ravi Soups and Wraps Inc. ("**Ravi Soups**") and 1865994 Ontario Inc. ("**186**"). As such, I have knowledge of the matters to which I hereinafter depose.



2. Where the information in this affidavit is based upon information and belief, I have indicated the source of my information and belief and do verily believe it to be true.

3. To the extent that any of the information set out in this affidavit is based on my review of RBC's documents, I verily believe the information in such documents to be true.

### **Background**

4. I am swearing this affidavit in support of a motion by RBC seeking to appoint BDO Canada Limited ("**BDO**") as receiver over the assets, undertakings and properties of the Borrower pursuant to section 243 of the Bankruptcy and Insolvency Act ("**BIA**") and section 101 of the Courts of Justice Act.

5. On September 21, 2023, RBC issued to the Borrower a Notice of Intention to Enforce Security pursuant to s. 244 of the BIA, together with demand letters seeking payment in full of, among other things, three term facilities as set out further below. The total indebtedness owing to RBC is currently over \$1.4 million.

6. The indebtedness remains outstanding.

### **The Parties**

7. RBC is a chartered bank with offices in Toronto, Ontario.

8. The Borrower was incorporated pursuant to the laws of Ontario, with its registered head office address at 322 Adelaide St., Toronto, Ontario. Until February 1, 2024 (or earlier), the Borrower operated a restaurant/cafe business with multiple locations in Toronto. A copy of the Corporate Profile Report of the Borrower dated August 22, 2023 is attached as **Exhibit "A"**.

9. The Borrower owns real properties municipally known as follows:

a) Unit 101 and Unit 102, 2855 Markham Road, Toronto, Ontario ("**Markham Road Property**"); and

b) Unit 17, 27 Coronet Road, Toronto, Ontario ("**Coronet Road Property**").

10. The Markham Road Property and the Coronet Road Property are collectively the "**Real Properties**".

11. Ravi Soups was incorporated pursuant to the laws of Ontario, with its registered head office address at 196 Glen Road, Toronto, Ontario. Ravi Soups guaranteed the debts of the Borrower to RBC. A copy of the Corporate Profile Report of Ravi Soups dated August 23, 2023 is attached as **Exhibit "B"**.

12. 186 was incorporated pursuant to the laws of Ontario, with its registered head office address at 622 The Queensway, Toronto, Ontario. 186 also guaranteed the debts of the Borrower to RBC. A copy of the Corporate Profile Report of 186 dated August 23, 2023 is attached as **Exhibit "C"**.

13. As the Corporate Profile Reports of the Borrower, Ravi Soups and 186 indicate, Tharmini Kandasamy ("**Tharmini**") is the sole director of all three companies. Tharmini also guaranteed the debts of the Borrower to RBC. Ravi Soups, 186 and Tharmini are collectively the "**Guarantors**".

### **The Loans, Guarantees and Related Security**

14. Pursuant to a credit facilities letter agreement dated August 4, 2021, and accepted by the Borrower on August 22, 2021 (the "**Credit Agreement**"), RBC extended the following credit facilities to the Borrower:

**Facility #1** \$713,771.89 non-revolving term facility ("**Term Facility 004**")

**Facility #2** \$10,000.00 revolving demand facility available by way of overdraft

**Facility #3** \$562,074.52 non-revolving term facility ("**Term Facility 001**")

**Other** Credit card to a maximum of \$10,000.00

**Other** All Canada Small Business Financing Loans outstanding at any time and from time to time

A copy of the Credit Agreement is attached as **Exhibit "D"**.

15. Under section (a) of the General Covenants of the Credit Agreement, the Borrower covenanted to pay RBC all sums of money when due under the terms of the Credit Agreement.

16. Under section (c) of the General Covenants of the Credit Agreement, the Borrower covenanted to pay or make provision for payment of all material taxes due.

17. Under section (j) of the General Covenants of the Credit Agreement, the Borrower covenanted not to grant any mortgage or charge against its properties without the prior written consent of RBC.

18. Under the Events of Default section of the Standard Terms of the Credit Agreement, upon default, RBC is entitled to make demand for immediate repayment in full of any amounts outstanding under any term facility, together with outstanding accrued interest.

19. Pursuant to a credit facilities agreement dated March 3, 2020 and accepted by the Borrower on March 3, 2020, including the CSBFL Standard Terms (the “**CSBFL Loan Agreement**”), RBC extended a \$200,000.00 non-revolving term facility (the “**CSBFL Loan**”) to the Borrower. A copy of the CSBFL Loan Agreement is attached as **Exhibit “E”**.

20. Under section (a) of the General Covenants of the CSBFL Loan Agreement, the Borrower covenanted to pay RBC all sums of money when due under the terms of the CSBFL Loan Agreement.

21. Under the Events of Default section of the Standard Terms of the CSBFL Loan Agreement, RBC is entitled to make demand for immediate repayment in full of

any amounts outstanding under the CSBFL Loan, together with outstanding accrued interest upon the Borrower's failure to pay which constitutes an Event of Default.

22. In support of the credit facilities, the Borrower executed a General Security Agreement dated February 14, 2019 ("**Borrower GSA**") on the Bank's Standard Form 924 in favour of RBC. A copy of the Borrower GSA is attached as **Exhibit "F"**.

23. The Ravi Soups Guarantee (defined below) is supported by a General Security Agreement dated March 5, 2020 ("**Ravi Soups GSA**") on the Bank's Standard Form 924 in favour of RBC. A copy of the Ravi Soups GSA is attached as **Exhibit "G"**.

24. The 186 Guarantee (defined below) is supported by a General Security Agreement dated February 14, 2019 ("**186 GSA**") on the Bank's Standard Form 924 in favour of RBC. A copy of the 186 GSA is attached as **Exhibit "H"**.

25. The Borrower GSA, Ravi Soups GSA and 186 GSA are collectively the "**GSA**".

26. Pursuant to section 11(a) of the GSA, the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness (as defined in the GSA) constitutes a default under the GSA.

27. Pursuant to section 11(e) of the GSA, if any Encumbrance (as defined in the GSA) becomes enforceable against the Collateral (as defined in the GSA), that constitutes a default under the GSA.

28. Pursuant to section 11(f) of the GSA, if the Debtor (as defined in the GSA) ceases or threatens to carry on business, that constitutes a default under the GSA.

29. Pursuant to the "Remedies" section 13 of the GSA, upon default, RBC is entitled to appoint a receiver.

30. In support of the CSBFL Loan, the Borrower executed a Chattel Mortgage Security Agreement ("**CMSA**") on the Bank's Standard Form 927 in favour of RBC. A copy of the 186 GSA is attached as **Exhibit "I"**.

31. Pursuant to section (a) of the Events of Default section of the CMSA, the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness (as defined in the CMSA) constitutes a default under the CMSA.

32. Pursuant to the "Remedies" section 11 of the CMSA, upon default, RBC is entitled to appoint a receiver.

33. As further security for the credit facilities, the Borrower granted RBC a first-ranking Collateral Charge/Mortgage of land registered as Instrument No. AT5384071 on March 9, 2020 in the principal sum of \$572,000.00, together with Standard Charge Terms 20015, against the Coronet Road Property owned by the Borrower ("**Coronet Road Property Charge**"). A copy of the Coronet Road Property Charge is attached as **Exhibit "J"**.

34. As further security for the credit facilities, the Borrower also granted RBC a first-ranking Collateral Charge/Mortgage of land registered as Instrument No. AT5552812 on October 22, 2020 in the principal sum of \$720,000.00, together with Standard Charge Terms 20015, against the Markham Road Property owned by the Borrower ("**Markham Road Property Charge**"). A copy of the Markham Road Property Charge is attached as **Exhibit "K"**.

35. Pursuant to the "Covenants" section of the Standard Charge Terms No. 20015, the Borrower agreed to pay to RBC "each and every amount, indebtedness, liability and obligation forming part of the Liabilities in the manner agreed to in respect of such amount, indebtedness, liability or obligation".

36. Pursuant to the "Covenants in Lieu of Statutory Covenants" section of the Standard Charge Terms No. 20015, the Borrower agreed to pay taxes and other charges in connection with the Real Properties.

37. Pursuant to the "Receivership" section of the Standard Charge Terms No. 20015, at any time and from time to time when there shall be default under the provisions of the Coronet Road Property Charge and/or the Markham Road Property Charge (collectively the "**Charged Premises**"), RBC may appoint a receiver of the Charged Premises and the rents and profits thereof.

38. In support of, and as further security for the Borrower's obligations under the Credit Agreement and the CSBFL Loan Agreement, by written guarantees and postponements of claim on the Bank's Standard Form 812 dated February 28, 2020 and

March 3, 2020, respectively, Tharmini guaranteed payment to RBC of all the debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to RBC, limited to the amounts of \$1,312,000.00 and \$50,000.00, respectively, together with interest from the date of demand at a rate equal to RBC's prime interest rate per annum in effect from time to time plus 5.00%, both before and after judgment (collectively, the "**Tharmini Guarantees**"). Copies of the Tharmini Guaranties are attached as **Exhibit "L"**.

39. In support of, and as further security for the Borrower's obligations under the Credit Agreement, by written guarantee and postponement of claim on the Bank's Standard Form 812 dated March 5, 2020, Ravi Soups guaranteed payment to RBC of all the debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to RBC, limited to the amount of \$1,312,000.00, together with interest from the date of demand at a rate equal to RBC's prime interest rate per annum in effect from time to time plus 5.00%, both before and after judgment (the "**Ravi Soups Guarantee**"). A copy of the Ravi Soups Guarantee is attached as **Exhibit "M"**.

40. In support of, and as further security for the Borrower's obligations under the Credit Agreement, by written guarantee and postponement of claim on the Bank's Standard Form 812 dated February 28, 2020, 186 guaranteed payment to RBC of all the debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to RBC, limited to the amount of \$1,312,000.00, together with interest from the date of demand at a rate equal to RBC's



prime interest rate per annum in effect from time to time plus 5.00%, both before and after judgment (the “**186 Guarantee**”). A copy of the 186 Guarantee is attached as **Exhibit “N”**.

### **Secured Creditors**

41. Attached as **Exhibit “O”** is a copy of the certified PPSA search result for the Borrower with currency to August 21, 2023, indicating two registrations in favour of RBC. RBC is the first-ranking registered secured creditor of the Borrower.

42. The Coronet Road Property is legally described in PIN 76748-0019 (LT). The Markham Road Property is legally described in PIN's 76799-0001 (LT) and 76799-0002 (LT).

43. The parcel register of the Coronet Road Property indicates:

- a) RBC is the first mortgagee of the Coronet Road Property, pursuant to the first mortgage registered as Instrument No. AT5384071 on PIN 76748-0019 (LT) on March 9, 2020 in the principal amount of \$572,000.00;
- b) Daljit Singh Banga is the second mortgagee of the Coronet Road Property, pursuant to the second mortgage registered as Instrument No. AT5499434 on August 19, 2020 in the principal amount of \$300,000.00;
- c) Daljit Singh Banga also registered a Notice on title of the Coronet Road Property pursuant to Section 71 of the *Land Titles Act* as Instrument No. AT5798689 on July 14, 2021.

44. The two parcel registers of the Markham Road Property indicate:
- a) RBC is the first mortgagee of the Markham Road Property, pursuant to the first mortgage registered as Instrument No. AT5552812 on PIN's 76799-0001 (LT) and 76799-0002 (LT) on October 22, 2020 in the principal amount of \$720,000.00;
  - b) Rajinder Singh Pahal is the second mortgagee of the Markham Road Property, pursuant to the second mortgage registered as Instrument No. AT5853175 on PIN's 76799-0001 (LT) and 76799-0002 (LT) on September 8, 2021 in the principal amount of \$400,000.00;
  - c) His Majesty the King in Right of Canada as Represented by the Minister of National Revenue registered a tax lien on PIN 76799-0001 (LT) as Instrument No. AT6432851 on October 3, 2023;
  - d) His Majesty the King in Right of Canada as Represented by the Minister of National Revenue registered a tax lien on PIN 76799-0001 (LT) for excise taxes as Instrument No. AT6462949 on November 20, 2023 in the amount of \$96,967.00;
  - e) Toronto Standard Condominium Corporation No. 2799 registered on PIN's 76799-0001 (LT) and 76799-0002 (LT) as Instrument No. AT6469352 on November 30, 2023 a certificate of lien.

45. Attached as **Exhibit "P"** are copies of the parcel registers of the Real Properties as of January 22, 2024.

### **Default and Demand**

46. On or around August 22, 2023, the accounts of the Borrower were transferred to SLAS due to multiple breaches under the Credit Agreement and GSA, including but not limited to:

- (a) failure to pay municipal property taxes as they came due. As at September 19, 2023, the municipal tax arrears under both the Coronet Road Property and the Markham Road Property totalled \$54,815.51 ("**Realty Tax Arrears**");
- (b) failure to obtain the prior written consent of RBC in connection with the Borrower granting second mortgages registered against title to the Real Properties; and
- (c) notice of sale proceedings commenced by the second mortgagee, Daljit Singh Banga, issued July 12, 2023 in connection with the Coronet Road Property for the sum of \$539,374.85 (the "**Coronet Road Property NOS**").

A copy of the Coronet Road Property NOS is attached as **Exhibit "Q"**.

47. By transition letter sent on August 22, 2023, RBC advised the Borrower and the Guarantors of the reasons for the transition of accounts to SLAS. A copy of the transition letter dated August 22, 2023 is attached as **Exhibit "R"**.

48. On September 21, 2023, RBC issued payment demands to the Borrower and the Guarantors via its former counsel, Minden Gross LLP, for repayment of indebtedness and issued Notices of Intention to Enforce Security pursuant to section 244 of the BIA to the Borrower, Ravi Soups and 186 ("**NOIs**"). Attached as **Exhibit "S"** are copies of the payment demands and NOIs issued on September 21, 2023.

49. The demands and NOIs expired on October 2, 2023 and all indebtedness remain outstanding.

#### **Defendants' Repeated Failures to Execute Forbearance Agreement**

50. I am advised by Timothy Dunn, who formerly acted for RBC at Minden Gross LLP, and believe that following the issuance of payment demands, David Hwang of DH Law, counsel to the defendants, advised Mr. Dunn that his client sought a forbearance from RBC to allow for the sale of the Markham Road Property and ensure full payment of all indebtedness owing to RBC.

51. I am further advised by Mr. Dunn and believe that, on October 5, 2023, Mr. Dunn provided Mr. Hwang a copy of the forbearance agreement with terms acceptable to RBC via email.

52. RBC required the Borrower and the Guarantors to execute the forbearance agreement by October 13, 2023. The Borrower and the Guarantors failed to do so.

53. I am advised by Mr. Dunn and believe that, on October 13, 2023, Mr. Hwang replied to him advising that he would not have a chance to meet with his client until October 18, 2023. I am further advised by Mr. Dunn and believe that, on October 16, 2023, upon obtaining instructions from RBC regarding Mr. Hwang's reply email, Mr. Dunn advised Mr. Hwang that RBC would allow the Borrower and the Guarantors to execute the forbearance agreement by end of business hours on October 18, 2023 and provided an updated form of the forbearance agreement on the same date.

54. Despite the extension granted by RBC, the Borrower and the Guarantors again failed to execute the forbearance agreement in time. Attached as **Exhibit "T"** are copies of emails exchanged between Mr. Dunn and Mr. Hwang from October 5, 2023 to October 16, 2023.

55. I am advised by Mr. Dunn and believe that, thereafter, he did not hear from Mr. Hwang regarding the forbearance agreement again until December 2023. On Friday, December 15, 2023, after discussing the forbearance agreement with Mr. Hwang over a phone call, Mr. Dunn sent Mr. Hwang a further updated the forbearance agreement via email and requested a fully executed copy to be returned by noon on Monday, December 18, 2023. Attached as **Exhibit "U"** is a copy of the email sent by Mr. Dunn to Mr. Hwang on December 15, 2023.

56. For the third time, RBC did not receive a fully executed copy of the forbearance agreement from Mr. Hwang when due.

57. Thereafter, communications ceased between Mr. Hwang and Mr. Dunn.

### **Defaults Discovered by RBC Issuance and Expiry of Payment Demands**

58. To date, none of the above-noted defaults have been remedied. In fact, I learned from records in RBC's possession and advice from counsel that the Borrower and the Guarantors committed further defaults since the issuance and expiry of formal demands:

- a) Failure to pay monthly payments due under Term Facility 004 since November 21, 2023;
- b) Failure to pay monthly payments due under Term Facility 001 since December 16, 2023;
- c) Failure to pay monthly payments due under CSBFL Loan since December 8, 2023;
- d) On October 3, 2023, His Majesty the King in Right of Canada as Represented by the Minister of National Revenue registered on PIN 76799-0001 (LT) of the Markham Road Property as Instrument No. AT6432851 a lien pursuant to subsection 223(5) and (6) of the *Income Tax Act* in the amount of \$78,892.98. A copy of the lien registered as Instrument No. AT6432851 is attached as **Exhibit "V"**;

- e) On November 20, 2023, His Majesty the King in Right of Canada as Represented by the Minister of National Revenue registered a tax lien on PIN 76799-0001 (LT) of the Markham Road Property as Instrument No. AT6462949 a lien pursuant to subsection 316(4) and (5) of the *Excise Tax Act* in the amount of \$96,967.12. A copy of the lien registered as Instrument No. AT6462949 is attached as **Exhibit “W”**;
- f) On January 12, 2024, Toronto Standard Condominium Corp. No. 2799 issued a notice of sale ("**Markham Road Property NOS**") in connection with unpaid common expenses for the Markham Road Property and registered on title as Instrument No. AT6469352 on November 30, 2023 a certificate of lien. The Markham Road Property NOS is for the sum of \$12,353.58. Copies of Instrument No. AT6469352 and the Markham Road Property NOS are attached as **Exhibit “X”**;
- g) I am advised by Darren Griffiths of BDO that a site visit conducted by BDO on February 1, 2024, confirmed that the business operations of the Borrower from the Real Properties have ceased. A lockbox appears on the front door of the Coronet Road Property.

59. I am advised by Carol Liu of Fogler, Rubinoff LLP and believe that, on January 22, 2024, Mr. Yuvraj S. Chhina of CS Lawyers Professional Corporation, counsel to Daljit Singh Banga, the second mortgagee who issued the Coronet Road Property NOS, is bringing a motion for summary judgment regarding the possession of

the Coronet Road Property. A copy of Mr. Chhina's email to Ms. Liu is attached as **Exhibit "Y"**.

60. All indebtedness remains outstanding by the Borrower and the Guarantors.

### **Appointment of Receiver**

61. RBC's security provides for the appointment of a receiver upon default.

62. Demands expired approximately 5 months ago.

63. RBC has lost confidence in the Borrower as it requested a forbearance agreement from RBC in October 2023, failed repeatedly to consider and execute the draft prepared by RBC's counsel, failed to remedy existing defaults and default continues.

64. RBC has provided the Borrower with more than sufficient time to repay the indebtedness.

65. Enforcement proceedings by way of the Coronet Road Property NOS and the Markham Road Property NOS, have been issued by the creditors of the Borrower.

66. The Realty Tax Arrears remain outstanding. According to updated realty tax certificates obtained by counsel, as at February 12, 2024, municipal tax arrears under both the Coronet Road Property and the Markham Road Property total \$57,861.77. Copies of the realty tax certificates are attached as **Exhibit "Z"**.

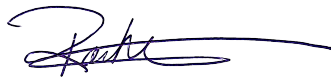


67. RBC is entitled to take any and all steps necessary to enforce its security and realize the same.

68. RBC considers it reasonable and prudent for it to begin enforcement of its security in an effort to recover the outstanding indebtedness.

69. BDO Canada Limited has consented to act as receiver over the Borrower, Ravi Soups and 186. A copy of the consent is attached as **Exhibit "AA"**.

**SWORN** by Angella White-Smith of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on February 15, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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Commissioner for Taking Affidavits  
(or as may be)



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**ANGELLA WHITE-SMITH**

This is **Exhibit "A"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits

Ministry of Public and  
Business Service Delivery

## Profile Report

1818216 ONTARIO INC. as of August 22, 2023

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	1818216 ONTARIO INC.
Ontario Corporation Number (OCN)	1818216
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	February 26, 2010
Registered or Head Office Address	322 Adelaide St, Toronto, Ontario, Canada, M5V 1R1

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

A handwritten signature in black ink, appearing to read "V. Quintanilla W.".

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

**Active Director(s)**

Minimum Number of Directors 1  
Maximum Number of Directors 10

Name THARMINI KANDASAMY  
Address for Service 322 Adelaide St, Toronto, Ontario, Canada, M5V 1R1  
Resident Canadian Yes  
Date Began February 26, 2010

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

**Active Officer(s)**

There are no active Officers currently on file for this corporation.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

**Corporate Name History****Name**

1818216 ONTARIO INC.

**Effective Date**

February 26, 2010

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

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**Active Business Names**

<b>Name</b>	RAVI KITCHEN
<b>Business Identification Number (BIN)</b>	290645175
<b>Registration Date</b>	June 07, 2019
<b>Expiry Date</b>	June 06, 2024

<b>Name</b>	RAVI WRAPS AND SALADS
<b>Business Identification Number (BIN)</b>	1000573535
<b>Registration Date</b>	June 20, 2023
<b>Expiry Date</b>	June 19, 2028

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

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**Expired or Cancelled Business Names**

<b>Name</b>	RAVISOUPS
<b>Business Identification Number (BIN)</b>	200250744
<b>Status</b>	Inactive - Expired
<b>Registration Date</b>	March 05, 2010
<b>Expired Date</b>	March 04, 2015

<b>Name</b>	RAVI SOUPS
<b>Business Identification Number (BIN)</b>	261190177
<b>Status</b>	Inactive - Expired
<b>Registration Date</b>	November 30, 2016
<b>Expired Date</b>	November 29, 2021

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

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**Document List****Filing Name**

BCA - Articles of Incorporation

**Effective Date**

February 26, 2010

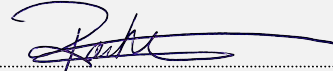
Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

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This is **Exhibit "B"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits

Ministry of Public and  
Business Service Delivery

## Profile Report

RAVI SOUPS AND WRAPS INC. as of August 23, 2023

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	RAVI SOUPS AND WRAPS INC.
Ontario Corporation Number (OCN)	1792834
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	March 03, 2009
Registered or Head Office Address	196 Glen Road, Toronto, Ontario, Canada, M4W 2X1

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

A handwritten signature in black ink, appearing to read "V. Quintanilla W.".

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

**Active Director(s)**

Minimum Number of Directors

1

Maximum Number of Directors

10

**Name**

THARMINI KANDASAMY

**Address for Service**

196 Glen Road, Toronto, Ontario, Canada, M4W 2X1

**Resident Canadian**

Yes

**Date Began**

March 03, 2009

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report.

Additional historical information may exist in paper or microfiche format.

**Active Officer(s)**

There are no active Officers currently on file for this corporation.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

**Corporate Name History****Name**

RAVI SOUPS AND WRAPS INC.

**Effective Date**

September 08, 2015

**Previous Name**

1792834 ONTARIO INC.

**Effective Date**

March 03, 2009

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

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**Active Business Names**

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

**Expired or Cancelled Business Names**

<b>Name</b>	RAVI SOUPS
<b>Business Identification Number (BIN)</b>	260238563
<b>Status</b>	Inactive - Expired
<b>Registration Date</b>	March 07, 2016
<b>Expired Date</b>	March 06, 2021

<b>Name</b>	RAVISOUPS
<b>Business Identification Number (BIN)</b>	191184878
<b>Status</b>	Inactive - Expired
<b>Registration Date</b>	November 23, 2009
<b>Expired Date</b>	November 22, 2014

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

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**Document List****Filing Name**

BCA - Articles of Amendment

BCA - Articles of Incorporation

**Effective Date**

September 08, 2015

March 03, 2009

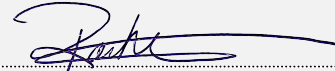
Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

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This is **Exhibit "C"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits

Ministry of Public and  
Business Service Delivery

## Profile Report

1865994 ONTARIO INC. as of August 23, 2023

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	1865994 ONTARIO INC.
Ontario Corporation Number (OCN)	1865994
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	January 06, 2012
Registered or Head Office Address	622 The Queensway, Toronto, Ontario, Canada, M8Y 1K3

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

A handwritten signature in black ink, appearing to read "V. Quintanilla W.".

Director/Registrar

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**Active Director(s)****Minimum Number of Directors**  
**Maximum Number of Directors**1  
10**Name**  
**Address for Service**  
**Resident Canadian**  
**Date Began**THARMINI KANDASAMY  
622 The Queensway, Toronto, Ontario, Canada, M8Y 1K3  
Yes  
January 06, 2012

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

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**Active Officer(s)**

There are no active Officers currently on file for this corporation.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

**Corporate Name History****Name**

1865994 ONTARIO INC.

**Effective Date**

January 06, 2012

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

**Active Business Names**

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

**Expired or Cancelled Business Names**

<b>Name</b>	RAVISOUPS
<b>Business Identification Number (BIN)</b>	220253892
<b>Status</b>	Inactive - Expired
<b>Registration Date</b>	March 07, 2012
<b>Expired Date</b>	March 06, 2017

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.



**Document List****Filing Name**

BCA - Articles of Incorporation

**Effective Date**

January 06, 2012

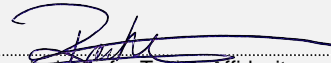
Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

This is **Exhibit “D”** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits



Royal Bank

FORM 460 (Rev 06/2021) O

## ROYAL BANK OF CANADA CREDIT AGREEMENT

DATE: August 4, 2021

## BORROWER:

SRF:

1818216 ONTARIO INC.

333843761

## ADDRESS (Street, City/Town, Province, Postal Code)

2855 MARKHAM ROAD

UNIT 101-102

TORONTO, ON M1X 0B6

Royal Bank of Canada (the "Bank") hereby confirms to the undersigned (the "Borrower") the following credit facilities (the "Credit Facilities"), banking services and other products subject to the terms and conditions set forth below and in the standard terms provided herewith (collectively the "Agreement"). The Credit Facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time without notice.

CREDIT FACILITIES

**Facility #1 Fixed rate term loan (non-revolving) in the amount of \$713,771.89.** Repayable by consecutive monthly blended payments of \$3,690.96, including interest, based on a 293 month amortization. Next blended payment is due August 21, 2021. This loan has a 51 month term and all outstanding principal and interest is payable in full on October 22, 2025. Interest rate: 3.66% per annum. Amount eligible for prepayment is NIL.

**Facility #2 Revolving demand facility in the amount of \$10,000.00, available by way of Overdraft.** Interest rate: RBP + 5.00% per annum. Interest payable monthly, in arrears, on the same day each month as determined by the Bank.

**Facility #3 Fixed rate term loan (non-revolving) in the amount of \$562,074.52.** Repayable by consecutive monthly blended payments of \$3,190.84, including interest, based on a 288 month amortization. Next blended payment is due August 16, 2021. This loan has a 44 month term and all outstanding principal and interest is payable in full on March 6, 2025. Interest rate: 4.48% per annum. Amount eligible for prepayment is NIL.

OTHER FACILITIES

The Credit Facilities are in addition to the following facilities (the "Other Facilities"). The Other Facilities will be governed by this Agreement and separate agreements between the Borrower and the Bank. In the event of a conflict between this Agreement and any such separate agreement, the terms of the separate agreement will govern.

- a) Credit Card to a maximum amount of \$10,000.00;
- b) All Canada Small Business Financing Loans outstanding at any time and from time to time.

SECURITY

Security for the Borrowings and all other obligations of the Borrower to the Bank, including without limitation any amounts outstanding under any Leases, if applicable, (collectively, the "Security"), shall include:

- a) General security agreement on the Bank's form 924 signed by the Borrower constituting a first ranking security interest in all personal property of the Borrower;
- b) Collateral mortgage in the amount of \$572,000.00 signed by the Borrower constituting a first fixed charge on the lands and improvements located at Unit # 17 - 25 -27 Coronet Rd, Etobicoke, Ontario, held in support of Facility #3;
- c) Collateral mortgage in the amount of \$720,000.00 signed by the Borrower constituting a first fixed charge on the lands and improvements located at Unit 101-102, 2855 Markham Road, Toronto, Ontario, held in support of Facility #1;

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ROYAL BANK OF CANADA CREDIT AGREEMENT

Page 1 of 3

- d) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$1,312,000.00 signed by Tharmini Kandasamy;
- e) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$1,312,000.00 signed by Ravi Soups and Wraps Inc., supported by a general security agreement on the Bank's form 924 constituting a first ranking security interest in all personal property of Ravi Soups and Wraps Inc.;
- f) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$1,312,000.00 signed by 1865994 Ontario Inc., supported by a general security agreement on the Bank's form 924 constituting a first ranking security interest in all personal property of 1865994 Ontario Inc.;
- g) Postponement and assignment of claim on the Bank's form 918 signed by Tharmini Kandasamy.

#### FEES

Annual renewal fee of \$1,500.00 payable upon acceptance of this Agreement or as agreed upon between the Borrower and the Bank.

Renewal Fee:

If the Bank renews or extends any term facility or term loan beyond its maturity date, an additional renewal fee may be payable in connection with any such renewal in such amount as the Bank may determine and notify the Borrower.

#### REPORTING REQUIREMENTS

The Borrower will provide to the Bank:

- a) annual notice to reader financial statements for 1865994 Ontario Inc. and Ravi Soups and Wraps Inc., within 120 days of each fiscal year end;
- b) annual review engagement financial statements for the Borrower, within 120 days of each fiscal year end;
- c) annual notice to reader combined financial statements for Ravi Soups and Wraps Inc., the Borrower and 1865994 Ontario Inc., within 120 days of each fiscal year end;
- d) annual personal statement of affairs for all Guarantors, who are individuals, within 120 days of the end of every fiscal year of the Borrower, commencing with the fiscal year ending in 2022;
- e) such other financial and operating statements and reports as and when the Bank may reasonably require.

#### BUSINESS LOAN INSURANCE PLAN

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible.

If the Borrower decides to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 ENG or 53460 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional

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Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

If there are any discrepancies between the insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

#### STANDARD TERMS


The following standard terms have been provided to the Borrower:

- Form 472 (11/2020) Royal Bank of Canada Credit Agreement – Standard Terms
- Form 473 (02/2020) Royal Bank of Canada Credit Agreement – Margined Accounts Standard Terms
- Form 473A (06/2021) Royal Bank of Canada Credit Agreement – RBC Covanty Terms and Conditions
- Form 473B (02/2020) Royal Bank of Canada Credit Agreement – Margined Accounts Standard Terms

#### ACCEPTANCE

This Agreement is open for acceptance until September 3, 2021, after which date it will be null and void, unless extended by the Bank in its sole discretion.

#### **ROYAL BANK OF CANADA**

Per:   
Title: Vice President

#### RBC Contact: PRASAD NARAYANA

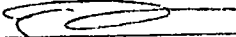
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#### CONFIRMATION & ACCEPTANCE

The Borrower (i) confirms that it has received a copy of the Royal Bank of Canada Credit Agreement Standard Terms, Form 472, as well as all other standard terms which are hereinabove shown as having been delivered to the Borrower, all of which are incorporated in and form an integral part of this Agreement; and (ii) accepts and agrees to be bound by the terms and conditions of this Agreement including all terms and conditions contained in such standard terms.

Confirmed, accepted and agreed this 22<sup>nd</sup> day of AUGUST, 2021.

#### **1818216 ONTARIO INC.**

Per:   
Name: PRZEMYSŁAW KRAWONCZYK  
Title: PRESIDENT

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

I/We have the authority to bind the Borrower

Regulated by the Bank of Royal Bank of Canada.

## ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS

FORM 472 (11/2020)

The following set of standard terms is deemed to be included in and forms an integral part of the Royal Bank of Canada Loan Agreement which refers to standard terms with this document version date, receipt of which has been duly acknowledged by the Borrower. Terms defined elsewhere in this Agreement and not otherwise defined below have the meaning given to such terms as so defined. The Borrower agrees and if the Borrower is comprised of more than one Person, such Persons jointly and severally agree, or in Quebec solidarily agree, with the Bank as follows:

### GENERAL

This Agreement amends and restates, without novation, any existing credit or loan agreement between the Borrower and the Bank and any amendments thereto, (other than existing agreements for Other Facilities). Any credit facility existing under any such credit or loan agreement which is secured by security under section 427 of the *Bank Act* (Canada) (or any successor to such provision) is deemed to be continued and renewed, without novation, under the Credit Facilities. Any amount owing by the Borrower to the Bank under any such credit or loan agreement is deemed to be a Borrowing under this Agreement. This Agreement is in addition to, and not in replacement of, agreements for Other Facilities. Any and all Security that has been delivered to the Bank and which is included as Security in this Agreement shall remain in full force and effect, is expressly reserved by the Bank and shall apply in respect of all obligations of the Borrower under the Credit Facilities. The Bank expressly reserves all Security granted to the Bank by the Borrower to secure the Borrower's existing debt towards the Bank, should the execution of this Agreement effect a novation of said debt. Unless otherwise provided, all dollar amounts are in Canadian currency.

### CONDITIONS PRECEDENT

In no event will the Credit Facilities or any part thereof be available unless the Bank has received:

- a) a duly executed copy of this Agreement;
- b) the Security provided for herein, in form and substance, and executed and registered to the satisfaction of the Bank;
- c) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require; and
- d) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

### AVAILABILITY

**Revolving facilities:** The Borrower may borrow, convert, repay and reborrow up to the amount of each revolving facility (subject to Margin where applicable) provided each facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice.

**Non-revolving facilities:** The Borrower may borrow up to the amount of each non-revolving facility provided these facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time without notice.

### LOAN REVOLVEMENT

If the Credit Facilities include a revolving demand facility by way of RBP and/or RBUSBR based loans, the Borrower shall establish a current account in Canadian currency, and, where RBUSBR based loans are made available, in US currency (each a "General Account") for the conduct of the Borrower's day-to-day banking business. The Borrower authorizes the Bank daily or otherwise as and when determined by the Bank to ascertain the balance of any General Account and:

- a) if such position is a debit balance the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, make available a Borrowing by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- b) where the facility is indicated to be Bank revolved, if such position is a credit balance, the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, apply the amount of such credit balance or any part as a repayment of any Borrowings outstanding by way of RBP Loans, or RBUSBR Loans as applicable, under this facility;
- c) where this facility is indicated to be Borrower revolved, if such position is a credit balance, the Bank will apply repayments on such facility only if so advised and directed by the Borrower;
- d) Overdrafts and Bank revolved facilities by way of RBP Loans, or RBUSBR Loans, are not available on the same General Account.

### REPAYMENT

- a) Amounts outstanding under the Credit Facilities, together with interest, shall become due in the manner and at the rates and times specified in or pursuant to this Agreement and shall be paid in the currency of the Borrowing. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day.
- b) Unless the Bank otherwise agrees, any payment hereunder must be made in money which is legal tender at the time of payment.
- c) In the case of a demand facility of any kind, the Borrower shall repay all principal sums outstanding under such facility upon demand including, without limitation, an amount equal to the face amount of all LCs and LGs, if applicable, which are unmatured or unexpired, which amount shall be held by the Bank as security for the Borrower's obligations to the Bank in respect of such Borrowings.
- d) Where any Borrowings are repayable by scheduled blended payments of principal and interest, such payments shall be applied, firstly, to interest due, and the balance, if any, shall be applied to principal outstanding with any balance of such Borrowings being due and payable as and when specified in this Agreement. If any such payment is insufficient to pay all interest then due, the unpaid balance of such interest will be added to such Borrowing, will bear interest at the same rate, and will be payable on demand or on the date specified herein, as the case may be.
- e) Borrowings repayable by way of scheduled payments of principal plus interest shall be so repaid with any balance of such Borrowings being due and payable as and when specified in this Agreement.
- f) For any Borrowings that are repayable by scheduled payments, if the scheduled payment date is changed then the maturity date of the applicable Borrowings shall automatically be amended accordingly.
- g) Without limiting the right of the Bank to terminate or demand payment of or to cancel or restrict availability of any unused portion of any revolving demand tender loan facility, Borrowings by way of tender loans shall be repaid (i) if the tender is not accepted, by returning the relevant draft, or certified cheque, if applicable, to the Bank for cancellation or (ii) if the tender is accepted, by returning the relevant draft, or certified cheque, if applicable, once letters of guarantee or performance bonds are arranged. In the event such draft, or certified cheque, if applicable, is presented for payment, the amount of the draft, or certified cheque, if applicable, will be converted to an RBP based loan with an interest rate of RBP plus 5% per annum.
- h) Should the Bank demand immediate repayment in full of any amounts outstanding under any term facility due to an Event of Default, the Borrower shall immediately repay all principal sums outstanding under such facility and all other obligations in connection with any such term facility.
- i) Except for Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the rate of RBP plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%, or, in the case of an amount in US currency if applicable, RBUSBR plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%. Such interest on overdue amounts shall be computed daily, compounded monthly and shall be payable both before and after any or all of default, maturity, demand

## ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS

FORM 472 (11/2020)

and judgement. For Borrowings secured by a mortgage, any amount that is not paid when due hereunder shall bear interest until paid at the same rate as the interest rate applicable to the principal amount of the Borrowings as specified in this Agreement.

- j) In the case of any reducing term loan and/or reducing term facility ("**Reducing Term Loan/Facility**"), provided that nothing contained in this paragraph shall confer any right of renewal or extension upon the Borrower, the Borrower and the Bank agree that, at the Bank's option, the Bank may provide a letter ("**Renewal Letter**") to the Borrower setting out the terms upon which the Bank is prepared to extend the Reducing Term Loan/Facility. In the event that the Bank provides a Renewal Letter to the Borrower and the Reducing Term Loan/Facility is not repaid on or before the maturity date of the applicable Reducing Term Loan/Facility, then at the Bank's option the Reducing Term Loan/Facility shall be automatically renewed on the terms set out in the Renewal Letter and the terms of this Agreement shall be amended accordingly.

**PREPAYMENT**

Where Borrowings under any term facility are by way of RBP and/or RBUSBR based loans, the Borrower may prepay such Borrowings in whole or in part at any time without fee or premium.

Where Borrowings under any term facility are at a fixed interest rate, provided an Event of Default shall not have occurred and be continuing, the Borrower may prepay such Borrowings on a non-cumulative basis up to the percentage indicated in this Agreement of the outstanding principal balance on the day of prepayment, without fee or premium, once per year during the 12 month period from each anniversary date of the Borrowing. Any prepayment of the Borrowing prior to the maturity date, in whole or in part (in excess of any prepayment explicitly permitted in this Agreement), requires an amendment of the terms of this Agreement. An amendment to permit such a prepayment requires the Bank's prior written consent. The Bank may provide its consent to an amendment to permit a prepayment upon satisfaction by the Borrower of any conditions the Bank may reasonably impose, including, without limitation, the Borrower's agreement to pay the Prepayment Fee as defined below.

The Prepayment Fee will be calculated by the Bank as the sum of:

- a) the greater of:
- (i) the amount equal to three (3) months' interest payable on the amount of the fixed rate term facility Borrowing being prepaid, calculated at the interest rate applicable to the fixed rate term facility Borrowing on the date of prepayment; and
  - (ii) the present value of the cash flow associated with the difference between the Bank's original cost of funds for the fixed rate term facility Borrowing and the current cost of funds for a fixed rate term loan with a term substantially similar to the remaining term and an amortization period substantially similar to the remaining amortization period of the fixed rate term facility Borrowing, each as determined by the Bank on the date of such prepayment;
- plus:
- b) Foregone margin over the remainder of the term of the fixed rate term facility Borrowing. Foregone margin is defined as the present value of the difference between the Bank's original cost of funds for the fixed rate term facility Borrowing and the interest that would have been charged to the Borrower over the remaining term of the fixed rate term facility Borrowing;
- plus:
- c) a processing fee.

The Prepayment Fee shall also be payable by the Borrower in the event the Bank demands repayment of the outstanding fixed rate term facility Borrowing on the occurrence of an Event of Default. The Borrower's obligation to pay the Prepayment Fee will be in addition to any other amounts then owing by the Borrower to the Bank, will form part of the Borrowings outstanding and will be secured by the Security described herein.

The prepayment of any Borrowings under a term facility will be made in the reverse order of maturity.

**EVIDENCE OF INDEBTEDNESS**

The Bank shall maintain accounts and records (the "**Accounts**") evidencing the Borrowings made available to the Borrower by the Bank under this Agreement. The Bank shall record the principal amount of such Borrowings, the payment of principal and interest on account of the Borrowings, and all other amounts becoming due to the Bank under this Agreement. The Accounts constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement. The Borrower authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any bank account of the Borrower for all amounts payable under this Agreement, including, but not limited to, the repayment of principal and the payment of interest, fees and all charges for the keeping of such bank accounts.

**CALCULATION AND PAYMENT OF INTEREST AND FEES**

- a) The Borrower shall pay interest on each Overdraft, RBP and/or RBUSBR based loan monthly in arrears on the same day of each month as determined by the Bank. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- b) The Borrower shall pay interest on each fixed and/or variable rate term facility in arrears at the applicable rate on such date as agreed upon between the Bank and the Borrower. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- c) The Borrower shall pay an LC fee on the date of issuance of any LC calculated on the face amount of the LC issued, based upon the number of days in the term and a year of 365 days. If applicable, fees for LCs issued in US currency shall be paid in US currency.
- d) The Borrower shall pay LG fees in advance on a quarterly basis calculated on the face amount of the LG issued and based on the number of days in the upcoming quarter or remaining term thereof and a year of 365 days. LG fees are non-refundable. If applicable, fees for LGs issued in US currency shall be paid in US currency.
- e) Amounts payable by the Borrower hereunder shall be paid at such place as the Bank may advise from time to time in the applicable currency. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day. Interest and fees payable under this Agreement are payable both before and after any or all of default, maturity, demand and judgement.
- f) The Borrower shall not be obligated to pay any interest, fees or costs under or in connection with this Agreement in excess of what is permitted by Applicable Law. In no event shall the effective interest rate payable by the Borrower under any facility be less than zero.

**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS****FORM 472 (11/2020)**

- g) The annual rates of interest or fees to which the rates calculated in accordance with this Agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.

**FEES, COSTS AND EXPENSES**

The Borrower agrees to pay the Bank all fees stipulated in this Agreement and all fees charged by the Bank relating to the documentation or registration of this Agreement and the Security. In addition, the Borrower agrees to pay all fees (including legal fees), costs and expenses incurred by the Bank in connection with the preparation, negotiation, documentation and registration of this Agreement and any Security and the administration, operation, termination, enforcement or protection of its rights in connection with this Agreement and the Security. The Borrower shall indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank if any facility under the Credit Facilities is repaid or prepaid other than on its Maturity Date. The determination by the Bank of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Bank in liquidating or redeploying deposits acquired to make or maintain any facility.

**GENERAL COVENANTS**

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, the Borrower covenants and agrees with the Bank that the Borrower:

- a) will pay all sums of money when due under the terms of this Agreement;
- b) will immediately advise the Bank of any event which constitutes or which, with notice, lapse of time or both, would constitute a breach of any covenant or other term or condition of this Agreement or any Security or an Event of Default;
- c) will file all material tax returns which are or will be required to be filed by it, pay or make provision for payment of all material taxes (including interest and penalties) and Potential Prior-Ranking Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- d) will give the Bank 30 days prior notice in writing of any intended change in its ownership structure or composition and will not make or facilitate any such changes without the prior written consent of the Bank;
- e) will comply with all Applicable Laws, including, without limitation, all Environmental and Health and Safety Laws;
- f) will immediately advise the Bank of any action requests or violation notices received concerning the Borrower and hold the Bank harmless from and against any losses, costs or expenses which the Bank may suffer or incur for any environment related liabilities existent now or in the future with respect to the Borrower;
- g) will deliver to the Bank such financial and other information as the Bank may reasonably request from time to time, including, but not limited to, the reports and other information set out under this Agreement;
- h) will immediately advise the Bank of any unfavourable change in its financial position which may adversely affect its ability to pay or perform its obligations in accordance with the terms of this Agreement;
- i) will keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- j) except for Permitted Encumbrances, will not, without the prior written consent of the Bank, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- k) will not, without the prior written consent of the Bank, sell, transfer, convey, lease or otherwise dispose of any of its properties or assets other than in the ordinary course of business and on commercially reasonable terms;
- l) will not, without the prior written consent of the Bank, guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other Person, except as may be provided for herein;
- m) will not, without the prior written consent of the Bank, merge, amalgamate, or otherwise enter into any other form of combination with any other Person;
- n) will permit the Bank or its representatives, from time to time, i) to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, ii) to collect information from any person regarding any Potential Prior-Ranking Claims and iii) to discuss the Borrower's affairs with the auditors, counsel and other professional advisers of the Borrower. The Borrower hereby authorizes and directs any such third party to provide to the Bank or its representatives all such information, records or documentation requested by the Bank; and
- o) will not use the proceeds of any Credit Facility for the benefit or on behalf of any Person other than the Borrower.

**GENERAL INDEMNITY**

The Borrower hereby agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from and against any and all claims, suits, actions, demands, debts, damages, costs, losses, obligations, judgements, charges, expenses and liabilities of any nature which are suffered, incurred or sustained by, imposed on or asserted against any such Person as a result of, in connection with or arising out of i) any breach of any term or condition of this Agreement or any Security or any other agreement delivered to the Bank by the Borrower or any Guarantor if applicable or any Event of Default, ii) the Bank acting upon instructions given or agreements made by electronic transmission of any type, iii) the presence of Contaminants at, on or under or the discharge or likely discharge of Contaminants from, any properties now or previously used by the Borrower and iv) the breach of or non compliance with any Applicable Law by the Borrower or any Guarantor.

**AMENDMENTS AND WAIVERS**

Save and except for any waiver or extension of the deadline for acceptance of this Agreement at the Bank's sole discretion, which may be communicated in writing, verbally, or by conduct, no amendment or waiver of any provision of this Agreement will be effective unless it is in writing, signed by the Borrower and the Bank. No failure or delay, on the part of the Bank, in exercising any right or power hereunder or under any Security or any other agreement delivered to the Bank shall operate as a waiver thereof. Each Guarantor, if applicable, agrees that the amendment or waiver of any provision of this Agreement (other than agreements, covenants or representations expressly made by any Guarantor herein, if any) may be made without and does not require the consent or agreement of, or notice to, any Guarantor.

**SUCCESSORS AND ASSIGNS**

This Agreement shall extend to and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Borrower shall not be entitled to assign or transfer any rights or obligations hereunder, without the consent in writing of the Bank.

**GAAP**

Unless otherwise provided, all accounting terms used in this Agreement shall be interpreted in accordance with Canadian Generally Accepted Accounting Principles, as appropriate, for publicly accountable enterprises, private enterprises, not-for-profit organizations, pension plans and in accordance with appropriate, with Public Sector Accounting Standards for government organizations in effect from time to time, applied on a consistent basis from period



**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS****FORM 472 (11/2020)**

to period. All financial statements and/or reports shall be prepared using one of the above bases of presentation, as appropriate. Except for the transition of accounting standards in Canada, any change in accounting principles or the application of accounting principles is only permitted with the prior written consent of the Bank.

**SEVERABILITY**

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and such invalid provision shall be deemed to be severable.

**DEFAULT BY LAPSE OF TIME**

The mere lapse of time fixed for performing an obligation shall have the effect of putting the Borrower in default thereof.

**SET-OFF**

The Bank is authorized (but not obligated), at any time and without notice, to apply any credit balance (whether or not then due) in any account in the name of the Borrower, or to which the Borrower is beneficially entitled (in any currency) at any branch or agency of the Bank in or towards satisfaction of the indebtedness of the Borrower due to the Bank under the Credit Facilities and the other obligations of the Borrower under this Agreement. For that purpose, the Bank is irrevocably authorized to use all or any part of any such credit balance to buy such other currencies as may be necessary to effect such application.

**CONSENT OF DISCLOSURE**

The Borrower hereby grants permission to any Person having information in such Person's possession relating to any Potential Prior-Ranking Claim, to release such information to the Bank (upon its written request), solely for the purpose of assisting the Bank to evaluate the financial condition of the Borrower.

**JOINT AND SEVERAL / SOLIDARY**

Where more than one Person is liable as Borrower, for any obligation under this Agreement, then the liability of each such Person for such obligation is joint and several (in Quebec, solidary) with each other such Person.

**EVENTS OF DEFAULT**

Without affecting or limiting the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, each of the following shall constitute an "Event of Default" which shall entitle the Bank, in its sole discretion, to cancel any Credit Facilities, demand immediate repayment in full of any amounts outstanding under any term facility, together with outstanding accrued interest and any other indebtedness under or with respect to any term facility, and to realize on all or any portion of any Security:

- a) failure of the Borrower to pay any principal, interest or other amount when due pursuant to this Agreement;
- b) failure of the Borrower, or any Guarantor if applicable, to observe any covenant, term or condition or provision contained in this Agreement, the Security or any other agreement delivered to the Bank or in any documentation relating hereto or thereto;
- c) the Borrower, or any Guarantor if applicable, is unable to pay its debts as such debts become due, or is, or is adjudged or declared to be, or admits to being, bankrupt or insolvent;
- d) if any proceeding is taken to effect a compromise or arrangement with the creditors of the Borrower, or any Guarantor if applicable, or to have the Borrower, or any Guarantor if applicable, declared bankrupt or wound up, or to have a receiver appointed for any part of the assets or operations of the Borrower, or any Guarantor if applicable, or if any encumbrancer takes possession of any part thereof;
- e) if in the opinion of the Bank there is a material adverse change in the financial condition, ownership structure or composition or operation of the Borrower, or any Guarantor if applicable;
- f) if any representation or warranty made by the Borrower in any document relating hereto or under any Security shall be false in any material respect; or
- g) if the Borrower, or any Guarantor if applicable, defaults in the payment of any other indebtedness, whether owing to the Bank or to any other Person, or defaults in the performance or observance of any agreement in respect of such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated.

**LETTERS OF CREDIT AND/OR LETTERS OF GUARANTEE**

Borrowings made by way of LCs and/or LGs will be subject to the following terms and conditions:

- a) each LC and/or LG shall expire on a Business Day and shall have a term of not more than 365 days;
- b) at least 2 Business Days prior to the issue of an LC and/or LG, the Borrower shall execute a duly authorized application with respect to such LC and/or LG and each LC and/or LG shall be governed by the terms and conditions of the relevant application for such contract. If there is any inconsistency at any time between the terms of this Agreement and the terms of the application for LC and/or LG, the terms of the application for the LC and/or LG shall govern; and
- c) an LC and/or LG may not be revoked prior to its expiry date unless the consent of the beneficiary of the LC and/or LG has been obtained.
- d) LC and/or LG fees and drawings will be charged to the Borrower's accounts.

**FEF CONTRACTS**

Bank makes no formal commitment herein to enter into any FEF Contract and the Bank may, at any time and at all times, in its sole and absolute discretion, accept or reject any request by the Borrower to enter into a FEF Contract. Should the Bank make FEF Contracts available to the Borrower, the Borrower agrees, with the Bank as follows:

- a) the Borrower shall promptly issue or countersign and return a confirmation or acknowledgement of the terms of each such FEF Contract as required by the Bank;
- b) the Borrower shall, if required by the Bank, promptly enter into a Foreign Exchange and Options Master Agreement or such other agreement in form and substance satisfactory to the Bank to govern the FEF Contract(s);
- c) in the event of demand for payment under the Agreement, the Bank may terminate all or any FEF Contracts. If the agreement governing any FEF Contract does not contain provisions governing termination, any such termination shall be effected in accordance with customary market practice. The Bank's determination of amounts owing under any terminated FEF Contract shall be conclusive in the absence of manifest error. The Bank shall apply any amount owing by the Bank to the Borrower on termination of any FEF Contract against the Borrower's obligations to the Bank under the Agreement and any amount owing to the Bank by the Borrower on such termination shall be added to the Borrower's obligations to the Bank under the Agreement and secured by the Security;

**ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS****FORM 472 (11/2020)**

- d) the Borrower shall pay all required fees in connection with any FEF Contracts and indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank in relation to any FEF Contract;
- e) any rights of the Bank herein in respect of any FEF Contract are in addition to and not in limitation of or substitution for any rights of the Bank under any agreement governing such FEF Contract. In the event that there is any inconsistency at any time between the terms hereof and any agreement governing such FEF Contract, the terms of such agreement shall prevail;
- f) in addition to any security which may be held at any time in respect of any FEF Contract, upon request by the Bank from time to time, the Borrower will deliver to the Bank such security as is acceptable to the Bank as continuing collateral security for the Borrower's obligations to the Bank in respect of FEF Contracts; and
- g) the Borrower will enter each FEF Contract as principal, and only for purposes of hedging currency risk arising in the ordinary course of the Borrower's business and not for purposes of speculation. The Borrower understands and hereby acknowledges the risks associated with each FEF Contract.

**EXCHANGE RATE FLUCTUATIONS**

If, for any reason, the amount of Borrowings and/or Leases if applicable, outstanding under any facility in a currency other than Canadian currency, when converted to the Equivalent Amount in Canadian currency, exceeds the amount available under such facility, the Borrower shall immediately repay such excess or shall secure such excess to the satisfaction of the Bank.

**LANGUAGE**

The parties hereto have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. Les parties ont expressément demandé que la présente convention et tous les documents y afférents, y compris les avis, soient rédigés en langue anglaise.

**WHOLE AGREEMENT**

This Agreement and any documents or instruments referred to in, or delivered pursuant to, or in connection with, this Agreement constitute the whole and entire agreement between the Borrower and the Bank with respect to the Credit Facilities.

**GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the Province in which the branch of the Bank, which is the Borrower's branch of account, is located, and the laws of Canada applicable therein, as the same may from time to time be in effect. The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of such Province and acknowledges the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.

**NOTICES**

Any notice or demand to be given by the Bank shall be given in writing by way of a letter addressed to the Borrower. If the letter is sent by telecopier, it shall be deemed received on the date of transmission, provided such transmission is sent prior to 5:00 p.m. on a day on which the Borrower's business is open for normal business, and otherwise on the next such day. If the letter is sent by ordinary mail to the address of the Borrower, it shall be deemed received on the date falling five (5) days following the date of the letter, unless the letter is hand-delivered to the Borrower, in which case the letter shall be deemed to be received on the date of delivery. The Borrower must advise the Bank at once about any changes in the Borrower's address.

**COUNTERPART EXECUTION**

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.

**ELECTRONIC MAIL AND FAX TRANSMISSION**

The Bank is entitled to rely on any agreement, document or instrument provided to the Bank by the Borrower or any Guarantor as applicable, by way of electronic mail or fax transmission as though it were an original document. The Bank is further entitled to assume that any communication from the Borrower received by electronic mail or fax transmission is a reliable communication from the Borrower.

**ELECTRONIC IMAGING**

The parties hereto agree that, at any time, the Bank may convert paper records of this Agreement and all other documentation delivered to the Bank (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of the Bank's normal business practices. The parties agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

**CONFIDENTIALITY**

This Agreement and all of its terms are confidential ("**Confidential Information**"). The Borrower shall keep the Confidential Information confidential and will not disclose the Confidential Information, or any part thereof, to any Person other than the Borrower's directors, officers, employees, agents, advisors, contractors, consultants and other representatives of the Borrower who need to know the Confidential Information for the purpose of this Agreement, who shall be informed of the confidential nature of the Confidential Information and who agree or are otherwise bound to treat the Confidential Information consistent with the terms of this Agreement. Without limiting the generality of the foregoing, the Borrower shall not issue any press release or make any other public announcement or filing with respect to the Confidential Information without the Bank's prior written consent.

**DEFINITIONS**

For the purpose of this Agreement, if applicable, the following terms and phrases shall have the following meanings:

"**Applicable Laws**" means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, policies, guidelines, rulings, interpretations, directives (whether or not having the force of law), orders, codes, treaties, conventions, judgements, awards, determinations and decrees of any governmental, quasi-governmental, regulatory, fiscal or monetary body or agency or court of competent jurisdiction in any applicable jurisdiction;

"**Borrowing**" means each use of a Credit Facility, excluding Leases, and all such usages outstanding at any time are "Borrowings";

"**Business Day**" means a day, excluding Saturday, Sunday and any other day which shall be a legal holiday in Canada or any Province thereof, or a day on which banking institutions are closed throughout Canada;

## ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS

FORM 472 (11/2020)

**"Business Loan Insurance Plan"** means the optional group creditor insurance coverage, underwritten by Sun Life Assurance Company of Canada, and offered in connection with eligible loan products offered by the Bank;

**"Capital Expenditures"** means, for any fiscal period, any amounts accrued or paid in respect of any purchase or other acquisition for value of capital assets and, for greater certainty, excludes amounts expended in respect of the normal repair and maintenance of capital assets utilized in the ordinary course of business;

**"Contaminant"** includes, without limitation, any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental and Health and Safety Law;

**"Corporate Distributions"** means any payments to any shareholder, director or officer, or to any associate or holder of subordinated debt, or to any shareholder, director or officer of any associate or holder of subordinated debt, including, without limitation, bonuses, dividends, interest, salaries or repayment of debt or making of loans to any such Person, but excluding salaries to officers or other employees in the ordinary course of business;

**"Current Assets"** means, at any time, those assets ordinarily realizable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year;

**"Current Liabilities"** means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for current assets);

**"Current Ratio"** means the ratio of Current Assets to Current Liabilities;

**"Debt Service Coverage"** means, for any fiscal period, the ratio of EBITDA to the total of Interest Expense and scheduled principal payments in respect of Funded Debt;

**"EBITDA"** means, for any fiscal period, net income from continuing operations (excluding extraordinary gains or losses) plus, to the extent deducted in determining net income, Interest Expense and income taxes accrued during, and depreciation, depletion and amortization expenses deducted for, the period;

**"Environmental Activity"** means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater;

**"Environmental and Health and Safety Laws"** means all Applicable Laws relating to the environment or occupational health and safety, or any Environmental Activity;

**"Equivalent Amount"** means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through the Bank in Toronto, in accordance with normal banking procedures;

**"Equity"** means the total of share capital (excluding preferred shares redeemable within one year) contributed surplus and retained earnings plus Postponed Debt;

**"Financial Assistance"** means any form of direct or indirect financial assistance of any other Person by means of a loan, guarantee or otherwise or any obligations (contingent or otherwise) intended to enable another Person to incur or pay any debt or comply with any agreements related thereto or to otherwise assure or protect creditors of another Person against loss in respect of debt or any other obligations of such other Person;

**"Fixed Charge Coverage"** means, for any fiscal period, the ratio of EBITDA plus payments under operating leases less cash income taxes, Corporate Distributions and Unfunded Capital Expenditures to Fixed Charges;

**"Fixed Charges"** means, for any fiscal period, the total of Interest Expense, scheduled principal payments in respect of Funded Debt and payments under operating leases;

**"Foreign Exchange Forward Contract"** or **"FEF Contract"** means a currency exchange transaction or agreement or any option with respect to any such transaction now existing or hereafter entered into between the Borrower and the Bank.

**"Funded Debt"** means, at any time for the fiscal period then ended, all obligations for borrowed money which bears interest or to which interest is imputed plus, without duplication, all obligations for the deferred payment of the purchase of property, all capital lease obligations and all indebtedness secured by purchase money security interests, but excluding Postponed Debt;

**"Guarantor"** means any Person who has guaranteed the obligations of the Borrower under this Agreement;

**"Lease"** means an advance of credit by the Bank to the Borrower by way of a Master Lease Agreement, Master Leasing Agreement, Leasing Schedule, Equipment Lease, Conditional Sales Contract, or pursuant to an Interim Funding Agreement or an Agency Agreement, in each case issued to the Borrower;

**"Interest Expense"** means, for any fiscal period, the aggregate cost of advances of credit outstanding during that period including, without limitation, interest charges, capitalized interest, the interest component of capital leases, fees payable in respect of letters of credit and letters of guarantee and discounts incurred and fees payable in respect of bankers' acceptances.

**"Investment"** means the acquisition (whether for cash, property, services, securities or otherwise) of shares, bonds, notes, debentures, partnership or other property interests or other securities of any other Person or any agreement to make any such acquisition;

**"Letter of Credit"** or **"LC"** means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of paying suppliers of goods;

**"Letter of Guarantee"** or **"LG"** means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of providing security to a third party that the Borrower or a person designated by the Borrower will perform a contractual obligation owed to such third party;

## ROYAL BANK OF CANADA CREDIT AGREEMENT – STANDARD TERMS

FORM 472 (11/2020)

**“Margin” or “Margined”** means that the availability of Borrowings under the credit facilities will be based on the Borrower’s level of accounts receivable, inventory and Potential Prior Ranking Claims as determined by reference to regular reports provided to the Bank by the Borrower;

**“Overdraft”** means advances of credit by way of debit balances in the Borrower’s current account;

**“Permitted Encumbrances”** means, in respect of the Borrower:

- a) liens arising by operation of law for amounts not yet due or delinquent, minor encumbrances on real property such as easements and rights of way which do not materially detract from the value of such property, and security given to municipalities and similar public authorities when required by such authorities in connection with the operations of the Borrower in the ordinary course of business; and
- b) Security granted in favour of the Bank;

**“Person”** includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association, a government or any department or agency thereof including Canada Revenue Agency, and any other incorporated or unincorporated entity;

**“Policy”** means the Business Loan Insurance Plan policy 5100, issued by Sun Life Assurance Company of Canada to the Bank;

**“Postponed Debt”** means indebtedness that is fully postponed and subordinated, both as to principal and interest, on terms satisfactory to the Bank, to the obligations owing to the Bank hereunder;

**“Potential Prior-Ranking Claims”** means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the Security or otherwise in priority to any claim by the Bank for repayment of any amounts owing under this Agreement;

**“RBP” and “Royal Bank Prime”** each means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on commercial loans made in Canadian currency in Canada;

**“RBUSBR” and “Royal Bank US Base Rate”** each means the annual rate of interest announced by the Bank from time to time as a reference rate then in effect for determining interest rates on commercial loans made in US currency in Canada;

**“Release”** includes discharge, spray, inject, inoculate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust, and when used as a noun has a similar meaning;

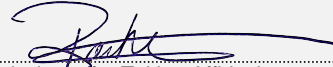
**“Tangible Net Worth”** means the total of Equity less intangibles, deferred charges, leasehold improvements, deferred tax credits and unsecured advances to related parties. For the purpose hereof, intangibles are assets lacking physical substance;

**“Total Liabilities”** means all liabilities exclusive of deferred tax liabilities and Postponed Debt;

**“Unfunded Capital Expenditures”** means Capital Expenditures not funded by either bank debt or equity proceeds.

**“US”** means United States of America.

This is **Exhibit “E”** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits



FORM 86206 (Rev Nov/19)

\* Registered trademark of Royal Bank of Canada. RBC Royal Bank is a registered trademark of Royal Bank of Canada.

**ROYAL BANK OF CANADA LOAN AGREEMENT - CSBFL**

DATE: March 03, 2020

**BORROWER: 1818216 ONTARIO INC.**
**SRF: 333843761**
**ADDRESS**

 UNIT 101-102 - 2855 MARKHAM RD,  
 TORONTO, ON,  
 M1X0B6

Royal Bank of Canada (the "**Bank**") hereby confirms to the undersigned (the "**Borrower**") the following credit facilities (each a "**Credit Facility**" and, collectively, the "**Credit Facilities**"), issued pursuant to the requirements of the *Canada Small Business Financing Act*, subject to the terms and conditions set forth below and in the standard terms provided herewith (collectively the "**Agreement**"). This Agreement is separate and in addition to any other agreements which may exist between the Borrower and the Bank. The Credit Facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of these facilities at any time and from time to time, without notice.

**CREDIT FACILITIES**

**Facility # 1 Variable rate term facility in the amount of \$200,000.00.** Repayable by consecutive monthly principal payments of \$1,710.00 plus interest based on a 117 month amortization. First payment is due 90 days after first drawdown. This loan has a 12 month term and all outstanding principal and interest is payable in full at the end of the term. Interest rate: RBP+3.00% per annum. Interest payable monthly, in arrears, on the same day each period as determined by the Bank.

**SECURITY**

Security for the Borrowings and all other obligations of the Borrower to the bank (collectively, the "**Security**"), shall include:

- Guarantee and postponement of claim on the Bank's form 812 in the amount of \$50,000.00 signed by THARMINI KANDASAMY;
- Security agreement (chattel mortgage) on the Bank's form 927 signed by the Borrower constituting a First ranking and specific security interest in Equipment and Leaseholds.

**FEES**

Security Document Preparation Fee: \$175.00

**REPORTING REQUIREMENTS**

The Borrower will provide to the Bank:

- Biennial personal statement of affairs for all guarantors, who are individuals, within 120 days of the end of every second fiscal year, commencing with the fiscal year ending in 2021;
- Annual notice to reader financial statement for 1865994 ONTARIO INC. and RAVI SOUPS AND WRAPS INC. not later than 120 days of the end of every fiscal year;
- Annual review engagement financial statement not later than 120 days of the end of every fiscal year;
- Annual combined notice to reader financial statement for the Borrower, 1865994 ONTARIO INC. and RAVI SOUPS AND WRAPS INC. not later than 120 days of the end of every fiscal year;
- Such other financial and operating statements and reports as and when the Bank may reasonably require.

**EVENTS OF DEFAULT**

Each Event of Default shall entitle the Bank, in its sole discretion, to cancel any Credit Facility, demand immediate repayment in full of any amounts outstanding under any Credit Facility, together with outstanding accrued interest and any other indebtedness under or with respect to any Credit Facility, and to realize on all or any portion of any Security. The term Event of Default has the meaning set out in the standard terms provided herewith.

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**BUSINESS LOAN INSURANCE PLAN**

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible.

If the Borrower decides to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 ENG or 53460 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

If there are any discrepancies between the insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums (plus applicable taxes), will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

**COUNTERPART EXECUTION**

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which, taken together, constitute one and the same instrument.

**ACCEPTANCE**

This Agreement is open for acceptance until April 02, 2020, after which date it will be null and void, unless extended by the Bank in its sole discretion.

**ROYAL BANK OF CANADA**


Per:  
Title: Vice President

**RBC Contact: PRASAD NARAYANA**

ROYAL BANK OF CANADA LOAN AGREEMENT – CSBFL

K.S.

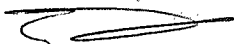
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**CONFIRMATION & ACCEPTANCE**

The Borrower i) confirms that it has received a copy of this Agreement and ii) accepts and agrees to be bound by the terms and conditions of this Agreement including all terms and conditions set forth above and the standard terms provided herewith.

Confirmed, accepted and agreed this <sup>(K)</sup> 3<sup>rd</sup> day of <sup>(K)</sup> ~~FEB~~ MARCH, 20 20.

1818216 ONTARIO INC.

  
Per:  
Name: THARMINI KANDASAMY  
Title: PRESIDENT

Per:  
Name:  
Title:



**ROYAL BANK OF CANADA LOAN AGREEMENT – CSBFL - STANDARD TERMS**

The following set of standard terms is included in and forms an integral part of the Royal Bank of Canada Loan Agreement - CSBFL which refers to these Standard Terms, receipt of which has been duly acknowledged by the Borrower. Terms defined elsewhere in this Agreement and not otherwise defined below have the meaning given to such terms as so defined. The Borrower agrees with the Bank as follows:

**CONDITIONS PRECEDENT**

In no event will the Credit Facilities or any part thereof be available unless the Bank has received:

- a) a duly executed copy of this Agreement;
- b) the Security provided for herein, in form and substance, and executed and registered to the satisfaction of the Bank;
- c) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require; and
- d) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

**AVAILABILITY**

The Borrower may borrow up to the amount of each Credit Facility provided that the Credit Facilities are made available at the sole discretion of the Bank and the Bank may cancel or restrict availability of any unutilized portion of the Credit Facilities at any time and from time to time without notice.

**REPAYMENT**

- a) Amounts outstanding under the Credit Facilities, together with interest, shall become due in the manner and at the rates and times specified in or pursuant to this Agreement and shall be paid in the currency of the Borrowing. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day.
- b) Unless the Bank otherwise agrees, any payment hereunder must be made in money which is legal tender at the time of payment.
- c) Where any Borrowings are repayable by scheduled blended payments of principal and interest, such payments shall be applied, firstly, to interest due, and the balance, if any, shall be applied to principal outstanding with any balance of such Borrowings being due and payable as and when specified in this Agreement. If any such payment is insufficient to pay all interest then due, the unpaid balance of such interest will be added to such Borrowing, will bear interest at the same rate, and will be payable on demand or on the date specified herein, as the case may be.
- d) Borrowings repayable by way of scheduled payments of principal plus interest shall be so repaid with any balance of such Borrowings being due and payable as and when specified in this Agreement.
- e) Should the Bank demand immediate repayment in full of any amounts outstanding under any term facility due to an Event of Default, the Borrower shall immediately repay all principal sums outstanding under such facility and all other obligations in connection with any such term facility.
- f) Any amount that is not paid when due hereunder shall bear interest until paid at the same rate as the interest rate applicable to the principal amount of the Credit Facilities as specified in this Agreement. Such interest on overdue amounts shall be computed daily, compounded monthly and shall be payable both before and after any or all of default, maturity, demand and judgement.

**PREPAYMENT**

Where Borrowings under any term facility are by way of RBP based loans, the Borrower may prepay such Borrowings in whole or in part at any time without fee or premium. Where Borrowings under any term facility are at a fixed interest rate, provided an Event of Default shall not have occurred and be continuing, the Borrower may prepay such Borrowings on a non-cumulative basis up to the percentage indicated in this Agreement of the outstanding principal balance on the day of prepayment, without fee or premium, once per year during the 12 month period from each anniversary date of the Borrowing. Any prepayment of the Borrowing prior to the maturity date, in whole or in part (in excess of any prepayment explicitly permitted in this Agreement), requires an amendment of the terms of this Agreement. An amendment to permit such a prepayment requires the Bank's prior written consent. The Bank may provide its consent to an amendment to permit a prepayment upon satisfaction by the Borrower of any conditions the Bank may reasonably impose, including, without limitation, the Borrower's agreement to pay the Prepayment Fee as defined below.

The Prepayment Fee will be calculated by the Bank as the sum of:

- a) the greater of:
  - (i) the amount equal to three (3) months' interest payable on the amount of the fixed rate term facility Borrowing being prepaid, calculated at the interest rate applicable to the fixed rate term facility Borrowing on the date of prepayment; and
  - (ii) the present value of the cash flow associated with the difference between the Bank's original cost of funds for the fixed rate term facility Borrowing and the current cost of funds for a fixed rate term loan with a term substantially similar to the remaining term and an amortization period substantially similar to the remaining amortization period of the fixed rate term facility Borrowing, each as determined by the Bank on the date of such prepayment;

plus:
- b) Foregone margin over the remainder of the term of the fixed rate term facility Borrowing. Foregone margin is defined as the present value of the difference between the Bank's original cost of funds for the fixed rate term facility Borrowing and the interest that would have been charged to the Borrower over the remaining term of the fixed rate term facility Borrowing;

plus:

- c) a processing fee.

The Prepayment Fee shall also be payable by the Borrower in the event the Bank demands repayment of the outstanding fixed rate term facility Borrowing on the occurrence of an Event of Default. The Borrower's obligation to pay the Prepayment Fee will be in addition to any other amounts then owing by the Borrower to the Bank, will form part of the Borrowings outstanding and will be secured by the Security described herein.

The prepayment of any Borrowings under a term facility will be made in the reverse order of maturity.

**RENEWAL**

Provided that nothing contained in this paragraph shall confer any right of renewal or extension upon the Borrower. The Borrower and the Bank agree that, at the Bank's option, the Bank may provide a renewal letter to the Borrower setting out the terms upon which the Bank is prepared to extend the term loan facility ("Renewal Letter"). In the event that the Bank provides a Renewal Letter to the Borrower and the term loan facility is not repaid on or before the maturity date, then at the Bank's option the term loan facility shall be automatically renewed on the terms set out in the Renewal Letter and the terms of this agreement shall be amended accordingly.

**EVIDENCE OF INDEBTEDNESS**

The Bank shall maintain accounts and records (the "Accounts") evidencing the Borrowings made available to the Borrower by the Bank under this Agreement. The Bank shall record the principal amount of such Borrowings, the payment of principal and interest on account of the Borrowings, and all other amounts becoming due to the Bank under this Agreement. The Accounts constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement. The Borrower authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any bank account of the Borrower for all amounts payable under this Agreement, including, but not limited to, the repayment of principal and the payment of interest, fees and all charges for the keeping of such bank accounts.

**CALCULATION AND PAYMENT OF INTEREST AND FEES**

- a) The Borrower shall pay interest on each fixed and/or variable rate term facility in arrears at the applicable rate on such date as agreed upon between the Bank and the Borrower. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.
- b) Amounts payable by the Borrower hereunder shall be paid at such place as the Bank may advise from time to time. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day. Interest and fees payable under this Agreement are payable both before and after any or all of default, maturity, demand and judgement.
- c) The Borrower shall not be obligated to pay any interest, fees or costs under or in connection with this Agreement in excess of what is permitted by Applicable Law.
- d) The annual rates of interest or fees to which the rates calculated in accordance with this Agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365.

**EXPENSES, ETC.**

The Borrower agrees to pay the Bank all fees, as stipulated in this Agreement. The Borrower also agrees to pay all fees (including legal fees), costs and expenses incurred by the Bank in connection with preparation, negotiation and documentation of this Agreement and any Security and the operation, enforcement or termination of this Agreement and the Security. The Borrower shall indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank if any facility under the Credit Facilities is repaid or prepaid other than on its maturity date. The determination by the Bank of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Bank in liquidating or redeploying deposits acquired to make or maintain any facility.

**GENERAL COVENANTS**

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any Credit Facility, the Borrower covenants and agrees with the Bank that the Borrower:

- a) will pay all sums of money when due under the terms of this Agreement;
- b) will immediately advise the Bank of any event which constitutes or which, with notice, lapse of time or both, would constitute an Event of Default;
- c) will file all material tax returns which are or will be required to be filed by it, pay or make provision for payment of all material taxes (including interest and penalties) and Potential Prior-Ranking Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- d) will give the Bank 30 days prior notice in writing of any intended change in its ownership structure or composition and will not make or facilitate any such changes without the prior written consent of the Bank;
- e) will comply with all Applicable Laws, including, without limitation, all Environmental Laws;
- f) will immediately advise the Bank of any action requests or violation notices received concerning the Borrower;
- g) will deliver to the Bank such financial and other information as the Bank may reasonably request from time to time, including, but not limited to, the reports and other information set out under this Agreement;
- h) will immediately advise the Bank of any unfavourable change in its financial position which may adversely affect its ability to pay or perform its obligations in accordance with the terms of this Agreement;
- i) will not, without the prior written consent of the Bank, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- j) will not, without the prior written consent of the Bank, sell, transfer, convey, lease or otherwise dispose of any of its properties or assets other than in the ordinary course of business and on commercially reasonable terms;
- k) will not, without the prior written consent of the Bank, guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other Person, except as may be provided for herein;
- l) if a corporation or partnership will not, without the prior written consent of the Bank, merge, amalgamate, or otherwise enter into any other form of business combination with any other Person;
- m) will keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- n) will permit the Bank or its representatives, from time to time, i) to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, ii) to collect information from any entity regarding any Potential Prior-Ranking Claims and discuss the Borrower's affairs with the auditors, counsel and other professional advisers of the Borrower. The Borrower hereby authorizes and directs any such third party to provide to the Bank or its representatives all such information, records or documentation requested by the Bank; and
- o) will not use the proceeds of any Credit Facility for the benefit or on behalf of any Person other than the Borrower.

**REVIEW**

The Bank may conduct annual or periodic reviews of the affairs of the Borrower, as determined by the Bank and timely advised to the Borrower, for the purpose of determining the financial performance of the Borrower, and the Borrower shall make available to the Bank such information as the Bank may reasonably require and shall do all things reasonably necessary to facilitate such review by the Bank.

**GENERAL INDEMNITY**

The Borrower hereby agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from and against any and all claims, suits, actions, demands, debts, damages, costs, losses, obligations, judgements, charges, expenses and liabilities of any nature which are suffered, incurred or sustained by, imposed on or asserted against any such Person as a result of, in connection with or arising out of i) any Event of Default or breach of any term or condition of this Agreement or any Security or any other agreement delivered to the Bank by the Borrower or any Guarantor if applicable or any Event of Default, ii) the Bank acting upon instructions given or agreements made by electronic transmission of any type, iii) the presence of Contaminants at, on or under or the discharge or likely discharge of Contaminants from, any properties now or previously used by the Borrower and iv) the breach of or non compliance with any Applicable Law by the Borrower.

**AMENDMENTS AND WAIVERS**

Save and except for any waiver or extension of the deadline for acceptance of this Agreement at the Bank's sole discretion, which may be communicated in writing, verbally, or by conduct, no amendment or waiver of any provision of this Agreement will be effective unless it is in writing, signed by the Borrower and the Bank. No failure or delay, on the part of the Bank, in exercising any right or power hereunder or under any Security or any other agreement delivered to the Bank shall operate as a waiver thereof. Each Guarantor, if applicable, agrees that the amendment or waiver of any provision of this Agreement (other than agreements, covenants or representations expressly made by any Guarantor herein, if any) may be made without and does not require the consent or agreement of, or notice to, any Guarantor.

**SUCCESSORS AND ASSIGNS**

This Agreement shall extend to and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Borrower shall not be entitled to assign or transfer any rights or obligations hereunder, without the consent in writing of the Bank.

**GAAP**

Unless otherwise provided, all accounting terms used in this Agreement shall be interpreted in accordance with Canadian Generally Accepted Accounting Principles in effect from time to time, applied on a consistent basis from period to period. Any change in accounting principles or the application of accounting principles, including, without limitation, the use of differential reporting (or any changes to the selection of differential reporting options) is only permitted with the prior written consent of the Bank.

**SEVERABILITY**

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and such invalid provision shall be deemed to be severable.

**DEFAULT BY LAPSE OF TIME**

The mere lapse of time fixed for performing an obligation shall have the effect of putting the Borrower in default thereof.

**SET-OFF**

The Bank is authorized (but not obligated), at any time and without notice, to apply any credit balance (whether or not then due) in any account in the name of the Borrower, or to which the Borrower is beneficially entitled (in any currency) at any branch or agency of the Bank in or towards satisfaction of the indebtedness of the Borrower due to the Bank under the Credit Facilities and the other obligations of the Borrower under this Agreement. For that purpose, the Bank is irrevocably authorized to use all or any part of any such credit balance to buy such other currencies as may be necessary to effect such application.

**CONSENT OF DISCLOSURE**

The Borrower hereby grants permission to any Person having information in such Person's possession relating to any Potential Prior-Ranking Claim, to release such information to the Bank (upon its written request), solely for the purpose of assisting the Bank to evaluate the financial condition of the Borrower.

**JOINT AND SEVERAL/SOLIDARY**

Where more than one Person is liable as Borrower, for any obligation under this Agreement, then the liability of each such Person for such obligation is joint and several (in Quebec, solidary) with each other such Person.

**EVENTS OF DEFAULT**

Without affecting or limiting the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any Credit Facility, each of the following shall constitute an "Event of Default" which shall entitle the Bank, in its sole discretion, to cancel any Credit Facility, demand immediate repayment in full of any amounts outstanding under any Credit Facility, together with outstanding accrued interest and any other indebtedness under or with respect to any Credit Facility, and to realize on all or any portion of any Security:

- a) failure of the Borrower to pay any principal, interest or other amount when due pursuant to this Agreement;
- b) failure of the Borrower or any Guarantor if applicable to observe any covenant, term or condition or provision contained in this Agreement, the Security or any other agreement delivered to the Bank or in any documentation relating hereto or thereto;
- c) the Borrower, or any Guarantor if applicable, is unable to pay its debts as such debts become due, or is, or is adjudged or declared to be, or admits to being, bankrupt or insolvent;
- d) if any proceeding is taken to effect a compromise or arrangement with the creditors of the Borrower, or any Guarantor if applicable, or to have the Borrower, or any Guarantor if applicable, declared bankrupt or wound up, or to have a receiver appointed for any part of the assets or operations of the Borrower, or any Guarantor if applicable, or if any encumbrancer takes possession of any part thereof;
- e) if in the opinion of the Bank there is a material adverse change in the financial condition, ownership structure or composition or operation of the Borrower, or any Guarantor if applicable;
- f) if any representation or warranty made by the Borrower in any document relating hereto or under any Security shall be false in any material respect; or
- g) if the Borrower, or any Guarantor if applicable, defaults in the payment of any other indebtedness, whether owing to the Bank or to any other Person, or defaults in the performance or observance of any agreement in respect of such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated.

**LANGUAGE**

The parties hereto have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. Les parties ont expressément demandé que la présente convention et tous les documents y afférents, y compris les avis, soient rédigés en langue anglaise.

**WHOLE AGREEMENT**

This Agreement and any documents or instruments referred to in, or delivered pursuant to, or in connection with, this Agreement constitute the whole and entire agreement between the Borrower and the Bank with respect to the Credit Facilities.

**GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the Province in which the branch of the Bank, which is the Borrower's branch of account, is located, and the laws of Canada applicable therein, as the same may from time to time be in effect. The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of such Province and acknowledges the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.

**NOTICES**

ROYAL BANK OF CANADA LOAN AGREEMENT – CSBFL

Any notice or demand to be given by the Bank shall be given in writing by way of a letter addressed to the Borrower. If the letter is sent by telecopier, it shall be deemed received on the date of transmission, provided such transmission is sent prior to 5:00 p.m. on a day on which the Borrower's business is open for normal business, and otherwise on the next such day. If the letter is sent by ordinary mail to the address of the Borrower, it shall be deemed received on the date falling five (5) days following the date of the letter, unless the letter is hand-delivered to the Borrower, in which case the letter shall be deemed to be received on the date of delivery. The Borrower must advise the Bank at once about any changes in the Borrower's address.

#### **ELECTRONIC MAIL AND FAX TRANSMISSION**

The Bank is entitled to rely on any agreement, document or instrument provided to the Bank by the Borrower or any Guarantor as applicable by way of electronic mail or fax transmission as though it were an original signed document. The Bank is further entitled to assume that any communication from the Borrower received by electronic mail or fax transmission is a reliable communication from the Borrower.

#### **GENERAL**

Unless otherwise provided, all dollar amounts are in Canadian currency.

#### **STATEMENT OF BORROWER**

The Borrower:

- (a) declares that it meets the eligibility criteria for a loan pursuant to the terms of the Canada Small Business Financing Act ("CSBFA");
- (b) undertakes to use the proceeds of the Credit Facilities for the purposes specified in the loan application and for no other purpose;
- (c) certifies that all of the information provided to the Bank in the loan application is true and correct in every respect; and
- (d) authorizes the Bank to furnish any person appointed by or on behalf of the Government of Canada, in connection with the administration of the Canada Small Business Financing Program, with all information that the Bank has in respect of the Credit Facilities, the loan application, the Borrower and any Guarantor.

#### **DEFINITIONS**

For the purpose of this Agreement, the following terms and phrases shall have the following meanings:

"**Applicable Laws**" means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, orders, codes, treaties, conventions, judgements, awards, determinations and decrees of any governmental, regulatory, fiscal or monetary body or court of competent jurisdiction in any applicable jurisdiction;

"**Borrowing**" means each use of a Credit Facility and all such usages outstanding at any time are "Borrowings";

"**Business Loan Insurance Plan**" means the optional group creditor insurance coverage, underwritten by Sun Life Assurance Company of Canada, and offered in connection with eligible loan products offered by the Bank.

"**Business Day**" means a day, excluding Saturday, Sunday and any other day which shall be a legal holiday in Canada or any Province thereof, or a day on which banking institutions are closed throughout Canada;

"**Contaminant**" includes, without limitation, any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental Law;

"**Environmental Activity**" means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater;

"**Environmental Laws**" means all Applicable Laws relating to the environment or occupational health and safety, or any Environmental Activity;

"**Guarantor**" means any Person who has guaranteed the obligations of the Borrower under this Agreement;

"**Person**" includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association, a government or any department or agency thereof including Canada Revenue Agency, and any other incorporated or unincorporated entity;

"**Policy**" means the Business Loan Insurance Plan policy 5100, issued by Sun Life Assurance Company of Canada to the Bank;

"**Potential Prior-Ranking Claims**" means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the Security or otherwise in priority to any claim by the Bank for repayment of any amounts owing under this Agreement;

"**RBP**" and "**Royal Bank Prime**" each means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on commercial loans made in Canadian currency in Canada;

"**Release**" includes discharge, spray, inject, inoculate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust, and when used as a noun has a similar meaning

This is **Exhibit "F"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.

A handwritten signature in black ink, appearing to be "K. White", written over the text "day of February, 2024."

.....  
A Commissioner for Taking Affidavits



**Royal Bank of Canada**  
**General Security Agreement**

SRF: 333843761  
Borrower: 1818216 ONTARIO INC.

1233 THE QUEENSWAY  
ETOBICOKE  
ONTARIO  
M8Z 1S1  
CA

## 1. SECURITY INTEREST

(a) For value received, the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA** ("RBC"), a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (i) all Inventory of whatever kind and wherever situate;
- (ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- (iv) all lists, records and files relating to Debtor's customers, clients and patients;
- (v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (vi) all contractual rights and insurance claims;
- (vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and
- (viii) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment

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Property", "proceeds", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (Ontario). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

## 2. INDEBTEDNESS SECURED

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

## 3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

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

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations; and

(e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

## 4. COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect Debtor covenants and agrees:

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(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details of any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss or damage to Collateral,
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

(i) to deliver to RBC from time to time promptly upon request:

- (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to

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Collateral,

- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
- (iv) all policies and certificates of insurance relating to Collateral, and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

## 5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

## 6. SECURITIES, INVESTMENT PROPERTY

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

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

## 7. COLLECTION OF DEBTS

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

## 8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

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## 9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) Whether or not default has occurred, Debtor authorizes RBC:

- (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
- (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

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

## 10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriate in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

## 11. EVENTS OF DEFAULT

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

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or

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any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

## 12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

## 13. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and

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other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

#### 14. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

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(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and 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, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

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

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

(ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor,

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and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

**15. COPY OF AGREEMENT**

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces except Ontario).

**16.** Debtor represents and warrants that the following information is accurate:

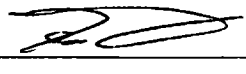
**BUSINESS DEBTOR**

NAME OF BUSINESS DEBTOR 1818216 ONTARIO INC.			
ADDRESS OF BUSINESS DEBTOR UNIT 101-102, 2855 MARKHAM ROAD	CITY TORONTO	PROVINCE ONTARIO	POSTAL CODE M1X0B6

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 14 day FEB, 2019

1818216 ONTARIO INC.

  
WITNESSES

  
\_\_\_\_\_

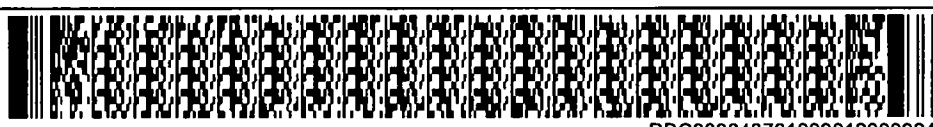


WITNESSES

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**SCHEDULE "A"**  
**(ENCUMBRANCES AFFECTING COLLATERAL)**

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**SCHEDULE "B"****1. Locations of Debtor's Business Operations**

UNIT 101-102, 2855 MARKHAM ROAD,  
TORONTO  
ONTARIO  
CA  
M1X0B6

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

UNIT 101-102, 2855 MARKHAM ROAD,  
TORONTO  
ONTARIO  
CA  
M1X0B6

**3. Locations of Collateral**

UNIT 101-102, 2855 MARKHAM ROAD,  
TORONTO  
ONTARIO  
CA  
M1X0B6

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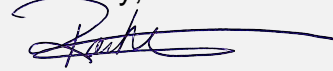
**SCHEDULE "C"**  
**(DESCRIPTION OF PROPERTY)**

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This is **Exhibit “G”** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits



## Royal Bank of Canada General Security Agreement

SRF:  
333843761

BRANCH ADDRESS:  
1233 THE QUEENSWAY  
ETOBICOKE, ON  
M8Z 1S1

BORROWER:  
1818216 ONTARIO INC.

### 1. SECURITY INTEREST

a) For value received, the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA** ("RBC"), a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- i) all Inventory of whatever kind and wherever situate;
- ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- iv) all lists, records and files relating to Debtor's customers, clients and patients;
- v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- vi) all contractual rights and insurance claims;
- vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and
- viii) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment Property", "proceeds", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (Ontario). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

### 2. INDEBTEDNESS SECURED

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

outstanding and RBC shall be entitled to pursue full payment thereof.

### 3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

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

- a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;
- b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;
- c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;
- d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations; and
- e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

### 4. COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect Debtor covenants and agrees:

- a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor;
- b) to notify RBC promptly of:
  - i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
  - ii) the details of any significant acquisition of Collateral,
  - iii) the details of any claims or litigation affecting Debtor or Collateral,
  - iv) any loss or damage to Collateral,
  - v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
  - vi) the return to or repossession by Debtor of Collateral;
- c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trademarks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;
- d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;
- e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;
- f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar

Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

i) to deliver to RBC from time to time promptly upon request:

- i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
- ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- iii) all financial statements prepared by or for Debtor regarding Debtor's business,
- iv) all policies and certificates of insurance relating to Collateral, and
- v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

## 5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

## 6. SECURITIES, INVESTMENT PROPERTY

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

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

## 7. COLLECTION OF DEBTS

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

## 8. INCOME FROM AND INTEREST ON COLLATERAL

a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

## 9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

a) Whether or not default has occurred, Debtor authorizes RBC:

- i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
- ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of

Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided

#### 10. DISPOSITION OF MONEY

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

#### 11. EVENTS OF DEFAULT

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

- a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;
- b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;
- c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;
- d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;
- e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;
- f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;
- g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;
- h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

#### 12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

#### 13. REMEDIES

a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

- b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).
- c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.
- d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.
- e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.
- f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.
- g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..
- h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

#### 14. MISCELLANEOUS

- a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.
- b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.
- c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.
- d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.
- e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at

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

f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and 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, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

j) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

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

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

r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and



construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

**15. COPY OF AGREEMENT**

- a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.
- b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces).

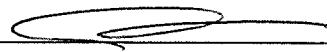

**16. Debtor represents and warrants that the following information is accurate:**


**BUSINESS DEBTOR**

NAME OF BUSINESS DEBTOR <b>RAVI SOUPS AND WRAPS INC.</b>			
ADDRESS OF BUSINESS DEBTOR <b>622 THE QUEENSWAY</b>	CITY <b>TORONTO</b>	PROVINCE <b>ON</b>	POSTAL CODE <b>M8Y 1K3</b>

IN WITNESS WHEREOF executed this 5<sup>th</sup> day of MARCH, 2020.

**RAVI SOUPS AND WRAPS INC.**

\_\_\_\_\_  

\_\_\_\_\_ 

SCHEDULE "A"

(ENCUMBRANCES AFFECTING COLLATERAL)

SCHEDULE "B"

**1. Locations of Debtor's Business Operations**

622 THE QUEENSWAY  
TORONTO  
ON  
CA  
M8Y 1K3

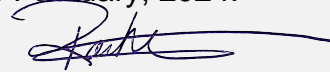
**2. Locations of Records relating to Collateral (if different from 1. above)**

**3. Locations of Collateral (if different from 1. above)**

SCHEDULE "C"

(DESCRIPTION OF PROPERTY)

This is **Exhibit "H"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.

A handwritten signature in blue ink, appearing to be "R. White", written over a horizontal line.

.....  
A Commissioner for Taking Affidavits



**Royal Bank of Canada**  
**General Security Agreement**

SRF: 333843761  
Borrower: 1818216 ONTARIO INC.

1233 THE QUEENSWAY  
ETOBICOKE  
ONTARIO  
M8Z 1S1  
CA

## 1. SECURITY INTEREST

(a) For value received, the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA** ("RBC"), a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (i) all Inventory of whatever kind and wherever situate;
- (ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");
- (iv) all lists, records and files relating to Debtor's customers, clients and patients;
- (v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (vi) all contractual rights and insurance claims;
- (vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and
- (viii) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment

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Property", "proceeds", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (Ontario). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

## 2. INDEBTEDNESS SECURED

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

## 3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

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

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations; and

(e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

## 4. COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect Debtor covenants and agrees:

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(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details of any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss or damage to Collateral,
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

(i) to deliver to RBC from time to time promptly upon request:

- (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to

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Collateral,

- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
- (iv) all policies and certificates of insurance relating to Collateral, and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

## 5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

## 6. SECURITIES, INVESTMENT PROPERTY

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

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

## 7. COLLECTION OF DEBTS

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

## 8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

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## 9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) Whether or not default has occurred, Debtor authorizes RBC:

- (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
- (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

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

## 10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriate in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

## 11. EVENTS OF DEFAULT

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

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or

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any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

## 12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

## 13. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and

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other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

#### 14. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

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(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and 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, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

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

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

(ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor,

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and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

**15. COPY OF AGREEMENT**

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces except Ontario).

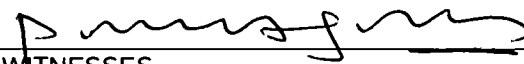
**16.** Debtor represents and warrants that the following information is accurate:


**BUSINESS DEBTOR**

NAME OF BUSINESS DEBTOR 1865994 ONTARIO INC.			
ADDRESS OF BUSINESS DEBTOR 2535 DUNDAS ST W	CITY TORONTO	PROVINCE ONTARIO	POSTAL CODE M6P1X6

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 14<sup>th</sup> day FEBRUARY 2019

1865994 ONTARIO INC.

  
WITNESSES

  
\_\_\_\_\_



WITNESSES

\_\_\_\_\_



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**SCHEDULE "A"**  
**(ENCUMBRANCES AFFECTING COLLATERAL)**

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**SCHEDULE "B"****1. Locations of Debtor's Business Operations**

2535 DUNDAS ST W,  
TORONTO  
ONTARIO  
CA  
M6P1X6

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

2535 DUNDAS ST W,  
TORONTO  
ONTARIO  
CA  
M6P1X6

**3. Locations of Collateral**

2535 DUNDAS ST W,  
TORONTO  
ONTARIO  
CA  
M6P1X6

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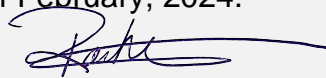
**SCHEDULE "C"**  
**(DESCRIPTION OF PROPERTY)**

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This is **Exhibit "I"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits

**SECURITY AGREEMENT  
(CHATTEL MORTGAGE FOR OTHER THAN INVENTORY  
AND CONSUMER GOODS)**

**1. SECURITY INTEREST**

(a) For value received the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA** ("RBC"), a security interest ("Security Interest") in the following:

- the goods of Debtor described in Schedule "C" hereto and in any additional Schedules from time to time added hereto;

and in all proceeds thereof, accretions thereto and substitutions therefor and in all of the following now owned or hereafter owned or acquired by or on behalf of Debtor, namely:

- all lists, records and files relating to Debtor's customers, clients and patients,
- all deeds, documents, writings, papers and books relating to or being records of Goods or their proceeds or by which Goods or their proceeds are or may hereafter be secured, evidenced, acknowledged or made payable including Documents of Title, Chattel Paper, Securities and Instruments; and
- all contractual rights and insurance claims relating to Goods;

all of the foregoing being hereinafter collectively called "Collateral".

(b) Unless otherwise limited herein the terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Security", "proceeds", "accession", "Money", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in section 12(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" or "inventory" of Debtor as those terms are defined in the P.P.S.A. Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

**2. INDEBTEDNESS SECURED**

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

**3. REPRESENTATIONS AND WARRANTIES OF DEBTOR**

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

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "Encumbrances") save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC; prior to their creation or assumption;

(b) Debtor is authorized to enter into this Security Agreement;

(c) each debt, Chattel Paper and Instrument constituting proceeds of Goods is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"); and

(d) the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations.

**4. COVENANTS OF DEBTOR**

So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend Collateral against the claims and demands of all other parties claiming the same or an interest therein; to keep Collateral free from all Encumbrances, except for the Security Interest and those shown on Schedule "A" or hereafter approved in writing by RBC prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC and, in any event, to deposit with RBC all Money received from any disposition of Collateral;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details or any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss of or damage to Collateral.

- (v) any default by any Account Debtor in payment or other performance of his/her obligations with respect to Collateral; and
- (vi) the return to or repossession by debtor of Collateral;

(c) to keep the Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral from being or becoming an accession to other property not covered by this Security Agreement

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest; and

- (i) to deliver to RBC from time to time promptly upon request:
- (ii) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
- (iii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- (iv) all financial statements prepared by or for Debtor regarding Debtor's business,
- (v) all policies and certificates of insurance relating to Collateral, and
- (vi) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

## 5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

## 6. SECURITIES

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

## 7. COLLECTION OF DEBTS

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

## 8. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, be held unappropriated in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

## 9. EVENTS OF DEFAULT

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

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor; or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business, makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if a distress or analogous process is levied upon the assets of Debtor or any part thereof;

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

## 10. ACCELERATION

RBC, in its sole discretion, may declare all or any part of the Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or, if RBC, considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

## 11. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver": which term when used herein shall include a receiver and manager) of Collateral and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence, or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper, whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made, as may be required by the P.P.S.A.

## 12. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral

or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situated) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity; whether or not due, and RBC shall be deemed to have exercised such right of setoff immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expenses incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 11 (g) hereof, notice of any other action taken by RBC.

(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and 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, Debtor shall not assert against the assignee any claim of defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from the Bank or any one acting on behalf of the Bank.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clause 11 (g) and 12 (k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC, and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all the grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provision of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby (i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any

agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

**13. COPY OF AGREEMENT**

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC, or of any verification statement with respect to any financing statement registered by RBC. (Applies in all P.P.S.A. provinces)

**14. Debtor represents and warrants that the following information is accurate:**

**INDIVIDUAL DEBTOR**

SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY	
ADDRESS OF INDIVIDUAL DEBTOR	CITY		PROVINCE	POSTAL CODE
SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY	
ADDRESS OF INDIVIDUAL DEBTOR (IF DIFFERENT FROM ABOVE)	CITY		PROVINCE	POSTAL CODE

**BUSINESS DEBTOR**

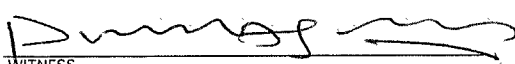
NAME OF BUSINESS DEBTOR 1818216 ONTARIO INC.				
ADDRESS OF BUSINESS DEBTOR UNIT 101-102 2855 MARKHAM RD	CITY TORONTO	PROVINCE ON	POSTAL CODE M1X 0B6	

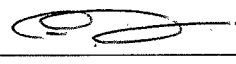
**TRADE NAME (IF APPLICABLE)**

TRADE NAME OF DEBTOR				
PRINCIPAL ADDRESS (IF DIFFERENT FROM ABOVE)	CITY	PROVINCE	POSTAL CODE	

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 03<sup>rd</sup> day of MARCH, 2020

1818216 ONTARIO INC.

  
WITNESS





WITNESS



**BRANCH ADDRESS**

PEEL RETAIL 1233 THE QUEENSWAY ETOBICOKE ON M8Z 1S1
--

SCHEDULE "A"

(ENCUMBRANCES AFFECTING COLLATERAL)



**SCHEDULE "B"****1. Locations of Debtor's Business Operations**

UNIT 101-102  
2855 MARKHAM RD  
TORONTO  
ON CANADA  
M1X0B6

UNIT #17  
25 - 27 CORONET RD.  
ETOBICOKE  
ON CANADA  
M8Z2L8

**2. Locations of Records relating to Collateral (if different from 1. above)****3. Locations of Collateral (if different from 1. above)**

**SCHEDULE "C"**

(DESCRIPTION OF GOODS)

1. GOODS OF THE DEBTOR (INCLUDING ALL PARTS, COMPONENTS, ATTACHMENTS, ADDITIONS, ALTERATIONS, ACCESSORIES, IMPROVEMENTS AND OTHER PERSONAL PROPERTY PLACED ON, ADDED TO OR APPURTENANT TO THE GOODS) AND ALL PROCEEDS THEREOF INCLUDING, WITHOUT LIMITATION, ALL GOODS INCLUDING EQUIPMENT (EQUIPMENT INCLUDES WITHOUT LIMITATION, MACHINERY, TOOLS, APPARATUS, PLANT, FURNITURE, FIXTURES AND VEHICLES OF WHATSOEVER NATURE AND KIND AND CONSUMER GOODS) INSTRUMENTS, INTANGIBLES, CHATTEL PAPER AND DOCUMENTS OF TITLE.
  
2. ALL LEASEHOLD IMPROVEMENTS TO THE PREMISES LOCATED AT UNIT #17 25 - 27 CORONET RD ETOBICOKE ON CANADA M8Z2L8, INCLUDING, WITHOUT LIMITATION, ALLGOODS, ACCESSIONS, AND MATERIALS MAKING UP OR USED IN SUCH IMPROVEMENTS.

This is **Exhibit “J”** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.

A handwritten signature in black ink, appearing to be 'Katie', written over a horizontal line.

.....  
A Commissioner for Taking Affidavits

**Properties**

*PIN* 76748 - 0019 LT *Interest/Estate* Fee Simple  
*Description* UNIT 19, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2748 AND ITS  
 APPURTENANT INTEREST; CITY OF TORONTO  
*Address* 17  
 27 CORONET ROAD  
 TORONTO

**Chargor(s)**

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

*Name* 1818216 ONTARIO INC.  
*Address for Service* #101-102, 2855 MARKHAM ROAD,  
 TORONTO, ONTARIO M1X 0B6  
 I, KANDASAMY, THARMINI, have the authority to bind the corporation.  
 This document is not authorized under Power of Attorney by this party.

**Chargee(s)***Capacity**Share*

*Name* ROYAL BANK OF CANADA  
*Address for Service* 36 YORK MILLS ROAD, 4TH FLOOR, TORONTO, ONTARIO  
 M2P 0A4

**Provisions**

*Principal* \$572,000.00 *Currency* CDN  
*Calculation Period* MONTHLY  
*Balance Due Date* ON DEMAND  
*Interest Rate* ROYAL BANK PRIME RATE PLUS 5% PER ANNUM  
*Payments*  
*Interest Adjustment Date*  
*Payment Date*  
*First Payment Date*  
*Last Payment Date*  
*Standard Charge Terms* 20015  
*Insurance Amount* Full insurable value  
*Guarantor*

**Signed By**

John Paul Bannon 501-4080 Confederation Parkway acting for Signed 2020 03 03  
 Mississauga Chargor(s)  
 L5B 0G1

Tel 905-272-3412

Fax 905-272-0142

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

**Submitted By**

J. PAUL BANNON, BARRISTER & SOLICITOR 501-4080 Confederation Parkway 2020 03 09  
 Mississauga  
 L5B 0G1

Tel 905-272-3412

Fax 905-272-0142

**Fees/Taxes/Payment**

*Statutory Registration Fee* \$65.05  
*Total Paid* \$65.05

**LAND REGISTRATION REFORM ACT  
SET OF STANDARD CHARGE TERMS  
FOR ELECTRONIC DOCUMENTS  
(COLLATERAL CHARGES)**

**ROYAL BANK OF CANADA  
ROYAL TRUST CORPORATION OF CANADA**

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CHARGE TERMS

**LAND REGISTRATION REFORM ACT**  
**SET OF STANDARD CHARGE TERMS**  
**FOR ELECTRONIC DOCUMENTS**  
**(COLLATERAL CHARGES)**

**ROYAL BANK OF CANADA**  
**ROYAL TRUST CORPORATION OF CANADA**

117  
E-FORM 964 (03/2003)

Filed by:  
ROYAL BANK OF CANADA and  
ROYAL TRUST CORPORATION OF CANADA

Filing Date: June 28, 2001  
Filing Number: 20015

The following set of standard charge terms shall apply to electronic documents submitted for registration under Part III of the *Land Registration Reform Act*, R.S.O 1990, c.L.4, as amended (the "Land Registration Reform Act") and shall be deemed to be included in every electronically registered charge in which this set of standard charge terms is referred to by its filing number, as provided in Section 9 of the Land Registration Reform Act.

Any charge in an electronic format of which this set of standard charge terms forms a part by reference to the above-noted filing number in such charge shall hereinafter be referred to as the "Charge". Whenever reference is made in this set of standard charge terms to the Charge it shall include this set of standard charge terms and all terms and provisions of this set of standard charge terms.

Any reference to the "Computer Field" in the Charge means a computer data entry field in a charge registered pursuant to Part III of the Land Registration Reform Act into which the terms and conditions of the Charge may be inserted.

**1. CHARGE**

The chargor or chargors indicated in the Computer Field of the Charge entitled "Chargor" (the "Chargor") charges the lands and premises indicated in the Computer Field of the Charge entitled "Description" (the "Charged Premises") with the payment to the chargee indicated in the Computer Field of the Charge entitled "Chargee" (the "Chargee") of the principal and interest and all other monies secured by the Charge upon the terms as set out in the Charge.

**2. COLLATERAL SECURITY**

The Chargor has at the request of the Chargee agreed to give the Charge as a continuing collateral security for payment and satisfaction to the Chargee of all obligations, debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, at any time owing by the Chargor to the Chargee incurred or arising either before or after the delivery for registration of the Charge and whether incurred by or arising from agreement or dealings between the Chargor and the Chargee or from any agreement or dealings with any third party by which the Chargee may be or become in any manner whatsoever a creditor of the Chargor or however otherwise incurred or arising anywhere within or outside Canada and whether the Chargor be bound alone or with another or others and whether as principal or surety and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again (such obligations, debts and liabilities being herein called the "Liabilities"). It is agreed by the Chargor and the Chargee that the Charge at any one time will secure only that portion of the aggregate principal component of the Liabilities outstanding at such time which does not exceed the sum set out in the Computer Field in the Charge entitled "Principal" (herein called the "Principal Amount"), together with any interest or compound interest accrued on the portion of the Principal Amount outstanding at such time at the Charge Rate, as hereinafter defined, plus such costs and expenses to which the Chargee is entitled pursuant to the Charge.

**3. COVENANTS REGARDING LIABILITIES**

The Chargor and the Chargee agree as follows:

(a) That the Chargor covenants to pay to the Chargee each and every amount, indebtedness, liability and obligation forming part of the Liabilities in the manner agreed to in respect of such amount, indebtedness, liability or obligation.

(b) That no part of the Liabilities existing at the date of the Charge or incurred or arising thereafter, shall be deemed to be unsecured by the Charge.

(c) That the Charge is and shall be a continuing collateral security to the Chargee for the amount of the Liabilities and interest and costs as provided in the Charge and shall be deemed to be taken as security for the ultimate balance of the Liabilities; and the Charge shall not, nor shall anything therein contained operate so as to create any merger or discharge of any debt owing to the Chargee or of any lien, bond, promissory note, bill of exchange or other security held by the Chargee either before or after registration of the Charge from the Chargor or from any other person or persons and the Charge shall not in any way prejudicially affect any security held either before or after the registration of the Charge by the Chargee for the Liabilities or any part thereof, or the liability of any endorser or any other person or persons upon any such lien, bond, bill of exchange, promissory note or other security or contract or any renewal or renewals thereof held by the Chargee for or on account of the Liabilities or any part or parts thereof, nor shall the remedies of the Chargee in respect thereof be prejudiced or delayed in any manner whatsoever by the taking of the Charge.

(d) That any and all payments made in respect of the Liabilities and interest and the monies or other proceeds realized from the sale of any securities held therefor, including the Charge, may be applied and reapplied notwithstanding any previous application on such part or parts of such Liabilities or interest as the Chargee may see fit or may be held unappropriated in a separate collateral account for such time as the Chargee may see fit.

(e) That the Chargee may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities and guarantees from and give the same and any and all existing securities and guarantees up to, may abstain from taking securities or guarantees from or from perfecting securities or guarantees of, may accept compositions from and may otherwise deal with the Chargor and all other persons, securities and guarantees as the Chargee may see fit without prejudicing the rights of the Chargee under the Charge.

(f) That the taking of judgement in respect of the Liabilities or any instrument or instruments now or hereafter representing or evidencing the Liabilities or under any of the covenants in the Charge or in any such instrument contained or implied shall not operate as a merger of the Liabilities or such instrument, instruments or covenants, nor affect the Chargee's right to interest at the rate and times provided in the Charge, nor affect nor prejudice any rights or remedies given to the Chargee by the terms of the Charge.

#### 4. INTEREST

##### (a) VARIABLE INTEREST RATE

If the interest rate indicated in the Computer Field of the Charge entitled "Rate" is based upon the Prime Rate, as hereinafter defined, the rate of interest chargeable on the Principal Amount is a rate equal to the Prime Rate per annum as the same will vary from time to time, plus the number of percentage points per annum, if any, indicated in the Computer Field of the Charge entitled "Rate" (the "Variable Interest Rate") and shall be payable monthly, and calculated monthly, not in advance, as well after as before maturity of the Charge, and both before and after default and judgment until paid.

The Variable Interest Rate will vary automatically, without notice to the Chargor, each time there is a change in the Prime Rate. The Variable Interest Rate will always be the Prime Rate plus the number of percentage points per annum, if any, indicated in the Computer Field of the Charge entitled "Rate", payable monthly and calculated monthly, not in advance, as well after as before maturity of the Charge and both before and after default and judgement until paid.

"Prime Rate" means the annual rate of interest announced from time to time by the Chargee being a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada. In the event that it may be necessary at any time for the Chargee to prove the Prime Rate applicable as at any time or times, it is agreed that the certificate in writing of the Chargee setting forth the Prime Rate as at any time or times shall be deemed to be conclusive evidence as to the Prime Rate as set forth in the said certificate.

##### (b) FIXED INTEREST RATE

If the interest rate indicated in the Computer Field of the Charge entitled "Rate" is a specified annual percentage not based on the Prime Rate (the "Fixed Interest Rate"), the rate of interest chargeable on the Principal Amount is that Fixed Interest Rate per annum, payable monthly, and calculated monthly, as well after as before maturity of the Charge, and both before and after default and judgment until paid.

(c) For the purposes of the Charge the Fixed Interest Rate or the Variable Interest Rate, as the case may be, are hereinafter referred to as the "Charge Rate". Whenever reference is made to the Charge Rate it shall mean the rate of interest indicated in the Computer Field of the Charge entitled "Rate", and interest shall be calculated and payable as set out in the Charge.

#### 5. DEFEASANCE

The provisions relating to defeasance contained in subsection 6(2) of the Land Registration Reform Act, shall be and are hereby expressly excluded from the terms of the Charge.

Provided the Charge shall be void upon the Chargor paying on demand to the Chargee the ultimate balance of the Liabilities, such balance not to exceed the Principal Amount, and all promissory notes, bills of exchange and any other instruments whatsoever from time to time representing the Liabilities or any part thereof, together with interest thereon either: a) where the Charge provides for a Variable Interest Rate, at the Variable Interest Rate per annum, calculated and payable monthly as well after as before maturity, default and judgment, with interest on overdue interest at the Charge Rate; or b) where the Charge provides for a Fixed Interest Rate, at the Fixed Interest Rate per annum, calculated and payable monthly as well after as before maturity, default and judgment, with interest on overdue interest at the same rate as on the Principal Amount and all other amounts payable by the Chargor under the Charge and paying any taxes, rates, levies, charges or assessments upon the Charged Premises no matter by whom or what authority imposed and observing and performing all covenants, provisos and conditions contained in the Charge.

#### 6. COMPOUND INTEREST

It is agreed that if default shall be made in payment of any sum to become due for interest at any time appointed for payment thereof, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, shall bear interest at the Charge Rate, and in case the interest and compound interest are not paid on the next payment date after the date of default a rest shall be made, and compound interest at the rate aforesaid shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the Charged Premises and shall be secured by the Charge.

#### 7. TAXES

With respect to municipal taxes, school taxes and local improvement rates (hereinafter referred to as "taxes") chargeable against the Charged Premises, it is mutually agreed between the parties to the Charge that:

(a) The Chargee may deduct from any advance of monies to the Chargor an amount sufficient to pay the taxes which have become or will become due and payable at the date of such advance and are unpaid at the date of such advance.

(b) The Chargor shall pay to the Chargee in monthly instalments on the dates on which instalments of principal and interest are payable under the Charge, sums sufficient to enable the Chargee to pay the whole amount of taxes on or before the due date for payment thereof or, if such amount is payable in instalments, on or before the due date for payment of the first instalment of taxes.

(c) Where the period between the date of the advance and the end of the calendar year is less than one year the Chargor shall pay to the Chargee in equal monthly instalments, during such period and during the next succeeding 12 months period, an amount estimated by the Chargee to be sufficient to pay, on or before the expiration of the said 12 months period, all taxes which shall become due and payable during the said two periods and during the balance of the year in which the said 12 months period expires; and the Chargor shall also pay to the Chargee on demand the amount, if any, by which the actual taxes exceed such estimated amount.

(d) Except as provided in the last preceding clause, the Chargor shall, in each and every month, pay to the Chargee one-twelfth of the amount (as estimated by the Chargee) of the taxes next becoming due and payable; and the Chargor shall also pay to the Chargee on demand the amount, if any, by which the said actual taxes exceed such estimated amount.

(e) The Chargee shall allow the Chargor interest on the average monthly balances standing in the Charge account from time to time to the credit of the Chargor for payment of taxes at a rate per annum, and at such times, as the Chargee may determine in its sole discretion; and the Chargor shall be charged interest at the Charge Rate, on the debit balance, if any, in the Charge account outstanding after payment of taxes by the Chargee, until such debit balance is fully repaid.

(f) The Chargor shall reimburse the Chargee, on demand, for any fees paid or charges incurred by the Chargee to a municipality or other tax authority from time to time in connection with the administration of the tax account, including any fees or charges for the obtaining of information or searches or certificates in respect thereof, or the payment of taxes in any manner and the Chargor authorizes the Chargee to deduct the amount of such fees or charges from the tax account.

The Chargee agrees to apply the foregoing deductions and payments to the taxes chargeable against the Charged Premises so long as the Chargor is not in default under any covenant, proviso or agreement contained in the Charge, but nothing contained in the Charge shall obligate the Chargee to apply such payments on account of taxes more often than yearly. Provided, however, that if, before any sum or sums so paid to the Chargee shall have been so applied, there shall be default by the Chargor in respect of any payment of principal or interest as provided in the Charge, the Chargee may apply such sum or sums in or towards payment of the principal and or interest in default. The Chargor further covenants and agrees to transmit to the Chargee the assessment notices, tax bills and other notices affecting the imposition of taxes forthwith after the receipt of same by the Chargor.

Notwithstanding the provisions set out in this section, the Chargee may elect not to require payment of taxes to it in which case the Chargor will pay all taxes as they fall due and will provide the Chargee with receipts confirming payment of same as the Chargee may require.

## 8. DEEMED COVENANTS EXCLUDED

The covenants deemed to be included in a charge by subsection 7(l) of the Land Registration Reform Act, shall be and are hereby expressly excluded from the terms of the Charge.

## 9. COVENANTS IN LIEU OF STATUTORY COVENANTS

The Chargor does hereby covenant, promise and agree to and with the Chargee as follows:

### (a) To Pay and Observe Covenants

That the Chargor shall pay or cause to be paid to the Chargee, without deduction or abatement, the Principal Amount secured by the Charge with interest at the Charge Rate at the times and in the manner limited for payment thereof in the Charge, and shall do, observe, perform, fulfil and keep all the provisions, covenants, agreements and stipulations particularly set forth in the Charge, and, without limitation, shall pay any taxes, rates, levies, charges or assessments including, without limitation, utility charges, upon the Charged Premises or in respect thereof, no matter by whom or by what authority imposed, which the Chargee has paid or has been rendered liable to pay and shall also pay all other sums as the Chargee may be entitled to under the Charge.

### (b) For Good Title

That the Chargor, at the time of delivery for registration of the Charge, is, and stands solely, rightfully and lawfully seized of a good, sure, perfect, absolute and indefeasible title in fee simple to the Charged Premises free of any trusts, reservations, limitations, provisos or conditions (except those contained in the original grant thereof from the Crown) or any other matter or thing to alter, charge, change, encumber or defeat the same.

### (c) Right to Charge

That the Chargor has good right, full power and lawful and absolute authority to charge the Charged Premises with their appurtenances unto the Chargee in the manner set out in the Charge.

### (d) Quiet Possession on Default

That from and after default in the payment of the Principal Amount, or the interest thereon, or any part thereof, or in the doing, observing, performing, fulfilling or keeping of one or more of the provisions, agreements or stipulations contained in the Charge, contrary to the true intent and meaning thereof, then in every such case, it shall be lawful for the Chargee, peaceably and quietly to enter into, have, hold, use, occupy, possess and enjoy the Charged Premises or the lands and premises intended to be charged by the Charge, with their appurtenances, without the let, suit, hindrance, interruption or denial of the Chargor, or any other person or persons whomsoever, free and clear of all arrears of taxes and assessments whatsoever due or payable upon or in respect of the Charged Premises or any part thereof and of and from all former conveyances, mortgages, charges, rights, annuities, debts, executions and recognizance and of any other charges or encumbrances whatsoever.

### (e) Further Assurances

That from and after default shall happen to be made of or in the payment of the Principal Amount then outstanding, or the interest thereon, or any part of the Principal Amount or interest, as set forth in the Charge or of or in the doing, observing, performing, fulfilling or keeping of some one or more of the provisions, agreements or stipulations in the Charge contrary to the true intent and meaning thereof, then and in every such case the Chargor, and all and every person or persons whosoever having, or lawfully claiming, or who shall or may have or lawfully claim any estate, right, title, interest or trust of, in, to or out of the Charged Premises by, from, under or in trust for the Chargor, shall and will, from time to time, and at all times thereafter, make, do, suffer and execute, deliver, authorize and register or cause or procure to be made, done, suffered, executed, delivered, authorized and registered, all and every such further and other reasonable act or acts, deed or deeds, devices, conveyances and assurances in the law for the further, better and more perfectly and absolutely conveying, charging and assuring the Charged Premises unto the Chargee, as by the Chargee, or its solicitor shall or may be lawfully and reasonably devised, advised, or required.



## (f) Done No Act to Encumber

That the Chargor has not at any time heretofore made, done, committed, executed or wilfully or knowingly suffered any act, deed, matter or thing whatsoever whereby the Charged Premises or the premises intended to be charged by the Charge, or any part thereof, are, is or shall or may be in any way impeached, charged, affected or encumbered in title, estate, or otherwise howsoever.

## (g) Insurance

- i) That the Chargor will forthwith insure and during the continuance of the Charge keep insured in favour of the Chargee against loss or damage by fire, lightning, windstorm, hail, earthquake, explosion, impact, vandalism, malicious acts, civil disturbance or riot, smoke, falling objects and other risks, hazards and perils which the Chargee might require to the full extent of their replacement cost in lawful money of Canada, each and every building on the Charged Premises and which may hereafter be erected thereon, both during erection and thereafter, and all fixtures as hereinafter defined or referred to, and all other risks, hazards and perils of any nature or kind which the Chargee might require depending on the nature of the Charged Premises or the use thereof, with a company or companies approved by the Chargee and shall pay all premiums and sums of money necessary for such purpose as the same shall become due; each policy of insurance shall provide that loss, if any, shall be payable to the Chargee as its interest may appear, subject to a standard form of mortgage clause or other mortgage clause approved by the Chargee and the Chargor will forthwith assign, transfer and deliver over unto the Chargee the policy of insurance and receipts thereto appertaining; and if the Chargor shall neglect to keep the said buildings or any of them insured as aforesaid, or to deliver such policies and receipts or to produce to the Chargee at least fifteen days before the termination of any insurance, evidence of renewal thereof, the Chargee shall be entitled, but shall not be obliged, to insure the said buildings or any of them, and if the Chargee shall pay any premiums or sums of money for insurance for the Charged Premises or any part thereof the amount of such payment shall be added to the debt secured by the Charge and shall bear interest at the Charge Rate from the time of such payments and shall be payable at the time appointed for the next ensuing payment of interest on the said debt; and the Chargor shall forthwith on the happening of any loss or damage, furnish at the Chargor's own expense all necessary proofs and do all necessary acts to enable the Chargee to obtain payment of the insurance monies and the production of a printed copy of the Charge shall be sufficient authority for the said insurance company to pay any such loss to the Chargee, and the said insurance company is hereby directed thereupon to pay the same to the Chargee; and any insurance monies received may, at the option of the Chargee, be applied in rebuilding, reinstating or repairing the Charged Premises or be paid to the Chargor or any other person appearing by the registered title to be or to have been the owner of the Charged Premises or be applied or paid partly in one way and partly in another, or it may be applied, in the sole discretion of the Chargee, in whole or in part on account of the amounts secured by the Charge or any part thereof whether due or not then due.
- (ii) If the Charged Premises are part of a Condominium the insurance provisions set out in paragraph (a) above will not apply and the following will apply to the Charge:

That the Chargor or the Condominium Corporation or both of them will forthwith insure and during the continuance of the Charge keep insured in favour of the Chargee against loss or damage by fire, lightning, windstorm, hail, explosion, impact, vandalism, malicious acts, earthquake, civil disturbance or riot, smoke, falling objects and other risks, hazards and perils which the Chargee might require to the full extent of their replacement cost in lawful money of Canada, each and every building on the said land and which may hereafter be erected thereon, both during erection and thereafter and all fixtures as hereinafter defined or referred to and all other risks, hazards and perils of any nature or kind which the Chargee might require depending on the nature of the Charged Premises or the use thereof, with a company or companies approved by the Chargee; and the Chargor will forthwith assign, transfer and deliver unto the Chargee the policy or policies of insurance and receipts thereof appertaining and if the Chargor or Condominium Corporation or both of them shall neglect to keep the said buildings or any of them insured as aforesaid, or to deliver such policies and receipts or produce to the Chargee at least fifteen days before the termination of any insurance, evidence of renewal thereof the Chargee shall be entitled but shall not be obligated to insure the said buildings or any of them; and

the Chargor or the Condominium Corporation or both of them shall forthwith on the happening of any loss or damage comply fully with the terms of the policies of insurance and, without limiting the generality of the obligation of the Chargor to observe and perform all the duties and obligations imposed on him by the Condominium Act, R.S.O 1990, c.C.26, as amended or replaced (the "Condominium Act") and by the Declaration and By-laws of the Condominium Corporation as hereinafter provided, shall comply with the insurance provisions of the Declaration; and the Chargor as a member of the Condominium Corporation shall seek the full compliance by the Condominium Corporation of the aforementioned covenants.

**10. RELEASE**

The Chargor has released, remised and forever quitted claim, and by these presents does release, remise, and forever quit claim unto the Chargee, all right, title, interest, claim and demand whatsoever of, in, unto and out of the Charged Premises and every part thereof, so as that the Chargor shall not or may not at any time hereafter have, claim, pretend to, challenge or demand the Charged Premises or any part thereof, in any manner howsoever, subject always to the proviso for defeasance.

**11. ENTRY AFTER DEFAULT AND POWER OF SALE**

Provided that the Chargee on default by the Chargor of payment of the portion of the Principal Amount then outstanding and interest or any part thereof required by the Charge or in the observing, performing, fulfilling or keeping of one or more of the covenants of the Chargor provided in the Charge may enter into possession of the Charged Premises or the lands and premises intended to be charged and take the rents, issues and profits and, whether in or out of possession, make such lease or leases as it shall think fit, and also on fifteen days' default as aforesaid and after giving at least thirty-five days' written notice to the persons and in the manner prescribed by Part III of the Mortgages Act, R.S.O. 1990, c. M.40, as amended (the "Mortgages Act"), may sell the Charged Premises or the lands and premises intended to be charged by the Charge or any part or parts thereof by public auction or private contract, or partly the one and partly the other, and may convey and assure the same when so sold to the purchaser or purchasers thereof as the purchaser shall direct and may do all such assurances, acts, matters and things as may be found necessary for the purposes aforesaid, and the Chargee shall not be responsible for any loss which may arise by reason of any such leasing or sale as aforesaid unless the same shall happen by reason of its wilful neglect or default. In the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable it is agreed that notice may be effectually given by leaving it with a grown-up person on the Charged Premises, if occupied, or by placing it on some portion of the Charged Premises, if unoccupied, or at the option of the Chargee, by mailing it by registered mail addressed to the Chargor at the Chargor's last known address and such notice shall be sufficient although not addressed to any person or persons by name or designation and notwithstanding that any person or persons to be affected thereby may be unknown, unascertained or under disability. It is hereby further agreed that the proceeds of sale under the Charge may be applied in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the Charged Premises or by reason of non-payment or procuring payment of monies, secured hereby or otherwise, and that the Chargee may sell all or any part of the Charged Premises on such terms as to credit and otherwise as shall appear to it most advantageous and for such price as can reasonably be obtained therefor and may make any stipulation as to title or evidence or commencement of title or otherwise which it may deem proper, and may buy in or rescind or vary any contract for the sale of the whole or any part of the Charged Premises and resell without being answerable for loss occasioned thereby, and, in the case of a sale on credit, the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of said purposes may make and execute all agreements and assurances as it shall think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease under the Charge; and that the title of a purchaser or lessee upon a sale or lease made in professed exercise of the above power shall not be liable to be impeached on the ground that no case had arisen to authorize the exercise of such power or that such power had been improperly or irregularly exercised, or that such notice had not been given in compliance with the Mortgages Act, or had been given improperly, but any person damnified by an unauthorized, improper, or irregular exercise of the power shall have his remedy against the person exercising the power in damages only. The Chargee may sell fixtures, machinery, crops and standing or fallntrees apart from the lands, and the purchaser as well as the Chargee shall have all necessary access for securing, cutting and removal. It is agreed between the parties to the Charge that nothing in this section contained shall prejudice or diminish any other rights and remedies and powers of the Chargee in the Charge contained or existing at law by virtue thereof.

And it is further agreed between the parties to the Charge that until such sale or sales shall be made as aforesaid, the Chargee shall and will stand possessed of the rents and profits of the Charged Premises in case it shall take possession of them on default as aforesaid and after such sale or sales shall stand possessed of the monies to arise and be produced from such sales, or which might arise from any insurance upon the Charged Premises or any part thereof upon trust firstly in payment of all the expenses incident to the sales, leases, conveyances, or attempted sales, leases or conveyances, secondly in payment of all costs, charges, damages and expenses of the Chargee relating to taxes, rents, insurance, repairs, utilities and any other amounts which the Chargee may have paid relating to the Charged Premises,

thirdly in discharge of all interest and costs then due in respect of the Charge, fourthly in discharge of the portion of the Principal Amount then outstanding secured by the Charge, fifthly in payment of any subsequent encumbrancers according to their priorities and the residue shall be paid to the Chargor as the Chargor may direct and shall also, in such event, at the request, cost and expense of the Chargor, transfer, release and assure unto the Chargor or to such person or persons as the Chargor shall direct and appoint, all such parts of the Charged Premises as shall remain unsold for the purposes aforesaid, discharged from all the Charge, but no person who shall be required to make or execute any such assurances shall be compelled for the making thereof to go or travel from his usual place of abode. Provided always, and it is hereby further declared and agreed by and between the parties to the Charge, that notwithstanding the power of sale and the other powers and provisions contained in the Charge, the Chargee shall have and be entitled to its right of foreclosure of the fee interest or equity of redemption of the Chargor in the Charged Premises as fully and effectually as it might have exercised and enjoyed the same in case the power of sale, and the other former provisos and trusts incident thereto had not been contained in the Charge.

**12. DISTRESS**

Provided that and it is further stipulated, provided and agreed by and between the parties to the Charge that the Chargee may distrain for arrears of interest against the Charged Premises or any part thereof and recover by way of rent reserved as in the case of a demise the arrears of interest and all costs and expenses incurred in such levy or distress and may also distrain for arrears of principal and monthly payments of taxes, if required, in the same manner as if the same were arrears of interest.

**13. PRINCIPAL DUE ON DEFAULT OF PERFORMANCE OF COVENANTS**

It is agreed by the Chargor and the Chargee that if any default shall occur in the performance of any covenant, proviso or agreement contained in the Charge or if any waste be committed or suffered on the Charged Premises, then, at the option of the Chargee, the principal amount secured by the Charge shall forthwith become due and payable subject to any relief afforded to the Chargor at law. The Chargee may, however, waive its right to call in the Principal Amount or any portion thereof then outstanding and shall not be therefore debarred from asserting and exercising its right to call in the principal amount upon the happening of any future default or breach.

**14. CHARGOR'S QUIET POSSESSION UNTIL DEFAULT**

Provided and it is agreed that until default in the payment of principal or interest secured by the Charge or intended so to be, or any part of either of the same, or in the performance of any of the provisions set forth in the Charge contrary to the true intent and meaning thereof, it shall be lawful for the Chargor peaceably and quietly to have, hold, use, occupy, possess and enjoy the Charged Premises, and receive and take the rents and profits thereof to the Chargor's own use and benefit, without let, suit, hindrance, interruption, or denial by the Chargee, or of or by any other person or persons whomsoever lawfully claiming, or who shall, or may lawfully claim by, from, under or in trust for the Chargee.

**15. BUILDINGS, ADVANCES AND COST OF SEARCH**

It is the intention of the parties to the Charge that the building or buildings erected or to be erected on the Charged Premises form part of the security for the full amount of the monies secured by the Charge; and that all advances are to be made in such manner, at such times and in such amounts up to the full amount of said monies as the Chargee, in its sole discretion, may determine. The Chargor agrees that notwithstanding the Chargor's authorization of registration and the registration of the Charge or the advancement of any part of the monies, the Chargee is not bound to advance the monies or any unadvanced portion thereof and the advance of the monies and any part thereof from time to time shall be in the sole discretion of the Chargee, but nevertheless the Charge shall take effect forthwith upon the delivery for registration of the Charge and the expenses of the examination of the title and of the Charge and valuation are to be secured hereby, the same to be charged by the Charge upon the Charged Premises and shall be without demand thereof, payable forthwith with interest at the Charge Rate and in default the Chargee's power of sale hereby given, and all other remedies under the Charge or at law shall be exercisable.

**16. FIXTURES**

It is hereby mutually covenanted and agreed by and between the Chargor and the Chargee that all erections and improvements fixed or otherwise either on the date of delivery for registration of the Charge or thereafter put upon the Charged Premises, including but without limiting the generality of the foregoing, all fences, heating, piping, plumbing, aerials, air conditioning, ventilating, lighting and water heating equipment, cooking and refrigeration equipment, cleaning and drying equipment, window blinds, radiators and covers, fixed mirrors, fitted blinds, storm windows and storm doors, window screens and screen doors, shutters and awnings, floor coverings, and all apparatus and equipment appurtenant thereto, and all farm machinery and improvements, fixed or otherwise and even though not attached to the lands otherwise than by their own weight, are and shall, in addition to other fixtures thereon, be and become fixtures and form part of the Charged Premises and shall be a portion of the security for the amounts secured by the Charge.

**17. PARTIAL RELEASE**

Provided that the Chargee may at all times release any part or parts of the Charged Premises or any other security or any surety for payment of all or any part of the monies secured by the Charge or may release the Chargor or any other person from any covenant or other liability to pay the said monies or any part thereof, either with or without any consideration therefor, and without being accountable for the value thereof or for any monies except those actually received by the Chargee and without thereby releasing any other part of the Charged Premises, or any other securities or covenants contained in the Charge, it being especially agreed that notwithstanding any such release the Charged Premises, securities and covenants remaining unreleased shall stand charged with the whole of the monies secured by the Charge and all legal and other expenses incurred by the Chargee in connection with such release or releases.

**18. DEFAULT IN PRIOR CHARGES**

It is hereby agreed by and between the Chargor and the Chargee that should default be made by the Chargor in the observance or performance of any of the covenants, provisos, agreements or conditions contained in any mortgage, charge, lien or other encumbrance to which the Charge is subject or subordinate, then and in that event the monies secured by the Charge shall forthwith become due and be payable, at the option of the Chargee, and all the powers in and by the Charge conferred shall become exercisable, and the powers of sale contained in the Charge may be exercised as therein provided.

**19. LIENS AND CONSTRUCTION**

Provided also that upon the registration of any lien against the Charged Premises, or in the event of any buildings being erected thereon being allowed to remain unfinished or without any work being done on them for a period of ten (10) days, the portion of the Principal Amount then outstanding and interest and all other amounts secured by the Charge shall, at the option of the Chargee, forthwith become due and payable. In the event that a construction lien is registered against the Charged Premises, the Chargee shall have the right, but not the obligation to pay into court such amounts as may be required to remove the lien from title to the Charged Premises. Any amounts so paid by the Chargee, together with all expenses incurred by the Chargee in connection therewith, including all solicitor's charges or commissions, as between a solicitor and his client, shall be added to the debt secured by the Charge and shall bear interest at the Charge Rate and shall, with such interest, be a charge on the Charged Premises prior to all claims thereon subsequent to the Charge and shall be payable forthwith on demand.

**20. WASTE, VACANCY, REPAIR AND BUILDING COMPLETION**

The Chargor covenants and agrees with the Chargee that the Chargor will not permit waste to be committed or suffered on the Charged Premises and that the Chargor will maintain the buildings or other improvements on the Charged Premises in good order and repair to the satisfaction of the Chargee and will not permit or suffer them to become or remain vacant and the Chargee may, but shall not be obliged to, make such repairs, improvements and alterations as it may deem necessary or complete the construction or reconstruction of any building on the Charged Premises, and the cost of repair, construction or reconstruction shall be added to the debt secured by the Charge and shall bear interest at the Charge Rate and shall, with such interest, be a charge on the Charged Premises prior to all claims thereon subsequent to the Charge and shall be payable forthwith on demand.

**21. INSPECTION**

The Chargee, its agent, employees, and independent contractors may, at any time, enter upon the Charged Premises to fully inspect the Charged Premises and where deemed necessary and/or advisable by the Chargee, notwithstanding section 14 hereof, to conduct investigations including intrusive testing and sampling on the Charged Premises for the purpose of determining the presence of or the potential for environmental contamination and the reasonable cost of such inspection shall be added to the debt secured by the Charge and shall bear interest at the Charge Rate, and shall, with such interest, be a charge on the Charged Premises prior to all claims thereon subsequent to the Charge and shall be payable forthwith on demand.

**22. ALTERATIONS**

The Chargor covenants and agrees with the Chargee that the Chargor will not make or permit to be made any alterations or additions to the Charged Premises without the prior written consent of the Chargee.

**23. PROHIBITION AGAINST RENTAL**

If the Charged Premises are or are intended to be used as residential premises then the following provisions shall apply:

(a) The Chargor represents, warrants, covenants and agrees that no part of the Charged Premises are rented or occupied by a Tenant (as defined herein) and further covenants and agrees not to rent, lease, enter into a tenancy agreement or allow occupancy by a Tenant of the whole or any part of the Charged Premises (any of the aforesaid being hereinafter referred to as "Renting") without first obtaining the consent in writing of the Chargee which consent may be refused at the sole discretion of the Chargee; further the Chargor covenants and agrees not to enter into any negotiations with respect to Renting without the consent in writing of the Chargee, which consent may be refused, restricted or made conditional at the sole discretion of the Chargee; if a restricted or conditional consent to Renting or negotiations relating to Renting is given, the Chargor covenants and agrees to abide by such restrictions or conditions;

(b) The Renting of the whole or any part of the Charged Premises without the written consent of the Chargee shall be deemed to have been done with the object of discouraging the Chargee from taking possession of the Charged Premises on default or adversely affecting the value of the Chargee's interest in the Charged Premises within the meaning of Section 52(1) of the Mortgages Act.

(c) In the event that any of the covenants contained in this section shall be breached then, at the option of the Chargee, all monies hereby secured with accrued interest thereon shall forthwith become due and payable;

(d) If the whole or any part of the Charged Premises are rented to a Tenant with or without the consent of the Chargee, at such time as the Chargee is entitled to enforce its rights under the Charge by reason of default of the Chargor, the Chargee may, at its discretion, pay to any Tenant a sum of money, in such amount as it considers advisable, as consideration for obtaining the cooperation of such Tenant in selling the Charged Premises, showing the Charged Premises and obtaining possession from the Tenant or for any one or more of the above. It is recognized that the payment of such amount will be a cost of realization on this security and the amount so paid shall be added to the debt hereby secured and be a charge on the Charged Premises and shall bear interest at the Charge Rate and shall have priority over all encumbrances subsequent to the Charge and shall be payable forthwith by the Chargor to the Chargee; the Chargor appoints the Chargee to be its true and lawful attorney and agent to enforce all the terms of any tenancy agreement entered into by the Chargor with respect to all or any part of the Charged Premises and to cancel or terminate any such tenancy agreement and in this connection to make, sign and execute any and all documents in the name of the Chargor which it, as Chargee, may consider desirable;

(e) When used in this section Tenant shall have the meaning set out in Section 1 of the Tena Protection Act, 1997, S.O. 1997, c.24, as amended.

**24. NON-MERGER**

Provided and it is agreed, that the taking of a judgment or judgments on any of the covenants contained in the Charge shall not operate as a merger of the said covenant or affect the Chargee's right to interest at the rate and times provided in the Charge; and further that said judgement shall provide that interest thereon shall be computed at the Charge Rate and in the same manner as provided in the Charge until the said judgement shall have been fully paid and satisfied.

**25. RIGHTS ON DEFAULT**

And the Chargor covenants and agrees with the Chargee that in the event of default in the payment of any instalment of principal, interest or taxes secured by the Charge or any other monies payable under the Charge by the Chargor or on breach of any covenant, proviso or agreement contained in the Charge after all or any part of the monies secured by the Charge have been advanced, the Chargee may at such time or times as it may deem necessary and without the concurrence of any other person enter upon the Charged Premises and may make such arrangements for completing the construction of, repairing or putting in order any buildings or other improvements on the Charged Premises, or for inspecting, taking care of, leasing, collecting the rents of, and managing generally the Charged Premises, and for environmental remediation to bring the Charged Premises into compliance with recognized environmental standards, statutory or otherwise, as it may deem expedient, and all reasonable costs, charges and expenses including allowances for the time and service of any employee of the Chargee or other person appointed for the above purposes shall be forthwith payable by the Chargor to the Chargee, and shall be a charge upon the Charged Premises prior to all claims thereon subsequent to the Charge and shall bear interest at the Charge Rate until paid.

**26. OBLIGATIONS SURVIVE SALE**

Provided further that no sale or other dealing by the Chargor with the Charged Premises or any part thereof shall in any way change the liability of the Chargor or in any way alter the rights of the Chargee as against the Chargor or any other person liable for payment of the monies secured by the Charge.

**27. DUE ON SALE**

Provided that in the event of the Chargor selling, conveying, transferring, or entering into any agreement of sale or transfer of the title of the Charged Premises then, at the option of the Chargee, all monies secured by the Charge shall forthwith become due and payable.

**28. PRIOR ENCUMBRANCES**

It is further stipulated, provided and agreed, that the Chargee may pay the amount of any encumbrance, lien or charge existing now or existing after the date of the Charge, or to arise or to be claimed upon the Charged Premises having priority over the Charge, including, without limitation, any taxes, utility charges or other rates on the Charged Premises, any construction lien, or any amounts payable to a Condominium Corporation, and may pay all costs, charges and expenses and all solicitor's charges or commissions, as between a solicitor and his client, which may be incurred in taking, recovering and keeping possession of the Charged Premises and generally in any proceedings or steps of any nature whatever properly taken in connection with or to realize upon this security, or in respect of the collection of any overdue interest, principal, insurance premiums or any other monies whatsoever payable by the Chargor under the Charge whether any action or any judicial proceedings to enforce such payments has been taken or not, and the amount so paid and insurance premiums for fire or other risks or hazards and any other monies paid under the Charge by the Chargee shall be added to the debt secured by the Charge and be a charge on the Charged Premises and shall bear interest at the Charge Rate, and shall be payable forthwith by the Chargor to the Chargee, and the non-payment of such amount shall be a default of payment within the meaning of those words in the paragraph dealing with power of sale and shall entitle the Chargee to exercise the power of sale and all other remedies hereby given. In the event of the Chargee paying the amount of any such encumbrance, lien or charge, taxes or rates, either out of the monies advanced on the security or otherwise, it shall be entitled to all the rights, equities and securities of the person or persons, company, corporation, or government so paid off, and is hereby authorized to retain any discharge thereof, without registration, for a longer period than six months if it thinks proper to do so.

**29. ONTARIO NEW HOME WARRANTIES PLAN ACT**

If the Chargee incurs any cost or expense of any nature or kind in any way arising from or relating to the Ontario New Home Warranties Plan Act, R.S.O. 1990, c.O.31, as amended (the "ONHWPA"), including, without any limitation whatsoever, any cost or expense relating to registration as a vendor under the ONHWPA or enrolling the Charged Premises or entering into any agreement or agreements relating to performance of warranty obligations or performing any warranty obligations, all such cost and expense shall be added to the debt hereby secured and be a charge on the Charged Premises in priority to all other encumbrances registered or arising subsequent to the Charge and shall bear interest at the Charge Rate and shall be payable forthwith by the Chargor to the Chargee.

**30. EXTENSIONS**

Provided that no extension of time given by the Chargee to the Chargor, or anyone claiming under the Chargor or any other dealing with the owner of the Charged Premises, shall in any way affect or prejudice the rights of the Chargee against the Chargor or any other person liable for the payment of the monies hereby secured.

**31. DISCHARGE**

The Chargee shall have a reasonable time after payment in full of the monies secured by the Charge within which to prepare and register a discharge or, if requested, and if required by law to do so, an assignment of the Charge, and interest as aforesaid shall continue to run and accrue until actual payment in full has been received by the Chargee and all legal and other expenses for the preparation and registration of such discharge or assignment and any administrative charge or fee of the Chargee shall be borne by the Chargor.

**32. OTHER SECURITY**

The Charge is in addition to and not in substitution for any other security held by the Chargee including any promissory note or notes for all or any part of the monies secured under the Charge, and it is understood and agreed that the Chargee may pursue its remedies thereunder or under the Charge either concurrently or successively at its option. Any judgment or recovery under the Charge or under any other security held by the Chargee for the monies secured by the Charge shall not affect the right of the Chargee to realize upon this or any other such security.

Without limiting the generality of the foregoing, the Charge is in addition to, and not in substitution for, any other charges now or hereafter held by the Chargee over the Charged Premises as security for monies secured under the Charge or any other monies due to the Chargee.

It is understood and agreed that the aggregate of principal amounts secured by the Charge and any such other charges shall be the aggregate of the Principal Amount of the Charge and the principal amounts secured under any such other charges.

**33. PLACE OF PAYMENT AND WITHHOLDINGS FROM PAYMENTS**

(a) **Place of Payment.** Provided that all such payments secured by the Charge shall be made at the branch of the said Chargee designated in the Charge, or at such other place as the Chargee may designate in writing to the Chargor, in lawful money of Canada.

(b) **Withholdings from Payments.** If the Chargor is required by law to make any deduction or withholding from any sum payable by the Chargor to the Chargee under the Charge, then the sum payable by the Chargor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Chargee receives and retains (free from any liability in respect of such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or been required to be made; and the Chargor shall pay the full amount to be deducted or withheld to the relevant taxation or other authority within the time allowed for such payment under applicable law and shall deliver to the Chargee within thirty days after the Chargor has made such payment to the applicable authority a receipt issued by such authority evidencing such payment.

(c) **Tax on Loan.** The Chargor shall pay to the Chargee, on demand, the amount of any income, corporate, withholding or similar taxes (other than the Chargee's income taxes) (the "Income Taxes") that may be imposed upon or in respect of the Principal Amount from time to time outstanding, together with interest thereon that the Chargee may be called upon to pay, together with interest from the date on which such Income Taxes are paid by the Charge at the rate and compounded in the manner provided in the Charge.

#### 34. SPOUSE'S CONSENT

The spouse of the Chargor so named in the Charge hereby consents to the transaction evidenced by the Charge and releases all interest in the Charged Premises to the extent necessary to give effect to the rights of the Chargee under the Charge, and agrees that the Chargee may, without further notice, deal with the Charged Premises and the debt created by the Charge as the Chargee may see fit.

#### 35. FAMILY LAW ACT

The Chargor covenants and agrees that:

(a) the Chargor or the owner from time to time of the Charged Premises will advise and keep advised the Chargee as to whether the Chargor or the owner from time to time is a spouse as defined in the Family Law Act, R.S.O. 1990, c. F.3, as amended (the "Family Law Act"), and if so, the name of the Chargor's spouse, and of any change in the Chargor's spousal status or in the status of the Charged Premises as a matrimonial home within the meaning of the Family Law Act, and

(b) forthwith on request the Chargor will furnish the Chargee with such evidence in connection with any of the matters referred to in clause (a) above as the Chargee may from time to time require, including, without limitation, the Chargor's and the Chargor's spouse's name, address and birth date and the Chargor's and the Chargor's spouse's authorization to the Registrar under the Vital Statistics Act, R.S.O. 1990, c.V.4, as amended, to provide the Chargee from time to time on request all information in its possession relative to any marriage, divorce or death of the Chargor or the Chargor's spouse, and on default the Principal Amount, interest and all other monies secured by the Charge shall, at the option of the Chargee, forthwith become due and payable.

#### 36. SEVERABILITY OF ANY INVALID PROVISIONS

It is agreed that in the event that at any time any provision of the Charge is illegal or invalid under or inconsistent with the provisions of any applicable statute or regulation thereunder or any other applicable law, or would by reason of the provisions of any such statute or regulation or other applicable law render the Chargee unable to collect the amount of any loss sustained by it as a result of making the advances secured by the Charge which it would otherwise be able to collect under such statute or regulation or other applicable law, then such provision shall not apply and shall be construed so as not to apply to the extent that it is so illegal, invalid or inconsistent or would so render the Chargee unable to collect the amount of any such loss.

#### 37. NO PREJUDICE FROM FAILURE TO ENFORCE RIGHTS

Provided that no failure to enforce at any time or from time to time any of the rights of the Chargee under the Charge shall prejudice such rights or any other rights of the Chargee; no performance or payment by the Chargee in respect of any breach or default under the Charge of the Chargor shall relieve the Chargor from any default thereunder; and no waiver at any time or from time to time of any such rights of the Chargee shall prejudice such rights in the event of any future default or breach.

#### 38. FARM LANDS

If the Charged Premises are farm lands, the Chargor will in each year during the currency of the Charge either put into crop or summer fallow in good, proper and husbandlike manner every portion of the Charged Premises which has been or may hereafter be brought under cultivation, and will keep the Charged Premises clean and free from all noxious weeds and generally see that the Charged Premises do not depreciate in any way.

#### 39. CHANGE OF CORPORATE CONTROL

Where the Chargor is a corporation the Chargor covenants and agrees that in the event that:

(a) the Chargor fails to supply to the Chargee, in a form satisfactory to the Chargee, such information relating to the ownership of its shares as the Chargee may from time to time require; or

(b) without the written consent of the Chargee first had and obtained,

(i) the Chargor issues or redeems any of its shares or transfers any of its shares,

(ii) there is a sale or sales of the shares of the Chargor which result in the transfer of the legal or beneficial interest of any of the shares of the Chargor, or

(iii) the Chargor amalgamates, merges or consolidates with any other corporation,

and the result of any of the foregoing is a change in the effective control of the majority of the voting shares of the Chargor, then all monies secured by the Charge together with accrued interest thereon shall forthwith become due and payable at the option of the Chargee and the Chargee's powers of sale hereby given and all other remedies for enforcement shall be exercisable.

**40. COMPLIANCE WITH THE LAW AND ENVIRONMENTAL COMPLIANCE**

The Chargor hereby represents and warrants to the Chargee that:

(a) there is not in, on or about the Charged Premises any product or substance or condition (including, without restriction, contaminants, wastes, moulds or hazardous or toxic materials), equipment or anything else which contravenes any statute, regulation, by-law, order, direction or equivalent relating to the protection of the environment or which is not being dealt with according to best recognized practices relating to the environment;

(b) to the best of the knowledge of the Chargor, no circumstance has existed on the Charged Premises or exists or has existed on any land adjacent to the Charged Premises which constitutes or could reasonably constitute contravention of any statute, regulation, order, by-law, direction or equivalent relating to the protection of the environment;

(c) no claim or notice of any action, investigation or proceeding of any kind has been threatened, made or issued or is pending relating to an environmental condition on the Charged Premises; and

(d) the Charged Premises are being used in compliance with all statutes, regulations, orders, by-laws, directions and equivalent relating to the protection of the environment.

The Chargor hereby covenants and agrees with the Chargee as follows:

(a) the Chargor shall give to the Chargee immediate notice of any material change in circumstances in respect of the Charged Premises or adjacent land which would cause any of the representations and warranties contained in the immediately preceding paragraphs (a) to (d) inclusive to become untrue; and

(b) the Chargor shall not permit or create, and shall not allow anyone else to permit or create, any circumstance on the Charged Premises which would constitute or could reasonably constitute a contravention of any statute, regulation, order, by-law, direction or equivalent relating to the protection of the environment.

The Chargor further covenants and agrees with the Chargee at all times promptly to observe, perform, execute and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders, regulations and equivalent of every government authority dealing with zoning, use, occupancy, subdivision, parking, historical designations, fire, access, loading facilities, landscaped area, pollution of the environment, contaminants, wastes, hazardous or toxic materials, building construction, public health and safety, and all private covenants and restrictions affecting the Charged Premises or any portion thereof and the Chargor shall from time to time, upon request of the Chargee, provide to the Chargee evidence of such observance and compliance and pay immediately when due the cost of removal of any such contaminants, wastes and materials, and shall at its own expense make any and all improvements thereon or alterations to the Charged Premises structural or otherwise and shall take all such other action as may be required at any time by any such present or future law, rule, requirement, order, direction, by-law, ordinance, work order, regulation, covenant or equivalent; and the Chargor shall cause its tenants, agents and invitees to comply with all the foregoing at their own expense.

The Chargor shall indemnify and hold harmless the Chargee (and its directors, officers, employees and agents) from and against all loss, cost, damage or expenses (including, without limitation, legal fees and costs incurred in the investigation, defence and settlement of any claim) due to the Chargor's failure to comply with any of the covenants and agreements in this clause, or due to the presence of any contaminant, waste, mould or hazardous or toxic material referred to in this clause, as well as any lien or priority asserted with respect thereto, and this indemnity shall survive the discharge of the Charge or the release from the Charge of part or all of the Charged Premises.

**41. CONDOMINIUMS**

If the Charge is of a unit or units within a Condominium the following provisions shall apply:

(a) The Chargor covenants and agrees at all times and from time to time to observe and perform all duties and obligations imposed on the Chargor by the Condominium Act and by the Declaration, the by-laws, and the rules as amended from time to time, of the Condominium Corporation, by virtue of the Chargor's ownership of the Charged Premises. Any breach of the said duties and obligations shall constitute a breach of covenant under the Charge.

(b) Without limiting the generality of the foregoing, the Chargor covenants and agrees that the Chargor will pay promptly when due any contributions to common expenses required of the Chargor as an owner of the Charged Premises and in the event of default in doing so the Chargee, at its option, may pay the same and the amount so paid shall be added to the debt secured by the Charge and shall be a charge on the Charged Premises and shall bear interest at the Charge Rate from the time of such payments and shall be payable forthwith by the Chargor to the Chargee whether or not any payment in default has priority to the Charge or any part of the monies secured thereby.

(c) The Chargor hereby irrevocably authorizes and empowers the Chargee to exercise the right of the Chargor as an owner of the Charged Premises to vote or to consent in all matters relating to the affairs of the Condominium Corporation provided that:

(i) the Chargee may at any time or from time to time give notice in writing to the Chargor and the said Condominium Corporation that the Chargee does not intend to exercise the said right to vote or consent and in that event until the Chargee revokes the said notice the Chargor may exercise the right to vote. Any such notice may be for an indeterminate period of time or for a limited period of time or for a specific meeting or matter;

(ii) the Chargee shall not by virtue of the assignment to the Chargee of the right to vote or consent be under any obligation to vote or consent or to protect the interests of the Chargor; and

(iii) the exercise of the right to vote or consent shall not constitute the Chargee a chargee in possession.

(d) The Chargor covenants and agrees to advise the Condominium Corporation to send all notices to the Chargee and to notify the Chargee of any breaches by the Condominium Corporation that come to the attention of the Chargor in order that the Chargee is kept fully informed.

**42. RECEIVERSHIP**

Notwithstanding anything contained in the Charge, it is declared and agreed that at any time and from time to time when there shall be default under the provisions of the Charge, the Chargee may, at such time and from time to time and with or without entry into possession of the Charged Premises, or any part thereof, by instrument in writing appoint any person, whether an officer or officers or an employee or employees of the Chargee or not, to be a receiver (which term as used herein includes a receiver manager and also includes the plural as well as the singular) of the Charged Premises, or any part thereof, and of the rents and profits thereof, and with or without security, and may from time to time by similar writing remove any receiver and appoint another in such receiver's stead, and that, in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor, but no such appointment shall be revocable by the Chargor. Upon the appointment of any such receiver from time to time the following provisions shall apply:

(a) Every such receiver shall have unlimited access to the Charged Premises as agent and attorney for the Chargor (which right of access shall not be revocable by the Chargor) and shall have full power and unlimited authority (which power and authority shall not be revocable by the Chargor) to:

- (i) collect the rents and profits from tenancies whether created before or after these presents;
- (ii) rent any portion of the Charged Premises which may be or become vacant on such terms and conditions as the receiver considers advisable and enter into and execute leases, accept surrenders and terminate leases;
- (iii) complete the construction of any building or buildings or other erections or improvements on the Charged Premises left by the Chargor in an unfinished state or award the same to others to complete and purchase, repair and maintain any personal property including, without limitation, appliances and equipment, necessary or desirable to render the premises operable or rentable, and take possession of and use or permit others to use all or any part of the Chargor's materials, supplies, plans, tools, equipment (including appliances) and property of every kind and description; and
- (iv) manage, operate, repair, alter or extend the Charged Premises or any part thereof.

The Chargor undertakes to ratify and confirm whatever any such receiver may do in the Charged Premises.

(b) The Chargee may at its discretion vest the receiver with all or any of the rights and powers of the Chargee.

(c) The Chargee may fix the reasonable remuneration of the receiver who shall be entitled to deduct the same out of the revenue or the sale proceeds of the Charged Premises.

(d) Every such receiver shall be deemed to be the agent or attorney of the Chargor and, in no event, the agent of the Chargee and the Chargee shall not be responsible for the receiver's acts or omissions.

(e) The appointment of any such receiver by the Chargee shall not result in or create any liability or obligation on the part of the Chargee to the receiver or to the Chargor or to any other person and no appointment or removal of a receiver and no actions of a receiver shall constitute the Chargee a chargee in possession of the Charged Premises.

(f) No such receiver shall be liable to the Chargor to account for monies other than monies actually received by the receiver in respect of the Charged Premises, or any part thereof, and out of such monies so received every such receiver shall, in the following order, pay:

- (i) the remuneration of the receiver aforesaid;
- (ii) all costs and expenses of every nature and kind incurred by the receiver in connection with the exercise of the receiver's powers and authority hereby conferred;
- (iii) interest, principal and other money which may, from time to time, be or become charged upon the Charged Premises in priority to the Charge, including taxes;
- (iv) to the Chargee, all interest, principal and other monies due under the Charge to be paid in such order as the Chargee in its discretion shall determine;
- (v) and thereafter, every such receiver shall be accountable to the Chargor for any surplus.

The remuneration and expenses of the receiver shall be paid by the Chargor on demand and shall be a charge on the Charged Premises and shall bear interest from the date of demand at the Charge Rate

(g) Save as to claims for accounting under clause (f) of this paragraph, the Chargor hereby releases and discharges any such receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to the Chargor or any person claiming through or under the Chargor by reason or as a result of anything done by such receiver unless such claim be the direct and proximate result of dishonesty or fraud.

(h) The Chargee may, at any time and from time to time, terminate any such receivership by notice in writing to the Chargor and to any such receiver.

(i) The statutory declaration of an officer of the Chargee as to default under the provisions of the Charge and as to the due appointment of the receiver pursuant to the terms hereof shall be sufficient proof thereof for the purposes of any person dealing with a receiver who is ostensibly exercising powers provided for in the Charge and such dealing shall be deemed, as regards such person, to be valid and effectual.

(j) The rights and powers conferred in and by the Charge in respect of the receiver are supplemental to and not in substitution of any other rights and powers which the Chargee may have.



**43. COMPLIANCE WITH THE LAW**

The Chargor covenants and agrees at all times to promptly observe, perform, execute and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders and regulations of every governmental authority and agency whether federal, provincial, municipal or otherwise, including, without limiting the generality of the foregoing, those dealing with zoning, use, occupancy, subdivision, parking, historical designations, fire, access, loading facilities, landscaped area, pollution of the environment, toxic materials or other environmental hazards, building construction, public health and safety, and all private covenants and restrictions affecting the Charged Premises or any portion thereof and the Chargor will from time to time, upon request of the Chargee, provide to the Chargee evidence of such observance and compliance, and will at its own expense make any and all improvements thereon or alterations to the Charged Premises structural or otherwise and will take all such other action as may be required at any time by any such present or future law, rule, requirement, order, direction, by-law, ordinance, work order or regulation.

**44. CHARGE EXPENSES**

The Chargor agrees to pay the reasonable and necessary costs, charges and expenses of and incidental to the Charge, and to any and all other documents required in connection therewith, and of any amendment or renewal thereof, and of anything done in connection with the enforcement of the security granted thereby or the procuring of the payment of any monies payable under the Charge, including, without limiting the generality of the foregoing, all solicitors' fees, on a solicitor and client basis, costs and expenses of examination of title, and the obtaining of the opinion of counsel for the Chargee thereon and all costs and expenses valuing the Charged Premises in connection with the foregoing and of anything done in connection with defending the validity or priority of the Charge as against third parties. The Chargor further agrees that such amounts shall be paid forthwith upon demand and until paid shall bear interest at the Charge Rate and shall be a charge on the Charged Premises secured by the Charge prior to all claims thereon subsequent to the Charge.

**45. INTERPRETATION**

And it is hereby agreed and declared that the expression "the Chargor" used in these standard charge terms and the Charge shall include the heirs, executors, personal representatives, administrators, successors and assigns of each and every Chargor and the expression "the Chargee" shall include the successors and assigns of the Chargee and (if the Charge affects a Condominium) the expression "Condominium Corporation" shall mean the Condominium Corporation referred to in the description and the expression "Declaration" shall mean the declaration registered in connection with the Condominium Corporation, and the words in the singular include the plural, and words in the plural include the singular, and words importing the masculine gender include the feminine and neuter genders where the context so requires, and that all covenants, liabilities, and obligations entered into or imposed under the Charge upon each Chargor shall be equally binding upon his, her, its or their respective heirs, personal representatives, executors, administrators,

successors, and assigns and that all such covenants, liabilities and obligations shall be joint and several, and that all rights, advantages, privileges, immunities, powers and things hereby secured to the Chargee shall be equally secured to and exercisable by its successors and assigns; and if the Chargor is comprised of more than one person, all covenants by the Chargor herein contained or implied are and are to be construed as both joint and several.

**46. PARAGRAPH HEADINGS**

The paragraph headings in these standard charge terms are inserted for convenience of reference only and are deemed not to form part of the Charge and are not to be considered in the construction or interpretation of the Charge or any part thereof.

**47. DATE OF CHARGE**

The Charge, unless otherwise specifically provided, shall be deemed to be dated as of the date of delivery for registration of the Charge.

**48. EFFECT OF DELIVERY**

The delivery of the Charge for registration by direct electronic transfer shall have the same effect for all purposes as if such Charge were in a written form, signed by the parties thereto and delivered to the Chargee. Each of the Chargor and, if applicable, the spouse of the Chargor, and any other party to the Charge, agrees not to raise in any proceedings by the Chargee to enforce the Charge any want or lack of authority on the part of the person delivering the Charge for registration to do so.

**RECEIPT**

The Chargor(s) hereby acknowledges receipt of a true copy of the Charge and the foregoing Standard Charge Terms before signing the Charge.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

[Insert Name of Chargor(s)]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The Guarantor(s) hereby acknowledges receipt of a true copy of the Charge and the foregoing Standard Charge Terms before signing the Charge.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

[Insert Name of Guarantor (s)]

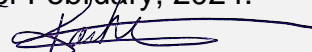
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This is **Exhibit "K"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.

A handwritten signature in black ink, appearing to be 'K. White-Smith', written over the text 'day of February, 2024.'.

.....  
A Commissioner for Taking Affidavits

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

yyyy mm dd Page 1 of 2

**Properties**

*PIN* 76799 - 0001 LT *Interest/Estate* Fee Simple  
*Description* UNIT 1, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2799 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT5511149; CITY OF TORONTO  
*Address* 101 UNIT  
 2855 MARKHAM ROAD  
 TORONTO

*PIN* 76799 - 0002 LT *Interest/Estate* Fee Simple  
*Description* UNIT 2, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2799 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT5511149; CITY OF TORONTO  
*Address* 102 UNIT  
 2855 MARKHAM ROAD  
 TORONTO

**Chargor(s)**

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

*Name* 1818216 ONTARIO INC.  
*Address for Service* 622 The Queensway  
 Toronto, ON M8Y 1K3

I, KANDASAMY, THARMINI, President, have the authority to bind the corporation.

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

**Chargee(s)***Capacity**Share*

*Name* ROYAL BANK OF CANADA  
*Address for Service* 36 YORK MILLS ROAD, 4TH FLOOR, TORONTO, ONTARIO  
 M2P 0A4

**Provisions**

*Principal* \$720,000.00 *Currency* CDN  
*Calculation Period* MONTHLY  
*Balance Due Date* ON DEMAND  
*Interest Rate* ROYAL BANK PRIME RATE PLUS 5% PER ANNUM  
*Payments*  
*Interest Adjustment Date*  
*Payment Date*  
*First Payment Date*  
*Last Payment Date*  
*Standard Charge Terms* 20015  
*Insurance Amount* Full insurable value  
*Guarantor*

**Signed By**

John Paul Bannon 501-4080 Confederation Parkway acting for Signed 2020 10 22  
 Mississauga Chargor(s)  
 L5B 0G1

Tel 905-272-3412

Fax 905-272-0142

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

**Submitted By**

J. PAUL BANNON, BARRISTER & SOLICITOR 501-4080 Confederation Parkway 2020 10 22  
 Mississauga  
 L5B 0G1

Tel 905-272-3412

Fax 905-272-0142

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

<b>Fees/Taxes/Payment</b>
---------------------------

Statutory Registration Fee	\$65.05
Total Paid	\$65.05

**LAND REGISTRATION REFORM ACT  
SET OF STANDARD CHARGE TERMS  
FOR ELECTRONIC DOCUMENTS  
(COLLATERAL CHARGES)**

**ROYAL BANK OF CANADA  
ROYAL TRUST CORPORATION OF CANADA**

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CHARGE TERMS

**LAND REGISTRATION REFORM ACT**  
**SET OF STANDARD CHARGE TERMS**  
**FOR ELECTRONIC DOCUMENTS**  
**(COLLATERAL CHARGES)**

**ROYAL BANK OF CANADA**  
**ROYAL TRUST CORPORATION OF CANADA**

134  
E-FORM 964 (03/2003)

Filed by:  
ROYAL BANK OF CANADA and  
ROYAL TRUST CORPORATION OF CANADA

Filing Date: June 28, 2001  
Filing Number: 20015

The following set of standard charge terms shall apply to electronic documents submitted for registration under Part III of the *Land Registration Reform Act*, R.S.O 1990, c.L.4, as amended (the "Land Registration Reform Act") and shall be deemed to be included in every electronically registered charge in which this set of standard charge terms is referred to by its filing number, as provided in Section 9 of the Land Registration Reform Act.

Any charge in an electronic format of which this set of standard charge terms forms a part by reference to the above-noted filing number in such charge shall hereinafter be referred to as the "Charge". Whenever reference is made in this set of standard charge terms to the Charge it shall include this set of standard charge terms and all terms and provisions of this set of standard charge terms.

Any reference to the "Computer Field" in the Charge means a computer data entry field in a charge registered pursuant to Part III of the Land Registration Reform Act into which the terms and conditions of the Charge may be inserted.

**1. CHARGE**

The chargor or chargors indicated in the Computer Field of the Charge entitled "Chargor" (the "Chargor") charges the lands and premises indicated in the Computer Field of the Charge entitled "Description" (the "Charged Premises") with the payment to the chargee indicated in the Computer Field of the Charge entitled "Chargee" (the "Chargee") of the principal and interest and all other monies secured by the Charge upon the terms as set out in the Charge.

**2. COLLATERAL SECURITY**

The Chargor has at the request of the Chargee agreed to give the Charge as a continuing collateral security for payment and satisfaction to the Chargee of all obligations, debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, at any time owing by the Chargor to the Chargee incurred or arising either before or after the delivery for registration of the Charge and whether incurred by or arising from agreement or dealings between the Chargor and the Chargee or from any agreement or dealings with any third party by which the Chargee may be or become in any manner whatsoever a creditor of the Chargor or however otherwise incurred or arising anywhere within or outside Canada and whether the Chargor be bound alone or with another or others and whether as principal or surety and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again (such obligations, debts and liabilities being herein called the "Liabilities"). It is agreed by the Chargor and the Chargee that the Charge at any one time will secure only that portion of the aggregate principal component of the Liabilities outstanding at such time which does not exceed the sum set out in the Computer Field in the Charge entitled "Principal" (herein called the "Principal Amount"), together with any interest or compound interest accrued on the portion of the Principal Amount outstanding at such time at the Charge Rate, as hereinafter defined, plus such costs and expenses to which the Chargee is entitled pursuant to the Charge.

**3. COVENANTS REGARDING LIABILITIES**

The Chargor and the Chargee agree as follows:

(a) That the Chargor covenants to pay to the Chargee each and every amount, indebtedness, liability and obligation forming part of the Liabilities in the manner agreed to in respect of such amount, indebtedness, liability or obligation.

(b) That no part of the Liabilities existing at the date of the Charge or incurred or arising thereafter, shall be deemed to be unsecured by the Charge.

(c) That the Charge is and shall be a continuing collateral security to the Chargee for the amount of the Liabilities and interest and costs as provided in the Charge and shall be deemed to be taken as security for the ultimate balance of the Liabilities; and the Charge shall not, nor shall anything therein contained operate so as to create any merger or discharge of any debt owing to the Chargee or of any lien, bond, promissory note, bill of exchange or other security held by the Chargee either before or after registration of the Charge from the Chargor or from any other person or persons and the Charge shall not in any way prejudicially affect any security held either before or after the registration of the Charge by the Chargee for the Liabilities or any part thereof, or the liability of any endorser or any other person or persons upon any such lien, bond, bill of exchange, promissory note or other security or contract or any renewal or renewals thereof held by the Chargee for or on account of the Liabilities or any part or parts thereof, nor shall the remedies of the Chargee in respect thereof be prejudiced or delayed in any manner whatsoever by the taking of the Charge.

(d) That any and all payments made in respect of the Liabilities and interest and the monies or other proceeds realized from the sale of any securities held therefor, including the Charge, may be applied and reapplied notwithstanding any previous application on such part or parts of such Liabilities or interest as the Chargee may see fit or may be held unappropriated in a separate collateral account for such time as the Chargee may see fit.

(e) That the Chargee may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities and guarantees from and give the same and any and all existing securities and guarantees up to, may abstain from taking securities or guarantees from or from perfecting securities or guarantees of, may accept compositions from and may otherwise deal with the Chargor and all other persons, securities and guarantees as the Chargee may see fit without prejudicing the rights of the Chargee under the Charge.

(f) That the taking of judgement in respect of the Liabilities or any instrument or instruments now or hereafter representing or evidencing the Liabilities or under any of the covenants in the Charge or in any such instrument contained or implied shall not operate as a merger of the Liabilities or such instrument, instruments or covenants, nor affect the Chargee's right to interest at the rate and times provided in the Charge, nor affect nor prejudice any rights or remedies given to the Chargee by the terms of the Charge.

#### 4. INTEREST

##### (a) VARIABLE INTEREST RATE

If the interest rate indicated in the Computer Field of the Charge entitled "Rate" is based upon the Prime Rate, as hereinafter defined, the rate of interest chargeable on the Principal Amount is a rate equal to the Prime Rate per annum as the same will vary from time to time, plus the number of percentage points per annum, if any, indicated in the Computer Field of the Charge entitled "Rate" (the "Variable Interest Rate") and shall be payable monthly, and calculated monthly, not in advance, as well after as before maturity of the Charge, and both before and after default and judgment until paid.

The Variable Interest Rate will vary automatically, without notice to the Chargor, each time there is a change in the Prime Rate. The Variable Interest Rate will always be the Prime Rate plus the number of percentage points per annum, if any, indicated in the Computer Field of the Charge entitled "Rate", payable monthly and calculated monthly, not in advance, as well after as before maturity of the Charge and both before and after default and judgement until paid.

"Prime Rate" means the annual rate of interest announced from time to time by the Chargee being a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada. In the event that it may be necessary at any time for the Chargee to prove the Prime Rate applicable as at any time or times, it is agreed that the certificate in writing of the Chargee setting forth the Prime Rate as at any time or times shall be deemed to be conclusive evidence as to the Prime Rate as set forth in the said certificate.

##### (b) FIXED INTEREST RATE

If the interest rate indicated in the Computer Field of the Charge entitled "Rate" is a specified annual percentage not based on the Prime Rate (the "Fixed Interest Rate"), the rate of interest chargeable on the Principal Amount is that Fixed Interest Rate per annum, payable monthly, and calculated monthly, as well after as before maturity of the Charge, and both before and after default and judgment until paid.

(c) For the purposes of the Charge the Fixed Interest Rate or the Variable Interest Rate, as the case may be, are hereinafter referred to as the "Charge Rate". Whenever reference is made to the Charge Rate it shall mean the rate of interest indicated in the Computer Field of the Charge entitled "Rate", and interest shall be calculated and payable as set out in the Charge.

#### 5. DEFEASANCE

The provisions relating to defeasance contained in subsection 6(2) of the Land Registration Reform Act, shall be and are hereby expressly excluded from the terms of the Charge.

Provided the Charge shall be void upon the Chargor paying on demand to the Chargee the ultimate balance of the Liabilities, such balance not to exceed the Principal Amount, and all promissory notes, bills of exchange and any other instruments whatsoever from time to time representing the Liabilities or any part thereof, together with interest thereon either: a) where the Charge provides for a Variable Interest Rate, at the Variable Interest Rate per annum, calculated and payable monthly as well after as before maturity, default and judgment, with interest on overdue interest at the Charge Rate; or b) where the Charge provides for a Fixed Interest Rate, at the Fixed Interest Rate per annum, calculated and payable monthly as well after as before maturity, default and judgment, with interest on overdue interest at the same rate as on the Principal Amount and all other amounts payable by the Chargor under the Charge and paying any taxes, rates, levies, charges or assessments upon the Charged Premises no matter by whom or what authority imposed and observing and performing all covenants, provisos and conditions contained in the Charge.

#### 6. COMPOUND INTEREST

It is agreed that if default shall be made in payment of any sum to become due for interest at any time appointed for payment thereof, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, shall bear interest at the Charge Rate, and in case the interest and compound interest are not paid on the next payment date after the date of default a rest shall be made, and compound interest at the rate aforesaid shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the Charged Premises and shall be secured by the Charge.

#### 7. TAXES

With respect to municipal taxes, school taxes and local improvement rates (hereinafter referred to as "taxes") chargeable against the Charged Premises, it is mutually agreed between the parties to the Charge that:

(a) The Chargee may deduct from any advance of monies to the Chargor an amount sufficient to pay the taxes which have become or will become due and payable at the date of such advance and are unpaid at the date of such advance.

(b) The Chargor shall pay to the Chargee in monthly instalments on the dates on which instalments of principal and interest are payable under the Charge, sums sufficient to enable the Chargee to pay the whole amount of taxes on or before the due date for payment thereof or, if such amount is payable in instalments, on or before the due date for payment of the first instalment of taxes.

(c) Where the period between the date of the advance and the end of the calendar year is less than one year the Chargor shall pay to the Chargee in equal monthly instalments, during such period and during the next succeeding 12 months period, an amount estimated by the Chargee to be sufficient to pay, on or before the expiration of the said 12 months period, all taxes which shall become due and payable during the said two periods and during the balance of the year in which the said 12 months period expires; and the Chargor shall also pay to the Chargee on demand the amount, if any, by which the actual taxes exceed such estimated amount.



(d) Except as provided in the last preceding clause, the Chargor shall, in each and every month, pay to the Chargee one-twelfth of the amount (as estimated by the Chargee) of the taxes next becoming due and payable; and the Chargor shall also pay to the Chargee on demand the amount, if any, by which the said actual taxes exceed such estimated amount.

(e) The Chargee shall allow the Chargor interest on the average monthly balances standing in the Charge account from time to time to the credit of the Chargor for payment of taxes at a rate per annum, and at such times, as the Chargee may determine in its sole discretion; and the Chargor shall be charged interest at the Charge Rate, on the debit balance, if any, in the Charge account outstanding after payment of taxes by the Chargee, until such debit balance is fully repaid.

(f) The Chargor shall reimburse the Chargee, on demand, for any fees paid or charges incurred by the Chargee to a municipality or other tax authority from time to time in connection with the administration of the tax account, including any fees or charges for the obtaining of information or searches or certificates in respect thereof, or the payment of taxes in any manner and the Chargor authorizes the Chargee to deduct the amount of such fees or charges from the tax account.

The Chargee agrees to apply the foregoing deductions and payments to the taxes chargeable against the Charged Premises so long as the Chargor is not in default under any covenant, proviso or agreement contained in the Charge, but nothing contained in the Charge shall obligate the Chargee to apply such payments on account of taxes more often than yearly. Provided, however, that if, before any sum or sums so paid to the Chargee shall have been so applied, there shall be default by the Chargor in respect of any payment of principal or interest as provided in the Charge, the Chargee may apply such sum or sums in or towards payment of the principal and or interest in default. The Chargor further covenants and agrees to transmit to the Chargee the assessment notices, tax bills and other notices affecting the imposition of taxes forthwith after the receipt of same by the Chargor.

Notwithstanding the provisions set out in this section, the Chargee may elect not to require payment of taxes to it in which case the Chargor will pay all taxes as they fall due and will provide the Chargee with receipts confirming payment of same as the Chargee may require.

## 8. DEEMED COVENANTS EXCLUDED

The covenants deemed to be included in a charge by subsection 7(l) of the Land Registration Reform Act, shall be and are hereby expressly excluded from the terms of the Charge.

## 9. COVENANTS IN LIEU OF STATUTORY COVENANTS

The Chargor does hereby covenant, promise and agree to and with the Chargee as follows:

### (a) To Pay and Observe Covenants

That the Chargor shall pay or cause to be paid to the Chargee, without deduction or abatement, the Principal Amount secured by the Charge with interest at the Charge Rate at the times and in the manner limited for payment thereof in the Charge, and shall do, observe, perform, fulfil and keep all the provisions, covenants, agreements and stipulations particularly set forth in the Charge, and, without limitation, shall pay any taxes, rates, levies, charges or assessments including, without limitation, utility charges, upon the Charged Premises or in respect thereof, no matter by whom or by what authority imposed, which the Chargee has paid or has been rendered liable to pay and shall also pay all other sums as the Chargee may be entitled to under the Charge.

### (b) For Good Title

That the Chargor, at the time of delivery for registration of the Charge, is, and stands solely, rightfully and lawfully seized of a good, sure, perfect, absolute and indefeasible title in fee simple to the Charged Premises free of any trusts, reservations, limitations, provisos or conditions (except those contained in the original grant thereof from the Crown) or any other matter or thing to alter, charge, change, encumber or defeat the same.

### (c) Right to Charge

That the Chargor has good right, full power and lawful and absolute authority to charge the Charged Premises with their appurtenances unto the Chargee in the manner set out in the Charge.

### (d) Quiet Possession on Default

That from and after default in the payment of the Principal Amount, or the interest thereon, or any part thereof, or in the doing, observing, performing, fulfilling or keeping of one or more of the provisions, agreements or stipulations contained in the Charge, contrary to the true intent and meaning thereof, then in every such case, it shall be lawful for the Chargee, peaceably and quietly to enter into, have, hold, use, occupy, possess and enjoy the Charged Premises or the lands and premises intended to be charged by the Charge, with their appurtenances, without the let, suit, hindrance, interruption or denial of the Chargor, or any other person or persons whomsoever, free and clear of all arrears of taxes and assessments whatsoever due or payable upon or in respect of the Charged Premises or any part thereof and of and from all former conveyances, mortgages, charges, rights, annuities, debts, executions and recognizance and of any other charges or encumbrances whatsoever.

### (e) Further Assurances

That from and after default shall happen to be made of or in the payment of the Principal Amount then outstanding, or the interest thereon, or any part of the Principal Amount or interest, as set forth in the Charge or of or in the doing, observing, performing, fulfilling or keeping of some one or more of the provisions, agreements or stipulations in the Charge contrary to the true intent and meaning thereof, then and in every such case the Chargor, and all and every person or persons whosoever having, or lawfully claiming, or who shall or may have or lawfully claim any estate, right, title, interest or trust of, in, to or out of the Charged Premises by, from, under or in trust for the Chargor, shall and will, from time to time, and at all times thereafter, make, do, suffer and execute, deliver, authorize and register or cause or procure to be made, done, suffered, executed, delivered, authorized and registered, all and every such further and other reasonable act or acts, deed or deeds, devices, conveyances and assurances in the law for the further, better and more perfectly and absolutely conveying, charging and assuring the Charged Premises unto the Chargee, as by the Chargee, or its solicitor shall or may be lawfully and reasonably devised, advised, or required.

## (f) Done No Act to Encumber

That the Chargor has not at any time heretofore made, done, committed, executed or wilfully or knowingly suffered any act, deed, matter or thing whatsoever whereby the Charged Premises or the premises intended to be charged by the Charge, or any part thereof, are, is or shall or may be in any way impeached, charged, affected or encumbered in title, estate, or otherwise howsoever.

## (g) Insurance

- i) That the Chargor will forthwith insure and during the continuance of the Charge keep insured in favour of the Chargee against loss or damage by fire, lightning, windstorm, hail, earthquake, explosion, impact, vandalism, malicious acts, civil disturbance or riot, smoke, falling objects and other risks, hazards and perils which the Chargee might require to the full extent of their replacement cost in lawful money of Canada, each and every building on the Charged Premises and which may hereafter be erected thereon, both during erection and thereafter, and all fixtures as hereinafter defined or referred to, and all other risks, hazards and perils of any nature or kind which the Chargee might require depending on the nature of the Charged Premises or the use thereof, with a company or companies approved by the Chargee and shall pay all premiums and sums of money necessary for such purpose as the same shall become due; each policy of insurance shall provide that loss, if any, shall be payable to the Chargee as its interest may appear, subject to a standard form of mortgage clause or other mortgage clause approved by the Chargee and the Chargor will forthwith assign, transfer and deliver over unto the Chargee the policy of insurance and receipts thereto appertaining; and if the Chargor shall neglect to keep the said buildings or any of them insured as aforesaid, or to deliver such policies and receipts or to produce to the Chargee at least fifteen days before the termination of any insurance, evidence of renewal thereof, the Chargee shall be entitled, but shall not be obliged, to insure the said buildings or any of them, and if the Chargee shall pay any premiums or sums of money for insurance for the Charged Premises or any part thereof the amount of such payment shall be added to the debt secured by the Charge and shall bear interest at the Charge Rate from the time of such payments and shall be payable at the time appointed for the next ensuing payment of interest on the said debt; and the Chargor shall forthwith on the happening of any loss or damage, furnish at the Chargor's own expense all necessary proofs and do all necessary acts to enable the Chargee to obtain payment of the insurance monies and the production of a printed copy of the Charge shall be sufficient authority for the said insurance company to pay any such loss to the Chargee, and the said insurance company is hereby directed thereupon to pay the same to the Chargee; and any insurance monies received may, at the option of the Chargee, be applied in rebuilding, reinstating or repairing the Charged Premises or be paid to the Chargor or any other person appearing by the registered title to be or to have been the owner of the Charged Premises or be applied or paid partly in one way and partly in another, or it may be applied, in the sole discretion of the Chargee, in whole or in part on account of the amounts secured by the Charge or any part thereof whether due or not then due.
- (ii) If the Charged Premises are part of a Condominium the insurance provisions set out in paragraph (a) above will not apply and the following will apply to the Charge:

That the Chargor or the Condominium Corporation or both of them will forthwith insure and during the continuance of the Charge keep insured in favour of the Chargee against loss or damage by fire, lightning, windstorm, hail, explosion, impact, vandalism, malicious acts, earthquake, civil disturbance or riot, smoke, falling objects and other risks, hazards and perils which the Chargee might require to the full extent of their replacement cost in lawful money of Canada, each and every building on the said land and which may hereafter be erected thereon, both during erection and thereafter and all fixtures as hereinafter defined or referred to and all other risks, hazards and perils of any nature or kind which the Chargee might require depending on the nature of the Charged Premises or the use thereof, with a company or companies approved by the Chargee; and the Chargor will forthwith assign, transfer and deliver unto the Chargee the policy or policies of insurance and receipts thereof appertaining and if the Chargor or Condominium Corporation or both of them shall neglect to keep the said buildings or any of them insured as aforesaid, or to deliver such policies and receipts or produce to the Chargee at least fifteen days before the termination of any insurance, evidence of renewal thereof the Chargee shall be entitled but shall not be obligated to insure the said buildings or any of them; and

the Chargor or the Condominium Corporation or both of them shall forthwith on the happening of any loss or damage comply fully with the terms of the policies of insurance and, without limiting the generality of the obligation of the Chargor to observe and perform all the duties and obligations imposed on him by the Condominium Act, R.S.O 1990, c.C.26, as amended or replaced (the "Condominium Act") and by the Declaration and By-laws of the Condominium Corporation as hereinafter provided, shall comply with the insurance provisions of the Declaration; and the Chargor as a member of the Condominium Corporation shall seek the full compliance by the Condominium Corporation of the aforementioned covenants.

**10. RELEASE**

The Chargor has released, remised and forever quitted claim, and by these presents does release, remise, and forever quit claim unto the Chargee, all right, title, interest, claim and demand whatsoever of, in, unto and out of the Charged Premises and every part thereof, so as that the Chargor shall not or may not at any time hereafter have, claim, pretend to, challenge or demand the Charged Premises or any part thereof, in any manner howsoever, subject always to the proviso for defeasance.

**11. ENTRY AFTER DEFAULT AND POWER OF SALE**

Provided that the Chargee on default by the Chargor of payment of the portion of the Principal Amount then outstanding and interest or any part thereof required by the Charge or in the observing, performing, fulfilling or keeping of one or more of the covenants of the Chargor provided in the Charge may enter into possession of the Charged Premises or the lands and premises intended to be charged and take the rents, issues and profits and, whether in or out of possession, make such lease or leases as it shall think fit, and also on fifteen days' default as aforesaid and after giving at least thirty-five days' written notice to the persons and in the manner prescribed by Part III of the Mortgages Act, R.S.O. 1990, c. M.40, as amended (the "Mortgages Act"), may sell the Charged Premises or the lands and premises intended to be charged by the Charge or any part or parts thereof by public auction or private contract, or partly the one and partly the other, and may convey and assure the same when so sold to the purchaser or purchasers thereof as the purchaser shall direct and may do all such assurances, acts, matters and things as may be found necessary for the purposes aforesaid, and the Chargee shall not be responsible for any loss which may arise by reason of any such leasing or sale as aforesaid unless the same shall happen by reason of its wilful neglect or default. In the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable it is agreed that notice may be effectually given by leaving it with a grown-up person on the Charged Premises, if occupied, or by placing it on some portion of the Charged Premises, if unoccupied, or at the option of the Chargee, by mailing it by registered mail addressed to the Chargor at the Chargor's last known address and such notice shall be sufficient although not addressed to any person or persons by name or designation and notwithstanding that any person or persons to be affected thereby may be unknown, unascertained or under disability. It is hereby further agreed that the proceeds of sale under the Charge may be applied in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the Charged Premises or by reason of non-payment or procuring payment of monies, secured hereby or otherwise, and that the Chargee may sell all or any part of the Charged Premises on such terms as to credit and otherwise as shall appear to it most advantageous and for such price as can reasonably be obtained therefor and may make any stipulation as to title or evidence or commencement of title or otherwise which it may deem proper, and may buy in or rescind or vary any contract for the sale of the whole or any part of the Charged Premises and resell without being answerable for loss occasioned thereby, and, in the case of a sale on credit, the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of said purposes may make and execute all agreements and assurances as it shall think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease under the Charge; and that the title of a purchaser or lessee upon a sale or lease made in professed exercise of the above power shall not be liable to be impeached on the ground that no case had arisen to authorize the exercise of such power or that such power had been improperly or irregularly exercised, or that such notice had not been given in compliance with the Mortgages Act, or had been given improperly, but any person damnified by an unauthorized, improper, or irregular exercise of the power shall have his remedy against the person exercising the power in damages only. The Chargee may sell fixtures, machinery, crops and standing or fallntrees apart from the lands, and the purchaser as well as the Chargee shall have all necessary access for securing, cutting and removal. It is agreed between the parties to the Charge that nothing in this section contained shall prejudice or diminish any other rights and remedies and powers of the Chargee in the Charge contained or existing at law by virtue thereof.

And it is further agreed between the parties to the Charge that until such sale or sales shall be made as aforesaid, the Chargee shall and will stand possessed of the rents and profits of the Charged Premises in case it shall take possession of them on default as aforesaid and after such sale or sales shall stand possessed of the monies to arise and be produced from such sales, or which might arise from any insurance upon the Charged Premises or any part thereof upon trust firstly in payment of all the expenses incident to the sales, leases, conveyances, or attempted sales, leases or conveyances, secondly in payment of all costs, charges, damages and expenses of the Chargee relating to taxes, rents, insurance, repairs, utilities and any other amounts which the Chargee may have paid relating to the Charged Premises,

thirdly in discharge of all interest and costs then due in respect of the Charge, fourthly in discharge of the portion of the Principal Amount then outstanding secured by the Charge, fifthly in payment of any subsequent encumbrancers according to their priorities and the residue shall be paid to the Chargor as the Chargor may direct and shall also, in such event, at the request, cost and expense of the Chargor, transfer, release and assure unto the Chargor or to such person or persons as the Chargor shall direct and appoint, all such parts of the Charged Premises as shall remain unsold for the purposes aforesaid, discharged from all the Charge, but no person who shall be required to make or execute any such assurances shall be compelled for the making thereof to go or travel from his usual place of abode. Provided always, and it is hereby further declared and agreed by and between the parties to the Charge, that notwithstanding the power of sale and the other powers and provisions contained in the Charge, the Chargee shall have and be entitled to its right of foreclosure of the fee interest or equity of redemption of the Chargor in the Charged Premises as fully and effectually as it might have exercised and enjoyed the same in case the power of sale, and the other former provisos and trusts incident thereto had not been contained in the Charge.

**12. DISTRESS**

Provided that and it is further stipulated, provided and agreed by and between the parties to the Charge that the Chargee may distrain for arrears of interest against the Charged Premises or any part thereof and recover by way of rent reserved as in the case of a demise the arrears of interest and all costs and expenses incurred in such levy or distress and may also distrain for arrears of principal and monthly payments of taxes, if required, in the same manner as if the same were arrears of interest.

**13. PRINCIPAL DUE ON DEFAULT OF PERFORMANCE OF COVENANTS**

It is agreed by the Chargor and the Chargee that if any default shall occur in the performance of any covenant, proviso or agreement contained in the Charge or if any waste be committed or suffered on the Charged Premises, then, at the option of the Chargee, the principal amount secured by the Charge shall forthwith become due and payable subject to any relief afforded to the Chargor at law. The Chargee may, however, waive its right to call in the Principal Amount or any portion thereof then outstanding and shall not be therefore debarred from asserting and exercising its right to call in the principal amount upon the happening of any future default or breach.

**14. CHARGOR'S QUIET POSSESSION UNTIL DEFAULT**

Provided and it is agreed that until default in the payment of principal or interest secured by the Charge or intended so to be, or any part of either of the same, or in the performance of any of the provisions set forth in the Charge contrary to the true intent and meaning thereof, it shall be lawful for the Chargor peaceably and quietly to have, hold, use, occupy, possess and enjoy the Charged Premises, and receive and take the rents and profits thereof to the Chargor's own use and benefit, without let, suit, hindrance, interruption, or denial by the Chargee, or of or by any other person or persons whomsoever lawfully claiming, or who shall, or may lawfully claim by, from, under or in trust for the Chargee.

**15. BUILDINGS, ADVANCES AND COST OF SEARCH**

It is the intention of the parties to the Charge that the building or buildings erected or to be erected on the Charged Premises form part of the security for the full amount of the monies secured by the Charge; and that all advances are to be made in such manner, at such times and in such amounts up to the full amount of said monies as the Chargee, in its sole discretion, may determine. The Chargor agrees that notwithstanding the Chargor's authorization of registration and the registration of the Charge or the advancement of any part of the monies, the Chargee is not bound to advance the monies or any unadvanced portion thereof and the advance of the monies and any part thereof from time to time shall be in the sole discretion of the Chargee, but nevertheless the Charge shall take effect forthwith upon the delivery for registration of the Charge and the expenses of the examination of the title and of the Charge and valuation are to be secured hereby, the same to be charged by the Charge upon the Charged Premises and shall be without demand thereof, payable forthwith with interest at the Charge Rate and in default the Chargee's power of sale hereby given, and all other remedies under the Charge or at law shall be exercisable.

**16. FIXTURES**

It is hereby mutually covenanted and agreed by and between the Chargor and the Chargee that all erections and improvements fixed or otherwise either on the date of delivery for registration of the Charge or thereafter put upon the Charged Premises, including but without limiting the generality of the foregoing, all fences, heating, piping, plumbing, aerials, air conditioning, ventilating, lighting and water heating equipment, cooking and refrigeration equipment, cleaning and drying equipment, window blinds, radiators and covers, fixed mirrors, fitted blinds, storm windows and storm doors, window screens and screen doors, shutters and awnings, floor coverings, and all apparatus and equipment appurtenant thereto, and all farm machinery and improvements, fixed or otherwise and even though not attached to the lands otherwise than by their own weight, are and shall, in addition to other fixtures thereon, be and become fixtures and form part of the Charged Premises and shall be a portion of the security for the amounts secured by the Charge.

**17. PARTIAL RELEASE**

Provided that the Chargee may at all times release any part or parts of the Charged Premises or any other security or any surety for payment of all or any part of the monies secured by the Charge or may release the Chargor or any other person from any covenant or other liability to pay the said monies or any part thereof, either with or without any consideration therefor, and without being accountable for the value thereof or for any monies except those actually received by the Chargee and without thereby releasing any other part of the Charged Premises, or any other securities or covenants contained in the Charge, it being especially agreed that notwithstanding any such release the Charged Premises, securities and covenants remaining unreleased shall stand charged with the whole of the monies secured by the Charge and all legal and other expenses incurred by the Chargee in connection with such release or releases.

**18. DEFAULT IN PRIOR CHARGES**

It is hereby agreed by and between the Chargor and the Chargee that should default be made by the Chargor in the observance or performance of any of the covenants, provisos, agreements or conditions contained in any mortgage, charge, lien or other encumbrance to which the Charge is subject or subordinate, then and in that event the monies secured by the Charge shall forthwith become due and be payable, at the option of the Chargee, and all the powers in and by the Charge conferred shall become exercisable, and the powers of sale contained in the Charge may be exercised as therein provided.

**19. LIENS AND CONSTRUCTION**

Provided also that upon the registration of any lien against the Charged Premises, or in the event of any buildings being erected thereon being allowed to remain unfinished or without any work being done on them for a period of ten (10) days, the portion of the Principal Amount then outstanding and interest and all other amounts secured by the Charge shall, at the option of the Chargee, forthwith become due and payable. In the event that a construction lien is registered against the Charged Premises, the Chargee shall have the right, but not the obligation to pay into court such amounts as may be required to remove the lien from title to the Charged Premises. Any amounts so paid by the Chargee, together with all expenses incurred by the Chargee in connection therewith, including all solicitor's charges or commissions, as between a solicitor and his client, shall be added to the debt secured by the Charge and shall bear interest at the Charge Rate and shall, with such interest, be a charge on the Charged Premises prior to all claims thereon subsequent to the Charge and shall be payable forthwith on demand.

**20. WASTE, VACANCY, REPAIR AND BUILDING COMPLETION**

The Chargor covenants and agrees with the Chargee that the Chargor will not permit waste to be committed or suffered on the Charged Premises and that the Chargor will maintain the buildings or other improvements on the Charged Premises in good order and repair to the satisfaction of the Chargee and will not permit or suffer them to become or remain vacant and the Chargee may, but shall not be obliged to, make such repairs, improvements and alterations as it may deem necessary or complete the construction or reconstruction of any building on the Charged Premises, and the cost of repair, construction or reconstruction shall be added to the debt secured by the Charge and shall bear interest at the Charge Rate and shall, with such interest, be a charge on the Charged Premises prior to all claims thereon subsequent to the Charge and shall be payable forthwith on demand.

**21. INSPECTION**

The Chargee, its agent, employees, and independent contractors may, at any time, enter upon the Charged Premises to fully inspect the Charged Premises and where deemed necessary and/or advisable by the Chargee, notwithstanding section 14 hereof, to conduct investigations including intrusive testing and sampling on the Charged Premises for the purpose of determining the presence of or the potential for environmental contamination and the reasonable cost of such inspection shall be added to the debt secured by the Charge and shall bear interest at the Charge Rate, and shall, with such interest, be a charge on the Charged Premises prior to all claims thereon subsequent to the Charge and shall be payable forthwith on demand.

**22. ALTERATIONS**

The Chargor covenants and agrees with the Chargee that the Chargor will not make or permit to be made any alterations or additions to the Charged Premises without the prior written consent of the Chargee.

**23. PROHIBITION AGAINST RENTAL**

If the Charged Premises are or are intended to be used as residential premises then the following provisions shall apply:

(a) The Chargor represents, warrants, covenants and agrees that no part of the Charged Premises are rented or occupied by a Tenant (as defined herein) and further covenants and agrees not to rent, lease, enter into a tenancy agreement or allow occupancy by a Tenant of the whole or any part of the Charged Premises (any of the aforesaid being hereinafter referred to as "Renting") without first obtaining the consent in writing of the Chargee which consent may be refused at the sole discretion of the Chargee; further the Chargor covenants and agrees not to enter into any negotiations with respect to Renting without the consent in writing of the Chargee, which consent may be refused, restricted or made conditional at the sole discretion of the Chargee; if a restricted or conditional consent to Renting or negotiations relating to Renting is given, the Chargor covenants and agrees to abide by such restrictions or conditions;

(b) The Renting of the whole or any part of the Charged Premises without the written consent of the Chargee shall be deemed to have been done with the object of discouraging the Chargee from taking possession of the Charged Premises on default or adversely affecting the value of the Chargee's interest in the Charged Premises within the meaning of Section 52(1) of the Mortgages Act.

(c) In the event that any of the covenants contained in this section shall be breached then, at the option of the Chargee, all monies hereby secured with accrued interest thereon shall forthwith become due and payable;

(d) If the whole or any part of the Charged Premises are rented to a Tenant with or without the consent of the Chargee, at such time as the Chargee is entitled to enforce its rights under the Charge by reason of default of the Chargor, the Chargee may, at its discretion, pay to any Tenant a sum of money, in such amount as it considers advisable, as consideration for obtaining the cooperation of such Tenant in selling the Charged Premises, showing the Charged Premises and obtaining possession from the Tenant or for any one or more of the above. It is recognized that the payment of such amount will be a cost of realization on this security and the amount so paid shall be added to the debt hereby secured and be a charge on the Charged Premises and shall bear interest at the Charge Rate and shall have priority over all encumbrances subsequent to the Charge and shall be payable forthwith by the Chargor to the Chargee; the Chargor appoints the Chargee to be its true and lawful attorney and agent to enforce all the terms of any tenancy agreement entered into by the Chargor with respect to all or any part of the Charged Premises and to cancel or terminate any such tenancy agreement and in this connection to make, sign and execute any and all documents in the name of the Chargor which it, as Chargee, may consider desirable;

(e) When used in this section Tenant shall have the meaning set out in Section 1 of the Tena Protection Act, 1997, S.O. 1997, c.24, as amended.

**24. NON-MERGER**

Provided and it is agreed, that the taking of a judgment or judgments on any of the covenants contained in the Charge shall not operate as a merger of the said covenant or affect the Chargee's right to interest at the rate and times provided in the Charge; and further that said judgement shall provide that interest thereon shall be computed at the Charge Rate and in the same manner as provided in the Charge until the said judgement shall have been fully paid and satisfied.

**25. RIGHTS ON DEFAULT**

And the Chargor covenants and agrees with the Chargee that in the event of default in the payment of any instalment of principal, interest or taxes secured by the Charge or any other monies payable under the Charge by the Chargor or on breach of any covenant, proviso or agreement contained in the Charge after all or any part of the monies secured by the Charge have been advanced, the Chargee may at such time or times as it may deem necessary and without the concurrence of any other person enter upon the Charged Premises and may make such arrangements for completing the construction of, repairing or putting in order any buildings or other improvements on the Charged Premises, or for inspecting, taking care of, leasing, collecting the rents of, and managing generally the Charged Premises, and for environmental remediation to bring the Charged Premises into compliance with recognized environmental standards, statutory or otherwise, as it may deem expedient, and all reasonable costs, charges and expenses including allowances for the time and service of any employee of the Chargee or other person appointed for the above purposes shall be forthwith payable by the Chargor to the Chargee, and shall be a charge upon the Charged Premises prior to all claims thereon subsequent to the Charge and shall bear interest at the Charge Rate until paid.

**26. OBLIGATIONS SURVIVE SALE**

Provided further that no sale or other dealing by the Chargor with the Charged Premises or any part thereof shall in any way change the liability of the Chargor or in any way alter the rights of the Chargee as against the Chargor or any other person liable for payment of the monies secured by the Charge.

**27. DUE ON SALE**

Provided that in the event of the Chargor selling, conveying, transferring, or entering into any agreement of sale or transfer of the title of the Charged Premises then, at the option of the Chargee, all monies secured by the Charge shall forthwith become due and payable.

**28. PRIOR ENCUMBRANCES**

It is further stipulated, provided and agreed, that the Chargee may pay the amount of any encumbrance, lien or charge existing now or existing after the date of the Charge, or to arise or to be claimed upon the Charged Premises having priority over the Charge, including, without limitation, any taxes, utility charges or other rates on the Charged Premises, any construction lien, or any amounts payable to a Condominium Corporation, and may pay all costs, charges and expenses and all solicitor's charges or commissions, as between a solicitor and his client, which may be incurred in taking, recovering and keeping possession of the Charged Premises and generally in any proceedings or steps of any nature whatever properly taken in connection with or to realize upon this security, or in respect of the collection of any overdue interest, principal, insurance premiums or any other monies whatsoever payable by the Chargor under the Charge whether any action or any judicial proceedings to enforce such payments has been taken or not, and the amount so paid and insurance premiums for fire or other risks or hazards and any other monies paid under the Charge by the Chargee shall be added to the debt secured by the Charge and be a charge on the Charged Premises and shall bear interest at the Charge Rate, and shall be payable forthwith by the Chargor to the Chargee, and the non-payment of such amount shall be a default of payment within the meaning of those words in the paragraph dealing with power of sale and shall entitle the Chargee to exercise the power of sale and all other remedies hereby given. In the event of the Chargee paying the amount of any such encumbrance, lien or charge, taxes or rates, either out of the monies advanced on the security or otherwise, it shall be entitled to all the rights, equities and securities of the person or persons, company, corporation, or government so paid off, and is hereby authorized to retain any discharge thereof, without registration, for a longer period than six months if it thinks proper to do so.

**29. ONTARIO NEW HOME WARRANTIES PLAN ACT**

If the Chargee incurs any cost or expense of any nature or kind in any way arising from or relating to the Ontario New Home Warranties Plan Act, R.S.O. 1990, c.O.31, as amended (the "ONHWPA"), including, without any limitation whatsoever, any cost or expense relating to registration as a vendor under the ONHWPA or enrolling the Charged Premises or entering into any agreement or agreements relating to performance of warranty obligations or performing any warranty obligations, all such cost and expense shall be added to the debt hereby secured and be a charge on the Charged Premises in priority to all other encumbrances registered or arising subsequent to the Charge and shall bear interest at the Charge Rate and shall be payable forthwith by the Chargor to the Chargee.

**30. EXTENSIONS**

Provided that no extension of time given by the Chargee to the Chargor, or anyone claiming under the Chargor or any other dealing with the owner of the Charged Premises, shall in any way affect or prejudice the rights of the Chargee against the Chargor or any other person liable for the payment of the monies hereby secured.

**31. DISCHARGE**

The Chargee shall have a reasonable time after payment in full of the monies secured by the Charge within which to prepare and register a discharge or, if requested, and if required by law to do so, an assignment of the Charge, and interest as aforesaid shall continue to run and accrue until actual payment in full has been received by the Chargee and all legal and other expenses for the preparation and registration of such discharge or assignment and any administrative charge or fee of the Chargee shall be borne by the Chargor.

**32. OTHER SECURITY**

The Charge is in addition to and not in substitution for any other security held by the Chargee including any promissory note or notes for all or any part of the monies secured under the Charge, and it is understood and agreed that the Chargee may pursue its remedies thereunder or under the Charge either concurrently or successively at its option. Any judgment or recovery under the Charge or under any other security held by the Chargee for the monies secured by the Charge shall not affect the right of the Chargee to realize upon this or any other such security.

Without limiting the generality of the foregoing, the Charge is in addition to, and not in substitution for, any other charges now or hereafter held by the Chargee over the Charged Premises as security for monies secured under the Charge or any other monies due to the Chargee.

It is understood and agreed that the aggregate of principal amounts secured by the Charge and any such other charges shall be the aggregate of the Principal Amount of the Charge and the principal amounts secured under any such other charges.

**33. PLACE OF PAYMENT AND WITHHOLDINGS FROM PAYMENTS**

(a) **Place of Payment.** Provided that all such payments secured by the Charge shall be made at the branch of the said Chargee designated in the Charge, or at such other place as the Chargee may designate in writing to the Chargor, in lawful money of Canada.

(b) **Withholdings from Payments.** If the Chargor is required by law to make any deduction or withholding from any sum payable by the Chargor to the Chargee under the Charge, then the sum payable by the Chargor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Chargee receives and retains (free from any liability in respect of such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or been required to be made; and the Chargor shall pay the full amount to be deducted or withheld to the relevant taxation or other authority within the time allowed for such payment under applicable law and shall deliver to the Chargee within thirty days after the Chargor has made such payment to the applicable authority a receipt issued by such authority evidencing such payment.

(c) **Tax on Loan.** The Chargor shall pay to the Chargee, on demand, the amount of any income, corporate, withholding or similar taxes (other than the Chargee's income taxes) (the "Income Taxes") that may be imposed upon or in respect of the Principal Amount from time to time outstanding, together with interest thereon that the Chargee may be called upon to pay, together with interest from the date on which such Income Taxes are paid by the Charge at the rate and compounded in the manner provided in the Charge.

#### 34. SPOUSE'S CONSENT

The spouse of the Chargor so named in the Charge hereby consents to the transaction evidenced by the Charge and releases all interest in the Charged Premises to the extent necessary to give effect to the rights of the Chargee under the Charge, and agrees that the Chargee may, without further notice, deal with the Charged Premises and the debt created by the Charge as the Chargee may see fit.

#### 35. FAMILY LAW ACT

The Chargor covenants and agrees that:

(a) the Chargor or the owner from time to time of the Charged Premises will advise and keep advised the Chargee as to whether the Chargor or the owner from time to time is a spouse as defined in the Family Law Act, R.S.O. 1990, c. F.3, as amended (the "Family Law Act"), and if so, the name of the Chargor's spouse, and of any change in the Chargor's spousal status or in the status of the Charged Premises as a matrimonial home within the meaning of the Family Law Act, and

(b) forthwith on request the Chargor will furnish the Chargee with such evidence in connection with any of the matters referred to in clause (a) above as the Chargee may from time to time require, including, without limitation, the Chargor's and the Chargor's spouse's name, address and birth date and the Chargor's and the Chargor's spouse's authorization to the Registrar under the Vital Statistics Act, R.S.O. 1990, c.V.4, as amended, to provide the Chargee from time to time on request all information in its possession relative to any marriage, divorce or death of the Chargor or the Chargor's spouse, and on default the Principal Amount, interest and all other monies secured by the Charge shall, at the option of the Chargee, forthwith become due and payable.

#### 36. SEVERABILITY OF ANY INVALID PROVISIONS

It is agreed that in the event that at any time any provision of the Charge is illegal or invalid under or inconsistent with the provisions of any applicable statute or regulation thereunder or any other applicable law, or would by reason of the provisions of any such statute or regulation or other applicable law render the Chargee unable to collect the amount of any loss sustained by it as a result of making the advances secured by the Charge which it would otherwise be able to collect under such statute or regulation or other applicable law, then such provision shall not apply and shall be construed so as not to apply to the extent that it is so illegal, invalid or inconsistent or would so render the Chargee unable to collect the amount of any such loss.

#### 37. NO PREJUDICE FROM FAILURE TO ENFORCE RIGHTS

Provided that no failure to enforce at any time or from time to time any of the rights of the Chargee under the Charge shall prejudice such rights or any other rights of the Chargee; no performance or payment by the Chargee in respect of any breach or default under the Charge of the Chargor shall relieve the Chargor from any default thereunder; and no waiver at any time or from time to time of any such rights of the Chargee shall prejudice such rights in the event of any future default or breach.

#### 38. FARM LANDS

If the Charged Premises are farm lands, the Chargor will in each year during the currency of the Charge either put into crop or summer fallow in good, proper and husbandlike manner every portion of the Charged Premises which has been or may hereafter be brought under cultivation, and will keep the Charged Premises clean and free from all noxious weeds and generally see that the Charged Premises do not depreciate in any way.

#### 39. CHANGE OF CORPORATE CONTROL

Where the Chargor is a corporation the Chargor covenants and agrees that in the event that:

(a) the Chargor fails to supply to the Chargee, in a form satisfactory to the Chargee, such information relating to the ownership of its shares as the Chargee may from time to time require; or

(b) without the written consent of the Chargee first had and obtained,

(i) the Chargor issues or redeems any of its shares or transfers any of its shares,

(ii) there is a sale or sales of the shares of the Chargor which result in the transfer of the legal or beneficial interest of any of the shares of the Chargor, or

(iii) the Chargor amalgamates, merges or consolidates with any other corporation,

and the result of any of the foregoing is a change in the effective control of the majority of the voting shares of the Chargor, then all monies secured by the Charge together with accrued interest thereon shall forthwith become due and payable at the option of the Chargee and the Chargee's powers of sale hereby given and all other remedies for enforcement shall be exercisable.

**40. COMPLIANCE WITH THE LAW AND ENVIRONMENTAL COMPLIANCE**

The Chargor hereby represents and warrants to the Chargee that:

(a) there is not in, on or about the Charged Premises any product or substance or condition (including, without restriction, contaminants, wastes, moulds or hazardous or toxic materials), equipment or anything else which contravenes any statute, regulation, by-law, order, direction or equivalent relating to the protection of the environment or which is not being dealt with according to best recognized practices relating to the environment;

(b) to the best of the knowledge of the Chargor, no circumstance has existed on the Charged Premises or exists or has existed on any land adjacent to the Charged Premises which constitutes or could reasonably constitute contravention of any statute, regulation, order, by-law, direction or equivalent relating to the protection of the environment;

(c) no claim or notice of any action, investigation or proceeding of any kind has been threatened, made or issued or is pending relating to an environmental condition on the Charged Premises; and

(d) the Charged Premises are being used in compliance with all statutes, regulations, orders, by-laws, directions and equivalent relating to the protection of the environment.

The Chargor hereby covenants and agrees with the Chargee as follows:

(a) the Chargor shall give to the Chargee immediate notice of any material change in circumstances in respect of the Charged Premises or adjacent land which would cause any of the representations and warranties contained in the immediately preceding paragraphs (a) to (d) inclusive to become untrue; and

(b) the Chargor shall not permit or create, and shall not allow anyone else to permit or create, any circumstance on the Charged Premises which would constitute or could reasonably constitute a contravention of any statute, regulation, order, by-law, direction or equivalent relating to the protection of the environment.

The Chargor further covenants and agrees with the Chargee at all times promptly to observe, perform, execute and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders, regulations and equivalent of every government authority dealing with zoning, use, occupancy, subdivision, parking, historical designations, fire, access, loading facilities, landscaped area, pollution of the environment, contaminants, wastes, hazardous or toxic materials, building construction, public health and safety, and all private covenants and restrictions affecting the Charged Premises or any portion thereof and the Chargor shall from time to time, upon request of the Chargee, provide to the Chargee evidence of such observance and compliance and pay immediately when due the cost of removal of any such contaminants, wastes and materials, and shall at its own expense make any and all improvements thereon or alterations to the Charged Premises structural or otherwise and shall take all such other action as may be required at any time by any such present or future law, rule, requirement, order, direction, by-law, ordinance, work order, regulation, covenant or equivalent; and the Chargor shall cause its tenants, agents and invitees to comply with all the foregoing at their own expense.

The Chargor shall indemnify and hold harmless the Chargee (and its directors, officers, employees and agents) from and against all loss, cost, damage or expenses (including, without limitation, legal fees and costs incurred in the investigation, defence and settlement of any claim) due to the Chargor's failure to comply with any of the covenants and agreements in this clause, or due to the presence of any contaminant, waste, mould or hazardous or toxic material referred to in this clause, as well as any lien or priority asserted with respect thereto, and this indemnity shall survive the discharge of the Charge or the release from the Charge of part or all of the Charged Premises.

**41. CONDOMINIUMS**

If the Charge is of a unit or units within a Condominium the following provisions shall apply:

(a) The Chargor covenants and agrees at all times and from time to time to observe and perform all duties and obligations imposed on the Chargor by the Condominium Act and by the Declaration, the by-laws, and the rules as amended from time to time, of the Condominium Corporation, by virtue of the Chargor's ownership of the Charged Premises. Any breach of the said duties and obligations shall constitute a breach of covenant under the Charge.

(b) Without limiting the generality of the foregoing, the Chargor covenants and agrees that the Chargor will pay promptly when due any contributions to common expenses required of the Chargor as an owner of the Charged Premises and in the event of default in doing so the Chargee, at its option, may pay the same and the amount so paid shall be added to the debt secured by the Charge and shall be a charge on the Charged Premises and shall bear interest at the Charge Rate from the time of such payments and shall be payable forthwith by the Chargor to the Chargee whether or not any payment in default has priority to the Charge or any part of the monies secured thereby.

(c) The Chargor hereby irrevocably authorizes and empowers the Chargee to exercise the right of the Chargor as an owner of the Charged Premises to vote or to consent in all matters relating to the affairs of the Condominium Corporation provided that:

(i) the Chargee may at any time or from time to time give notice in writing to the Chargor and the said Condominium Corporation that the Chargee does not intend to exercise the said right to vote or consent and in that event until the Chargee revokes the said notice the Chargor may exercise the right to vote. Any such notice may be for an indeterminate period of time or for a limited period of time or for a specific meeting or matter;

(ii) the Chargee shall not by virtue of the assignment to the Chargee of the right to vote or consent be under any obligation to vote or consent or to protect the interests of the Chargor; and

(iii) the exercise of the right to vote or consent shall not constitute the Chargee a chargee in possession.

(d) The Chargor covenants and agrees to advise the Condominium Corporation to send all notices to the Chargee and to notify the Chargee of any breaches by the Condominium Corporation that come to the attention of the Chargor in order that the Chargee is kept fully informed.



**42. RECEIVERSHIP**

Notwithstanding anything contained in the Charge, it is declared and agreed that at any time and from time to time when there shall be default under the provisions of the Charge, the Chargee may, at such time and from time to time and with or without entry into possession of the Charged Premises, or any part thereof, by instrument in writing appoint any person, whether an officer or officers or an employee or employees of the Chargee or not, to be a receiver (which term as used herein includes a receiver manager and also includes the plural as well as the singular) of the Charged Premises, or any part thereof, and of the rents and profits thereof, and with or without security, and may from time to time by similar writing remove any receiver and appoint another in such receiver's stead, and that, in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor, but no such appointment shall be revocable by the Chargor. Upon the appointment of any such receiver from time to time the following provisions shall apply:

(a) Every such receiver shall have unlimited access to the Charged Premises as agent and attorney for the Chargor (which right of access shall not be revocable by the Chargor) and shall have full power and unlimited authority (which power and authority shall not be revocable by the Chargor) to:

- (i) collect the rents and profits from tenancies whether created before or after these presents;
- (ii) rent any portion of the Charged Premises which may be or become vacant on such terms and conditions as the receiver considers advisable and enter into and execute leases, accept surrenders and terminate leases;
- (iii) complete the construction of any building or buildings or other erections or improvements on the Charged Premises left by the Chargor in an unfinished state or award the same to others to complete and purchase, repair and maintain any personal property including, without limitation, appliances and equipment, necessary or desirable to render the premises operable or rentable, and take possession of and use or permit others to use all or any part of the Chargor's materials, supplies, plans, tools, equipment (including appliances) and property of every kind and description; and
- (iv) manage, operate, repair, alter or extend the Charged Premises or any part thereof.

The Chargor undertakes to ratify and confirm whatever any such receiver may do in the Charged Premises.

(b) The Chargee may at its discretion vest the receiver with all or any of the rights and powers of the Chargee.

(c) The Chargee may fix the reasonable remuneration of the receiver who shall be entitled to deduct the same out of the revenue or the sale proceeds of the Charged Premises.

(d) Every such receiver shall be deemed to be the agent or attorney of the Chargor and, in no event, the agent of the Chargee and the Chargee shall not be responsible for the receiver's acts or omissions.

(e) The appointment of any such receiver by the Chargee shall not result in or create any liability or obligation on the part of the Chargee to the receiver or to the Chargor or to any other person and no appointment or removal of a receiver and no actions of a receiver shall constitute the Chargee a chargee in possession of the Charged Premises.

(f) No such receiver shall be liable to the Chargor to account for monies other than monies actually received by the receiver in respect of the Charged Premises, or any part thereof, and out of such monies so received every such receiver shall, in the following order, pay:

- (i) the remuneration of the receiver aforesaid;
- (ii) all costs and expenses of every nature and kind incurred by the receiver in connection with the exercise of the receiver's powers and authority hereby conferred;
- (iii) interest, principal and other money which may, from time to time, be or become charged upon the Charged Premises in priority to the Charge, including taxes;
- (iv) to the Chargee, all interest, principal and other monies due under the Charge to be paid in such order as the Chargee in its discretion shall determine;
- (v) and thereafter, every such receiver shall be accountable to the Chargor for any surplus.

The remuneration and expenses of the receiver shall be paid by the Chargor on demand and shall be a charge on the Charged Premises and shall bear interest from the date of demand at the Charge Rate

(g) Save as to claims for accounting under clause (f) of this paragraph, the Chargor hereby releases and discharges any such receiver from every claim of every nature, whether sounding in damages or not, which may arise or be caused to the Chargor or any person claiming through or under the Chargor by reason or as a result of anything done by such receiver unless such claim be the direct and proximate result of dishonesty or fraud.

(h) The Chargee may, at any time and from time to time, terminate any such receivership by notice in writing to the Chargor and to any such receiver.

(i) The statutory declaration of an officer of the Chargee as to default under the provisions of the Charge and as to the due appointment of the receiver pursuant to the terms hereof shall be sufficient proof thereof for the purposes of any person dealing with a receiver who is ostensibly exercising powers provided for in the Charge and such dealing shall be deemed, as regards such person, to be valid and effectual.

(j) The rights and powers conferred in and by the Charge in respect of the receiver are supplemental to and not in substitution of any other rights and powers which the Chargee may have.

**43. COMPLIANCE WITH THE LAW**

The Chargor covenants and agrees at all times to promptly observe, perform, execute and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders and regulations of every governmental authority and agency whether federal, provincial, municipal or otherwise, including, without limiting the generality of the foregoing, those dealing with zoning, use, occupancy, subdivision, parking, historical designations, fire, access, loading facilities, landscaped area, pollution of the environment, toxic materials or other environmental hazards, building construction, public health and safety, and all private covenants and restrictions affecting the Charged Premises or any portion thereof and the Chargor will from time to time, upon request of the Chargee, provide to the Chargee evidence of such observance and compliance, and will at its own expense make any and all improvements thereon or alterations to the Charged Premises structural or otherwise and will take all such other action as may be required at any time by any such present or future law, rule, requirement, order, direction, by-law, ordinance, work order or regulation.

**44. CHARGE EXPENSES**

The Chargor agrees to pay the reasonable and necessary costs, charges and expenses of and incidental to the Charge, and to any and all other documents required in connection therewith, and of any amendment or renewal thereof, and of anything done in connection with the enforcement of the security granted thereby or the procuring of the payment of any monies payable under the Charge, including, without limiting the generality of the foregoing, all solicitors' fees, on a solicitor and client basis, costs and expenses of examination of title, and the obtaining of the opinion of counsel for the Chargee thereon and all costs and expenses valuing the Charged Premises in connection with the foregoing and of anything done in connection with defending the validity or priority of the Charge as against third parties. The Chargor further agrees that such amounts shall be paid forthwith upon demand and until paid shall bear interest at the Charge Rate and shall be a charge on the Charged Premises secured by the Charge prior to all claims thereon subsequent to the Charge.

**45. INTERPRETATION**

And it is hereby agreed and declared that the expression "the Chargor" used in these standard charge terms and the Charge shall include the heirs, executors, personal representatives, administrators, successors and assigns of each and every Chargor and the expression "the Chargee" shall include the successors and assigns of the Chargee and (if the Charge affects a Condominium) the expression "Condominium Corporation" shall mean the Condominium Corporation referred to in the description and the expression "Declaration" shall mean the declaration registered in connection with the Condominium Corporation, and the words in the singular include the plural, and words in the plural include the singular, and words importing the masculine gender include the feminine and neuter genders where the context so requires, and that all covenants, liabilities, and obligations entered into or imposed under the Charge upon each Chargor shall be equally binding upon his, her, its or their respective heirs, personal representatives, executors, administrators,

successors, and assigns and that all such covenants, liabilities and obligations shall be joint and several, and that all rights, advantages, privileges, immunities, powers and things hereby secured to the Chargee shall be equally secured to and exercisable by its successors and assigns; and if the Chargor is comprised of more than one person, all covenants by the Chargor herein contained or implied are and are to be construed as both joint and several.

**46. PARAGRAPH HEADINGS**

The paragraph headings in these standard charge terms are inserted for convenience of reference only and are deemed not to form part of the Charge and are not to be considered in the construction or interpretation of the Charge or any part thereof.

**47. DATE OF CHARGE**

The Charge, unless otherwise specifically provided, shall be deemed to be dated as of the date of delivery for registration of the Charge.

**48. EFFECT OF DELIVERY**

The delivery of the Charge for registration by direct electronic transfer shall have the same effect for all purposes as if such Charge were in a written form, signed by the parties thereto and delivered to the Chargee. Each of the Chargor and, if applicable, the spouse of the Chargor, and any other party to the Charge, agrees not to raise in any proceedings by the Chargee to enforce the Charge any want or lack of authority on the part of the person delivering the Charge for registration to do so.

**RECEIPT**

The Chargor(s) hereby acknowledges receipt of a true copy of the Charge and the foregoing Standard Charge Terms before signing the Charge.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

[Insert Name of Chargor(s)]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The Guarantor(s) hereby acknowledges receipt of a true copy of the Charge and the foregoing Standard Charge Terms before signing the Charge.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

[Insert Name of Guarantor (s)]

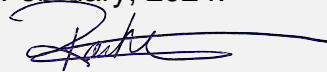
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This is **Exhibit "L"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits



## Royal Bank of Canada Guarantee and Postponement of Claim

SRF:  
333843761

BRANCH ADDRESS:  
1233 THE QUEENSWAY  
ETOBICOKE, ON  
M8Z 1S1

BORROWER:  
1818216 ONTARIO INC.

TO: ROYAL BANK OF CANADA

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **1818216 ONTARIO INC.** (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$1,312,000.00 One Million Three Hundred Twelve Thousand Dollars** together with interest thereon from the date of demand for payment at a rate equal to the **Prime Interest Rate of the Bank plus 5.000 Five** percent per annum as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of

one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer, excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the **Province of Ontario** ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may

bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.


(Applicable  
in all  
P.P.S.A  
Provinces)

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this 28<sup>th</sup> day of FEBRUARY, 2020.

  
WITNESS

  
THARMINI KANDASAMY

Insert the full name and address of guarantor (Undersigned above).

<u>Full name and address</u>
THARMINI KANDASAMY
622 THE QUEENSWAY, TORONTO, ON M8Y 1K3

**GUARANTEE AND POSTPONEMENT OF CLAIM****TO: ROYAL BANK OF CANADA**

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by 1818216 ONTARIO INC. (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of \$50,000.00 Fifty Thousand Dollars together with interest thereon from the date of demand for payment at a rate equal to the Prime Interest Rate of the Bank plus 5.000 Five percent per annum as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the



whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the Province of Ontario ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(Applicable in all P.P.S.A. Provinces except Ontario.)

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this MARCH 03 2020  
(MONTH) (DAY) (YEAR)

IN THE PRESENCE OF

[Handwritten Signature]  
Witness Signature :

[Handwritten Signature]  
THARMINI KANDASAMY

[Handwritten Name]  
Name:

Witness Signature :

Name:

Witness Signature :

Name:

Witness Signature :

Name:

Insert the full name and address of guarantor (Undersigned above).

Full name and address
THARMINI KANDASAMY
622, THE QUEENSWAY, TORONTO, ON M8Y1K3

(To be completed when the guarantee is stated to be governed by the laws of the Province of Alberta, the loan is repayable in Alberta, the guarantee is executed in Alberta, the Customer carries on business in Alberta, or the guarantor is resident or owns assets in Alberta.)

(To be completed only where the guarantor is not a corporation)

**THE GUARANTEES ACKNOWLEDGEMENT ACT (ALBERTA)  
CERTIFICATE OF BARRISTER AND SOLICITOR**

I HEREBY CERTIFY THAT:

(1) \_\_\_\_\_, the guarantor in the guarantee dated \_\_\_\_\_ made between ROYAL BANK OF CANADA and \_\_\_\_\_, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee;

(2) I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it.

CERTIFIED by \_\_\_\_\_, Barrister and Solicitor at the \_\_\_\_\_ of \_\_\_\_\_, in the Province of Alberta, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Signature

(Guarantor to sign in presence of Barrister and Solicitor)

**STATEMENT OF GUARANTOR**

I am the person named in the certificate \_\_\_\_\_

\_\_\_\_\_  
Signature of Guarantor

(To be completed when the guarantor is an individual and the guarantee is stated to be governed by the laws of Saskatchewan and the Customer is a farmer, farm corporation or farm partnership in Saskatchewan or engages in a farming operation or owns farm assets in Saskatchewan.)

**THE SASKATCHEWAN FARM SECURITY ACT ACKNOWLEDGEMENT OF GUARANTEE  
(SECTION 31)  
CERTIFICATE OF LAWYER OR NOTARY PUBLIC**

I HEREBY CERTIFY THAT:

(1) \_\_\_\_\_ of \_\_\_\_\_ in the Province of \_\_\_\_\_, the guarantor in the guarantee dated \_\_\_\_\_ made between ROYAL BANK OF CANADA and \_\_\_\_\_, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee;

(2) I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it.

(3) I have not prepared any documents on behalf of the creditor, Royal Bank of Canada, relating to the transaction and I am not otherwise interested in the transaction;

(4) I acknowledge that the guarantor signed the following "Statement of Guarantor" in my presence.

Given at \_\_\_\_\_ this \_\_\_\_\_ under my hand and seal of office

(SEAL REQUIRED WHERE NOTARY PUBLIC SIGNS CERTIFICATE)

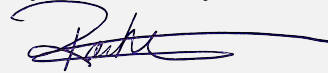
\_\_\_\_\_  
A LAWYER OR A NOTARY PUBLIC IN AND FOR

**STATEMENT OF GUARANTOR**

I am the person named in the certificate \_\_\_\_\_

\_\_\_\_\_  
Signature of Guarantor

This is **Exhibit "M"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits



## Royal Bank of Canada Guarantee and Postponement of Claim

SRF:  
333843761

BRANCH ADDRESS:  
1233 THE QUEENSWAY  
ETOBICOKE, ON  
M8Z 1S1

BORROWER:  
1818216 ONTARIO INC.

TO: ROYAL BANK OF CANADA

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **1818216 ONTARIO INC.** (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$1,312,000.00 One Million Three Hundred Twelve Thousand Dollars** together with interest thereon from the date of demand for payment at a rate equal to the **Prime Interest Rate of the Bank plus 5.000 Five** percent per annum as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of

one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the **Province of Ontario** ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may

bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

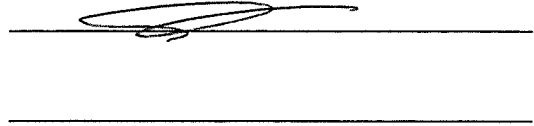
(Applicable  
in all  
P.P.S.A  
Provinces.)

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this 05<sup>th</sup> day of MARCH, 2020.

RAVI SOUPS AND WRAPS INC.



Insert the full name and address of guarantor (Undersigned above).

<u>Full name and address</u>
RAVI SOUPS AND WRAPS INC.
622 THE QUEENSWAY, TORONTO, ON M8Y 1K3



## Royal Bank of Canada Resolution of Directors

RAVI SOUPS AND WRAPS INC. (the "Guarantor")

SRF:  
333843761

BRANCH ADDRESS:  
1233 THE QUEENSWAY  
ETOBICOKE, ON  
M8Z 1S1

BORROWER:  
1818216 ONTARIO INC.

Whereas it is deemed expedient and in the best interests of the Guarantor that it lend assistance to **1818216 ONTARIO INC.** (the "Customer") in connection with its borrowings, both present and future, from ROYAL BANK OF CANADA (the "Bank").

### NOW THEREFORE BE IT DULY RESOLVED

1. THAT the Guarantor guarantee payment to the Bank of all present and future debts and liabilities, including interest due at any time by the Customer to the Bank; provided that the liability of the Guarantor shall be limited to the sum of **\$1,312,000.00 One Million Three Hundred Twelve Thousand Dollars** together with interest from the date of demand for payment at the **Prime Interest Rate of the Bank plus 5.000** per cent per annum;

For the purposes hereof (where applicable), Prime Interest Rate means the annual rate of interest announced from time to time by the Bank as a reference rate then in effect for determining interest rates on Canadian Dollar commercial loans in Canada.

2. THAT the Guarantor further secure the Bank by postponing all debts and claims, present and future, of the Guarantor against the Customer to the debts and claims of the Bank against the Customer.

3. THAT the Guarantee and Postponement of Claim upon the Bank's form, a copy of which has been submitted to this meeting, be and is hereby approved as containing a correct statement of the terms and conditions upon which the said guarantee and postponement are to be made and that the said Guarantee and Postponement of Claim be duly executed for and in the name of the Guarantor (under the corporate seal where required)

by THARMINI KANDASAMY, PRESIDENT  
(IDENTIFY BY NAME AND TITLE)

and  
 or

(IDENTIFY BY NAME AND TITLE)

with such alterations, additions, amendments and deletions as they may approve; and that the Guarantee and Postponement of Claim/Suretyship and Subordination of Claims so executed is the Guarantee and Postponement of Claim authorized by this resolution.

4. THAT for the purpose of securing this Guarantee, or any present or future debts or liabilities, including interest due at any time, by the Customer to the Bank, the Guarantor shall provide to the Bank any security, including accommodation endorsements, which the Bank may request, and that for such purpose the officers of the Guarantor mentioned in paragraph 3 hereof be and they are hereby empowered for and on behalf of the Guarantor to provide such security and to execute such further documents as the Bank may require.

5. That a certified copy of this Resolution be given to the branch of the Bank where the Customer has its account, and that the designation of the officers under Section 3 of this Resolution shall be binding upon the Guarantor until a certified copy of a Resolution changing the officers is received by that branch of the Bank.

### CERTIFICATE

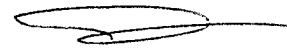
It is hereby certified by the undersigned that the foregoing is a Resolution of the Directors of the Guarantor in accordance with the Guarantor's By-laws, constating documents, any unanimous shareholders' agreements made by the shareholders of the Guarantor and all other laws governing the Guarantor, all as amended from time to time, which Resolution is now in full force and effect.

It is hereby further certified that there are no provisions in the articles or by-laws of the Guarantor or in any unanimous shareholder agreement which restrict or limit the powers of the Guarantor or of its directors to borrow money upon the credit of the Guarantor, to issue, reissue, sell or pledge debt obligations of the Guarantor, to give a guarantee on behalf of the Guarantor to secure the performance of an obligation of any person, to mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Guarantor, owned or subsequently acquired, to secure any obligation of the Guarantor and to delegate the powers referred to above to a director, officer or committee of directors.

(Form 812/813 must be executed in accordance with instructions documented in Clause 3. If more than one individual is authorized by this resolution to execute Form 812/813, it is mandatory to select a checkbox)



CERTIFIED this 5<sup>th</sup> day of MARCH, 2020, as witness, where required by law, under the corporate seal of the Guarantor.

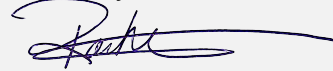


Secretary

(If corporation does not have a secretary, resolution must be certified by a senior officer with sufficient authority to certify documents on behalf of the corporation i.e. president, vice-president etc. Reference to secretary must be crossed out, title inserted and change initialed.)

(Corporate Seal where required by law)

This is **Exhibit "N"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits



## Royal Bank of Canada Guarantee and Postponement of Claim

SRF:  
333843761

BRANCH ADDRESS:  
1233 THE QUEENSWAY  
ETOBICOKE, ON  
M8Z 1S1

BORROWER:  
1818216 ONTARIO INC.

TO: ROYAL BANK OF CANADA

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by **1818216 ONTARIO INC.** (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of **\$1,312,000.00 One Million Three Hundred Twelve Thousand Dollars** together with interest thereon from the date of demand for payment at a rate equal to the **Prime Interest Rate of the Bank plus 5.000 Five percent per annum** as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of

one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the **Province of Ontario** ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may

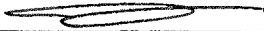
bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this 28<sup>th</sup> day of FEBRUARY, 2020.

1865994 ONTARIO INC.

  
\_\_\_\_\_  
\_\_\_\_\_

Insert the full name and address of guarantor (Undersigned above).

Full name and address
1865994 ONTARIO INC.
2535 DUNDAS ST W, TORONTO, ON M6P 1X6

(Applicable  
in all  
P.P.S.A  
Provinces.)



## Royal Bank of Canada Resolution of Directors

1865994 ONTARIO INC. (the "Guarantor")

SRF:  
333843761

BRANCH ADDRESS:  
1233 THE QUEENSWAY  
ETOBICOKE, ON  
M8Z 1S1

BORROWER:  
1818216 ONTARIO INC.

Whereas it is deemed expedient and in the best interests of the Guarantor that it lend assistance to **1818216 ONTARIO INC.** (the "Customer") in connection with its borrowings, both present and future, from ROYAL BANK OF CANADA (the "Bank").

### NOW THEREFORE BE IT DULY RESOLVED

1. THAT the Guarantor guarantee payment to the Bank of all present and future debts and liabilities, including interest due at any time by the Customer to the Bank; provided that the liability of the Guarantor shall be limited to the sum of **\$1,312,000.00 One Million Three Hundred Twelve Thousand Dollars** together with interest from the date of demand for payment at the **Prime Interest Rate of the Bank plus 5.000** per cent per annum;

For the purposes hereof (where applicable), Prime Interest Rate means the annual rate of interest announced from time to time by the Bank as a reference rate then in effect for determining interest rates on Canadian Dollar commercial loans in Canada.

2. THAT the Guarantor further secure the Bank by postponing all debts and claims, present and future, of the Guarantor against the Customer to the debts and claims of the Bank against the Customer.

3. THAT the Guarantee and Postponement of Claim upon the Bank's form, a copy of which has been submitted to this meeting, be and is hereby approved as containing a correct statement of the terms and conditions upon which the said guarantee and postponement are to be made and that the said Guarantee and Postponement of Claim be duly executed for and in the name of the Guarantor (under the corporate seal where required)

by THARMINI KANDASAMY, PRESIDENT

(IDENTIFY BY NAME AND TITLE)

and  
 or

(IDENTIFY BY NAME AND TITLE)

with such alterations, additions, amendments and deletions as they may approve; and that the Guarantee and Postponement of Claim/Suretyship and Subordination of Claims so executed is the Guarantee and Postponement of Claim authorized by this resolution.

4. THAT for the purpose of securing this Guarantee, or any present or future debts or liabilities, including interest due at any time, by the Customer to the Bank, the Guarantor shall provide to the Bank any security, including accommodation endorsements, which the Bank may request, and that for such purpose the officers of the Guarantor mentioned in paragraph 3 hereof be and they are hereby empowered for and on behalf of the Guarantor to provide such security and to execute such further documents as the Bank may require.

5. That a certified copy of this Resolution be given to the branch of the Bank where the Customer has its account, and that the designation of the officers under Section 3 of this Resolution shall be binding upon the Guarantor until a certified copy of a Resolution changing the officers is received by that branch of the Bank.

### CERTIFICATE

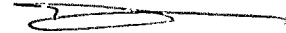
It is hereby certified by the undersigned that the foregoing is a Resolution of the Directors of the Guarantor in accordance with the Guarantor's By-laws, constating documents, any unanimous shareholders' agreements made by the shareholders of the Guarantor and all other laws governing the Guarantor, all as amended from time to time, which Resolution is now in full force and effect.

It is hereby further certified that there are no provisions in the articles or by-laws of the Guarantor or in any unanimous shareholder agreement which restrict or limit the powers of the Guarantor or of its directors to borrow money upon the credit of the Guarantor, to issue, reissue, sell or pledge debt obligations of the Guarantor, to give a guarantee on behalf of the Guarantor to secure the performance of an obligation of any person, to mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Guarantor, owned or subsequently acquired, to secure any obligation of the Guarantor and to delegate the powers referred to above to a director, officer or committee of directors.

(Form 812/813 must be executed in accordance with instructions documented in Clause 3. If more than one individual is authorized by this resolution to execute Form 812/813, it is mandatory to select a checkbox)

CERTIFIED this 28<sup>th</sup> day of FEBRUARY, 2020, as witness, where required by law, under the corporate seal of the Guarantor.

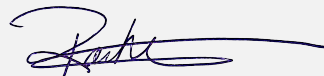
(Corporate Seal where required by law)



Secretary

(If corporation does not have a secretary, resolution must be certified by a senior officer with sufficient authority to certify documents on behalf of the corporation (e.g., president, vice-president etc. Reference to secretary must be crossed out, title inserted and change initialed.)

This is **Exhibit "O"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits



RUN NUMBER : 234  
RUN DATE : 2023/08/22  
ID : 20230822113357.03

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

REPORT : PSSR060  
PAGE : 1  
( 7153)

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 : 1818216 ONTARIO INC.

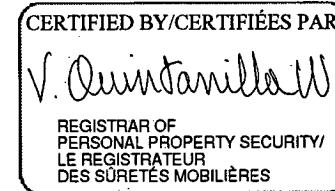
FILE CURRENCY : 21AUG 2023

ENQUIRY NUMBER 20230822113357.03 CONTAINS 6 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.

CYBERBAHN - GABRIELLE BEDARD-DANIELS

199 BAY STREET  
TORONTO ON M5L 1E9



(crf)6 05/2022)

CONTINUED... 2

RUN NUMBER : 234  
 RUN DATE : 2023/08/22  
 ID : 20230822113357.03

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

REPORT : PSSR060  
 PAGE : 2  
 ( 7154)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : 1818216 ONTARIO INC.  
 FILE CURRENCY : 21AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
 778284423

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	001	2		20211117 0927 1532 1739	P PPSA	03

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME	ONTARIO CORPORATION NO.
02					
03		1818216 ONTARIO INC.			
04		622 THE QUEENSWAY		TORONTO	ON M8Y1K3

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME	ONTARIO CORPORATION NO.
05	15FEB1974	THARMINI		KANDASAMY	
06					
07		622 THE QUEENSWAY		TORONTO	ON M8Y1K3

SECURED PARTY / LIEN CLAIMANT	ADDRESS	LOCATION	ON	NO.
08		MERCEDES-BENZ FINANCIAL		
09	2680 MATHESON BLVD. E. STE 500	MISSISSAUGA	ON	L4W0A5

COLLATERAL CLASSIFICATION	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
10			X		X	X	28923.34	15NOV2024	

MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.
11	2016	MERCEDES-BENZ	2C1706	WD3BE8CD1GP320611

13 GENERAL COLLATERAL DESCRIPTION

REGISTERING AGENT	ADDRESS	LOCATION	ON	NO.
16		D + H LIMITED PARTNERSHIP		
17	2 ROBERT SPECK PARKWAY, 15TH FLOOR	MISSISSAUGA	ON	L4Z 1H8

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

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR  
*V. Quintanilla W.*  
 REGISTRAR OF PERSONAL PROPERTY SECURITY /  
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 234  
 RUN DATE : 2023/08/22  
 ID : 20230822113357.03

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

REPORT : PSSR060  
 PAGE : 3  
 ( 7155)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : 1818216 ONTARIO INC.  
 FILE CURRENCY : 21AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
 778284423

00

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	2		20211117 0927 1532 1739		

01

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02

DEBTOR NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

03

ADDRESS

04

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05

DEBTOR NAME

BUSINESS NAME

ONTARIO CORPORATION NO.

06

ADDRESS

07

SECURED PARTY / LIEN CLAIMANT MERCEDES-BENZ FINANCIAL SERVICES CANADA CORPORATION

08

ADDRESS 2680 MATHESON BLVD. E. STE 500 MISSISSAUGA ON L4W0A5

09

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

10

YEAR MAKE MODEL VIN

11

MOTOR VEHICLE

12

GENERAL COLLATERAL DESCRIPTION

13

14

15

REGISTERING AGENT

16

17

ADDRESS

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

CONTINUED...

4

CERTIFIED BY/CERTIFIÉES PAR  
*V. Quintanilla W.*  
 REGISTRAR OF PERSONAL PROPERTY SECURITY/  
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj1w/05/2022)



RUN NUMBER : 234  
 RUN DATE : 2023/08/22  
 ID : 20230822113357.03

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

REPORT : PSSR060  
 PAGE : 4  
 ( 7156)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : 1818216 ONTARIO INC.  
 FILE CURRENCY : 21AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
 760608387

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	01	001		20200304 1034 1529 1249	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME 1818216 ONTARIO INC.

04 ADDRESS UNIT 101-102, 2855 MARKHAM RD TORONTO ONTARIO CORPORATION NO. ON M1X 0B6

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME 1818216 ONTARIO INC.

07 ADDRESS UNIT #17, 25 - 27 CORONET RD ETOBICOKE ONTARIO CORPORATION NO. ON M8Z 2L8

08 SECURED PARTY / LIEN CLAIMANT ROYAL BANK OF CANADA

09 ADDRESS 36 YORK MILLS ROAD, 4TH FLOOR TORONTO ON M2P 0A4

10 COLATERAL CLASSIFICATION

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

11 MOTOR YEAR MAKE MODEL VIN

12 VEHICLE

13 GENERAL COLLATERAL DESCRIPTION

16 REGISTERING AGENT CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS 4126 NORLAND AVENUE BURNABY BC V5G 3S8

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

CONTINUED... 5

CERTIFIED BY/CERTIFIÉES PAR  
*V. Quintanilla W.*  
 REGISTRAR OF PERSONAL PROPERTY SECURITY/  
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj1fv\_05/2022)



RUN NUMBER : 234  
 RUN DATE : 2023/08/22  
 ID : 20230822113357.03

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

REPORT : PSSR060  
 PAGE : 5  
 ( 7157)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : 1818216 ONTARIO INC.  
 FILE CURRENCY : 21AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER  
 748212237

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	01	001		20190208 1044 1529 6776	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME 1818216 ONTARIO INC.

04 ADDRESS UNIT 101-102, 2855 MARKHAM ROAD TORONTO ONTARIO CORPORATION NO. ON MIX 0B6

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT ROYAL BANK OF CANADA

09 ADDRESS 36 YORK MILLS ROAD, 4TH FLOOR TORONTO ON M2P 0A4

10 COLLATERAL CLASSIFICATION

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

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL COLLATERAL DESCRIPTION

16 REGISTERING AGENT CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS 4126 NORLAND AVENUE BURNABY BC V5G 3S8

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

CONTINUED... 6

CERTIFIED BY/CERTIFIÉES PAR  
*V. Quintanilla W.*  
 REGISTRAR OF PERSONAL PROPERTY SECURITY /  
 LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(c)11v-05/2022



RUN NUMBER : 234  
 RUN DATE : 2023/08/22  
 ID : 20230822113357.03

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

REPORT : PSSR060  
 PAGE : 6  
 ( 7158)

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : 1818216 ONTARIO INC.  
 FILE CURRENCY : 21AUG 2023

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

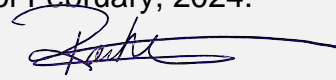
FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
778284423	20211117 0927 1532 1739			
760608387	20200304 1034 1529 1249			
748212237	20190208 1044 1529 6776			

3 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.



(crf)6 05/2022)

This is **Exhibit "P"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits

LAND  
REGISTRY  
OFFICE #66

76748-0019 (LT)

PAGE 1 OF 2  
PREPARED FOR mcmullen  
ON 2024/01/22 AT 14:34:03

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

PROPERTY DESCRIPTION: UNIT 19, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2748 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

PROPERTY REMARKS: FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2019/06/11.

ESTATE/QUALIFIER: FEE SIMPLE  
LT ABSOLUTE PLUS

RECENTLY: CONDOMINIUM FROM 07550-0090

PIN CREATION DATE:  
2019/12/16

OWNERS' NAMES 1818216 ONTARIO INC.

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
EB450052	1975/07/11	AGREEMENT			BOROUGH OF ETOBICOKE	C
E317117	2000/03/27	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF THE DEPARTMENT OF TRANSPORT CANADA		C
REMARKS: PEARSON AIRPORT ZONING REGULATION						
AT1090313	2006/03/20	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
REMARKS: PEARSON AIRPORT ZONING REGULATION						
TCP2748	2019/12/11	STANDARD CONDO PLN				C
AT5316927	2019/12/11	CONDO DECLARATION		MANTELLA CORPORATION		C
AT5349772	2020/01/24	CONDO BYLAW/98		TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2748		C
REMARKS: BY-LAW NUMBER 1						
AT5349773	2020/01/24	CONDO BYLAW/98		TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2748		C
REMARKS: BY-LAW NUMBER TWO						
AT5349774	2020/01/24	CONDO BYLAW/98		TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2748		C
REMARKS: BY-LAW NUMBER THREE						
AT5384070	2020/03/09	TRANSFER	\$714,820	MANTELLA CORPORATION	1818216 ONTARIO INC.	C
AT5384071	2020/03/09	CHARGE	\$572,000	1818216 ONTARIO INC.	ROYAL BANK OF CANADA	C

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



LAND  
REGISTRY  
OFFICE #66

76748-0019 (LT)

PREPARED FOR mcmullen  
ON 2024/01/22 AT 14:34:03

\* 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
AT5499434	2020/08/19	CHARGE	\$300,000	1818216 ONTARIO INC.	BANGA, DALJIT SINGH	C
AT5798689	2021/07/14	NOTICE		1818216 ONTARIO INC.	BANGA, DALJIT SINGH	C
REMARKS: AT5499434						

LAND  
REGISTRY  
OFFICE #66

76799-0001 (LT)

PREPARED FOR mcmullen  
ON 2024/01/22 AT 14:48:45

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

PROPERTY DESCRIPTION: UNIT 1, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2799 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT5511149; CITY OF TORONTO

PROPERTY REMARKS: PLANNING ACT CONSENT IN DOCUMENT AT4439522.

ESTATE/QUALIFIER: FEE SIMPLE ABSOLUTE  
RECENTLY: CONDOMINIUM FROM 06049-0220

PIN CREATION DATE: 2020/09/02

OWNERS' NAMES: 1818216 ONTARIO INC.  
CAPACITY SHARE: ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<b>** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **</b>						
C345466	1986/12/29	NOTICE AGREEMENT			THE CORPORATION OF THE CITY OF SCARBOROUGH	C
C345470	1986/12/29	TRANSFER EASEMENT			THE PUBLIC UTILITIES COMMISSION OF THE CITY OF SCARBOROUGH	C
C471431	1988/05/26	NOTICE AGREEMENT			THE CORPORATION OF THE CITY OF SCARBOROUGH	C
AT4170494	2016/03/18	NOTICE	\$2	CITY OF TORONTO	2332881 ONTARIO INC.	C
AT4288837	2016/07/25	TRANSFER EASEMENT	\$2	2332881 ONTARIO INC.	ENBRIDGE GAS DISTRIBUTION INC.	C
AT4439523	2016/12/20	NOTICE		2332881 ONTARIO INC.		C
AT4657403	2017/08/17	NOTICE	\$2	CITY OF TORONTO	ENGENIUS DEVELOPMENT M&M INC.	C
		<i>REMARKS: AT4170494</i>				
TCP2799	2020/09/02	STANDARD CONDO PLN				C
AT5511149	2020/09/02	CONDO DECLARATION		ENGENIUS DEVELOPMENT M&M INC.		C
AT5548761	2020/10/19	CONDO BYLAW/98		TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2799		C
		<i>REMARKS: BY-LAW NO. 1</i>				
AT5548762	2020/10/19	CONDO BYLAW/98		TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2799		C
		<i>REMARKS: BY-LAW NO. 2</i>				
AT5548763	2020/10/19	CONDO BYLAW/98		TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2799		C
		<i>REMARKS: BY-LAW NO. 3</i>				
AT5548764	2020/10/19	CONDO BYLAW/98		TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2799		C
		<i>REMARKS: BY-LAW NO. 4</i>				
AT5552811	2020/10/22	TRANSFER	\$915,015	ENGENIUS DEVELOPMENT M&M INC.	1818216 ONTARIO INC.	C

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

LAND  
 REGISTRY  
 OFFICE #66

76799-0001 (LT)

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
AT5552812	2020/10/22	CHARGE	\$720,000	1818216 ONTARIO INC.	ROYAL BANK OF CANADA	C
AT5853175	2021/09/08	CHARGE	\$400,000	1818216 ONTARIO INC.	RAJINDER SINGH PAHAL	C
AT6432851	2023/10/03	LIEN		HIS MAJESTY THE KING IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE		C
		<i>REMARKS: TAX LIEN</i>				
AT6462949	2023/11/20	LIEN	\$96,967	HIS MAJESTY THE KING IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE		C
		<i>REMARKS: EXCISE TAX</i>				
AT6469352	2023/11/30	CONDO LIEN/98		TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2799		C

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

LAND  
REGISTRY  
OFFICE #66

76799-0002 (LT)

PAGE 1 OF 2

179

PREPARED FOR mcmullen

ON 2024/01/22 AT 14:55:39

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

PROPERTY DESCRIPTION: UNIT 2, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2799 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT5511149; CITY OF TORONTO

PROPERTY REMARKS: PLANNING ACT CONSENT IN DOCUMENT AT4439522.

ESTATE/QUALIFIER: FEE SIMPLE ABSOLUTE  
RECENTLY: CONDOMINIUM FROM 06049-0220

PIN CREATION DATE: 2020/09/02

OWNERS' NAMES: 1818216 ONTARIO INC.  
CAPACITY SHARE: ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<b>** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **</b>						
C345466	1986/12/29	NOTICE AGREEMENT			THE CORPORATION OF THE CITY OF SCARBOROUGH	C
C345470	1986/12/29	TRANSFER EASEMENT			THE PUBLIC UTILITIES COMMISSION OF THE CITY OF SCARBOROUGH	C
C471431	1988/05/26	NOTICE AGREEMENT			THE CORPORATION OF THE CITY OF SCARBOROUGH	C
AT4170494	2016/03/18	NOTICE	\$2	CITY OF TORONTO	2332881 ONTARIO INC.	C
AT4288837	2016/07/25	TRANSFER EASEMENT	\$2	2332881 ONTARIO INC.	ENBRIDGE GAS DISTRIBUTION INC.	C
AT4439523	2016/12/20	NOTICE		2332881 ONTARIO INC.		C
AT4657403	2017/08/17	NOTICE	\$2	CITY OF TORONTO	ENGENIUS DEVELOPMENT M&M INC.	C
		REMARKS: AT4170494				
TCP2799	2020/09/02	STANDARD CONDO PLN				C
AT5511149	2020/09/02	CONDO DECLARATION		ENGENIUS DEVELOPMENT M&M INC.		C
AT5548761	2020/10/19	CONDO BYLAW/98		TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2799		C
		REMARKS: BY-LAW NO. 1				
AT5548762	2020/10/19	CONDO BYLAW/98		TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2799		C
		REMARKS: BY-LAW NO. 2				
AT5548763	2020/10/19	CONDO BYLAW/98		TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2799		C
		REMARKS: BY-LAW NO. 3				
AT5548764	2020/10/19	CONDO BYLAW/98		TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2799		C
		REMARKS: BY-LAW NO. 4				
AT5552811	2020/10/22	TRANSFER	\$915,015	ENGENIUS DEVELOPMENT M&M INC.	1818216 ONTARIO INC.	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND  
REGISTRY  
OFFICE #66

76799-0002 (LT)

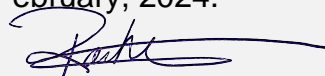
PREPARED FOR mcmullen  
ON 2024/01/22 AT 14:55:39

\* 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
AT5552812	2020/10/22	CHARGE	\$720,000	1818216 ONTARIO INC.	ROYAL BANK OF CANADA	C
AT5853175	2021/09/08	CHARGE	\$400,000	1818216 ONTARIO INC.	RAJINDER SINGH PAHAL	C
AT6469352	2023/11/30	CONDO LIEN/98		TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2799		C

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

This is **Exhibit “Q”** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits

AUG 15<sup>182</sup> 2023

**BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO: **1818216 ONTARIO INC.**  
27 Coronet Road  
Unit 17  
Toronto ON M8Z 2L8

2855 Markham Road  
Units 101-102,  
Toronto ON M1X 0B6

322 Adelaide Street  
Toronto ON M5V 1R1

Attn: Tharmini Kandasamy

AND TO: **ROYAL BANK OF CANADA**  
36 YORK Mills Road  
4th Floor  
Toronto ON M2P 0A4

**TAKE NOTICE THAT DALJIT SINGH BANGA.** secured creditor, intend to enforce their security on the property of the insolvent person described below:

PIN No(s). 76748 – 0019(LT)

Legally Described: Unit 19, Level 1, Toronto Standard Condominium Plan No. 2748 and its appurtenant interest; City of Toronto.

Regional Municipality of Toronto, Land Registry Office (No. 80)

Municipal Address: 17 Coronet Road, Unit 17, Toronto, Ontario M8Z 2L8

The security that is to be enforced is in the form of a First mortgage on the above property.

The total amount of indebtedness secured by the security is \$500,000.00 but now stands due for **\$539,374.85**, on the date of Notice. The secured creditor will not have the right to enforce the security until after the expiry of the ten-day period following the sending of this notice, unless the insolvent person consents to earlier enforcement.

**DATED** the 12<sup>th</sup> day of July 2023.

**DALJIT SINGH BANGA**  
By his solicitors  
**CS LAWYERS**  
**PROFESSIONAL CORPORATION**

Per: 

Yuvraj S. Chhina  
Barrister & Solicitor  
220 Advance Blvd.  
Suite 203  
Brampton, ON L4T 4J5

Tel: 416 619 4969  
Fax: 416 619 0685  
Email: [y.chhina@cslawfirm.ca](mailto:y.chhina@cslawfirm.ca)



AUG 15 2023

**NOTICE OF SALE UNDER MORTGAGE**

333843761

TO: **1818216 ONTARIO INC.**  
 27 Coronet Road  
 Unit 17  
 Toronto ON M8Z 2L8

2855 Markham Road  
 Units 101-102,  
 Toronto ON M1X 0B6

322 Adelaide Street  
 Toronto ON M5V 1R1

**Attn: Tharmini Kandasamy**

AND TO:  **ROYAL BANK OF CANADA**  
 36 YORK Mills Road  
 4<sup>th</sup> Floor  
 Toronto ON M2P 0A4

**TAKE NOTICE** that default has been made in payment of the moneys due under a certain mortgage commitment letter dated August 12, 2020, and subsequently revised Mortgage commitment- Enhanced dated July 8, 2021, renewal thereof, made between:

**1818216 ONTARIO INC.**

as the Mortgagor

- and -

**DALJIT SINGH BANGA**

as the Mortgagee

Upon the following property namely:

PIN No(s). 76748 – 0019(LT)

Legally Described: Unit 19, Level 1, Toronto Standard Condominium Plan No. 2748 and its appurtenant interest; City of Toronto.

Regional Municipality of Toronto, Land Registry Office (No. 80)

Municipal Address: 17 Coronet Road, Unit 17, Toronto, Ontario M8Z 2L8

which Charge/ Mortgage was registered on March 9, 2019, as Instrument No. AT5384071 (the "Charge") and Notice amending the Charge as Instrument No. AT5798689, in the City of Toronto and Land Titles Office (No. 80).

AND I hereby give you notice that the amount now due on the mortgage for principal money, interest, late payment interest, collection costs, three months' interest pursuant to Section 17 of the Mortgages Act and the terms of the mortgage, missed payment fees, title search costs, and other costs respectively, are as follows:

Principal Amount as of July 12, 2021	\$500,000.00
Interest from Jan 14 to July 12, 2021	\$ 31,224.96
Late payment fee on the outstanding mortgagee (7 x \$350.00)	\$ 2,450.00
Legal fees for issuing demand letter	\$ 565.00
Discharge Statement Fee	\$ 395.00
Default proceedings Fee	\$ 1,130.00
Registered mail for demand notices	\$ 67.72
Title search costs of the mortgagee	\$ 152.17
Collection costs of mortgagee	\$ 847.50
Legal fees for issuing Notice of Intention to Enforce Security	\$ 1,695.00
Costs/ Disbursements	\$ 847.50
<b>TOTAL</b>	<b>\$539,374.85</b>

(such amount for costs being up to and including the service of this Notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at the rate of 12.99% per centum per annum, on the principal and interest hereinbefore mentioned, from the 12<sup>th</sup> day of July 2023 to the date of payment.

**AND** unless the said sums are paid on or before the 30<sup>th</sup> day of August 2023, I shall sell the property covered by the said mortgage under the provisions contained in it.

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

DATED the 12<sup>th</sup> day of July 2023.

**DALJIT SINGH BANGA**

By his solicitors  
**CS LAWYERS**  
**PROFESSIONAL CORPORATION**

Per: 

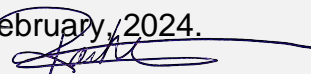
Yuvraj S. Chhina  
Barrister & Solicitor  
220 Advance Blvd.  
Suite 203  
Brampton, ON L4T 4J5

Tel: 416 619 4969  
Fax: 416 619 0685  
Email: [y.chhina@cslawfirm.ca](mailto:y.chhina@cslawfirm.ca)

This is **Exhibit "R"** referred to  
in the Affidavit of Angella White-Smith

Sworn this 15<sup>th</sup>

day of February, 2024.

A handwritten signature in blue ink, appearing to be "K. Smith", written over the date "February, 2024".

.....  
A Commissioner for Taking Affidavits

Date: - August 22, 2023

To: 1818216 ONTARIO INC.  
UNIT 101-102  
2855 MARKHAM ROAD  
TORONTO ONTARIO  
M1X0B6

Attn: Ms. Tharmini Kandasamy

Re: Royal Bank of Canada ("the Bank")  
1818216 ONTARIO INC. ("the Company")

It appears to the Bank that the Company is experiencing financial difficulties. The Bank's impression is based on:

- 1) the Company's inability to repay loans as agreed;
- 2) initiation of proceedings by a creditor;
- 3) property tax arrears
- 4) the Company's apparent inability to pay its liabilities as they fall due;

To the extent these difficulties exist, the Company's risk profile has deteriorated. Accordingly, management of your account has been re-assigned to Special Loans and Advisory Services and the Special Loans Manager and/or the Bank's solicitor retained on this file, will contact you shortly to discuss the current situation, in particular the recent Notice of Sale received.

Due to the higher risk and additional administration now attached to your account the Bank will be reviewing the rates and fees being charged.

Any costs incurred by the Bank on account of its professional advisors will be for the Company's account and will be charged to the Company's Current Account from time to time. We will provide you with copies of these invoices upon request.

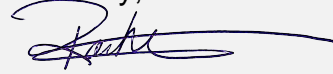
We remind you that your account(s) and/or loans are to continue to operate and repay as agreed and any cheques or debits presented on account(s) will be returned NSF, without notice to you, if such cheques and/or debits may cause an excess.

Yours truly,



Prasad Narayana  
Senior Relationship Manager

This is **Exhibit "S"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits



**MINDEN GROSS LLP**  
**BARRISTERS & SOLICITORS**  
 145 KING STREET WEST, SUITE 2200  
 TORONTO, ON, CANADA M5H 4G2  
 TEL 416.362.3711 FAX 416.864.9223  
 www.mindengross.com

DIRECT DIAL 416-369-4335  
 E-MAIL tdunn@mindengross.com  
 FILE NUMBER 4134081

September 21, 2023

**PERSONAL & CONFIDENTIAL**  
**VIA REGISTERED MAIL AND ORDINARY MAIL**

**THARMINI KANDASAMY**

622 The Queensway  
 Toronto, ON  
 M8Y 1K3

Dear Sirs:

**Re: Royal Bank of Canada ("Bank") and 1818216 Ontario Inc. (operating as Ravi Kitchen and Ravi Wraps and Salads) (the "Company")**

We have been retained by the Bank in respect of the indebtedness owing to it by you.

As you are aware, you guaranteed all of the indebtedness and liabilities, present or future, direct or indirect, absolute or contingent, matured or not at any time owing by the Company to the Bank or remaining unpaid by the Company to the Bank under:

- (a) a Guarantee and Postponement of Claim dated February 28, 2020, limited to the sum of \$1,312,000.00 in respect of the indebtedness referenced in items 1 and 2 below; and
- (b) a Guarantee and Postponement of Claim dated March 3, 2020, limited to the sum of \$50,000.00 in respect of the indebtedness referenced in item 3 below.

(collectively, the "**Guarantees**")

As at September 18, 2023, the Company is indebted to the Bank in the following amounts:

1. in respect of a term loan facility (No. 44960053-001), in the amount of \$535,732.59, comprising principal in the amount of \$533,571.40 and accrued interest to and including September 18, 2023, in the amount of \$2,161.19. Interest continues to accrue on the aforesaid principal amount at the rate of 4.48% per annum. The *per diem* amount on the aforesaid principal amount is \$65.49;
2. in respect of a term loan facility (No. 44960053-004), in the amount of \$676,480.20, comprising principal in the amount of \$674,586.18 and accrued interest to and including September 18, 2023,



- in the amount of \$1,894.02. Interest continues to accrue on the aforesaid principal amount at the rate of 3.66% per annum. The *per diem* amount on the aforesaid principal amount is \$67.64; and
3. in respect of the non-revolving term facility (No. 44960053-009) established under a CSBFA Credit Agreement, in the amount of \$133,092.28, comprising principal in the amount of \$132,869.49 and accrued interest to and including September 18, 2023, in the amount of \$222.79. Interest continues to accrue on the aforesaid principal amount at the Bank's prime rate plus 3.00% per annum. The *per diem* amount on the aforesaid principal amount, given the Bank's current prime rate, is \$37.13.

On behalf of the Bank, we hereby formally make demand upon you for payment by no later than September 30, 2023, of the sums of \$535,732.59, \$676,480.20 and \$50,000.00 (\$1,262,212.79 in total), all interest accruing thereon and under the Guarantees from the date hereof up until the date of payment in full and for all other amounts which the Company is liable for to the Bank in accordance with the security delivered by the Company to the Bank, including, without limitation, legal fees on a full indemnity basis.

In the event payment is not made as requested, the Bank shall commence such legal proceedings it is entitled to commence against you in connection with your liabilities and obligations under the Guarantees.

We further advise you that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to September 30, 2023, without further notice to you if the Bank becomes aware of any matter which may impair its security.

If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitor.

Yours truly,

**MINDEN GROSS LLP**

Per:

A handwritten signature in black ink, appearing to read 'Timothy R. Dunn', is written over a horizontal line. The signature is stylized with a large, sweeping initial 'T' and a long, curved underline.

Timothy R. Dunn \*

TRD/vh

cc: Royal Bank of Canada

Attn: A. White-Smith, Manager – Special Loans and Advisory Services

#5880678 v1 | 4134081

**\*PARTNER THROUGH PROFESSIONAL CORPORATION**





**MINDEN GROSS LLP**  
**BARRISTERS & SOLICITORS**  
 145 KING STREET WEST, SUITE 2200  
 TORONTO, ON, CANADA M5H 4G2  
 TEL 416.362.3711 FAX 416.864.9223  
 www.mindengross.com

DIRECT DIAL 416-369-4335  
 E-MAIL tdunn@mindengross.com  
 FILE NUMBER 4134081

September 21, 2023

**PERSONAL & CONFIDENTIAL**  
**VIA REGISTERED MAIL AND ORDINARY MAIL**

<b>1865994 Ontario Inc.</b> 622 The Queensway Toronto, ON M8Y 1K3 <b>Attention: Tharmini Kandasamy</b>	<b>1865994 Ontario Inc.</b> 2535 Dundas Street West Toronto, ON M6P 1X6 <b>Attention: Tharmini Kandasamy</b>
--	--

Dear Sirs:

**Re: Royal Bank of Canada ("Bank") and 1818216 Ontario Inc. (operating as Ravi Kitchen and Ravi Wraps and Salads) (the "Company")**

We have been retained by the Bank in respect of the indebtedness owing to it by you.

As you are aware, you guaranteed all of the indebtedness and liabilities, present or future, direct or indirect, absolute or contingent, matured or not at any time owing by the Company to the Bank or remaining unpaid by the Company to the Bank under a Guarantee and Postponement of Claim dated February 28, 2020 limited to the sum of \$1,312,000.00 (the "**Guarantee**").

As at September 18, 2023, the Company is indebted to the Bank in the following amounts:

1. in respect of a term loan facility (No. 44960053-001), in the amount of \$535,732.59, comprising principal in the amount of \$533,571.40 and accrued interest to and including September 18, 2023, in the amount of \$2,161.19. Interest continues to accrue on the aforesaid principal amount at the rate of 4.48% per annum. The *per diem* amount on the aforesaid principal amount is \$65.49;
2. in respect of a term loan facility (No. 44960053-004), in the amount of \$676,480.20, comprising principal in the amount of \$674,586.18 and accrued interest to and including September 18, 2023, in the amount of \$1,894.02. Interest continues to accrue on the aforesaid principal amount at the rate of 3.66% per annum. The *per diem* amount on the aforesaid principal amount is \$67.64; and
3. in respect of the non-revolving term facility (No. 44960053-009) established under a CSBFA Credit Agreement, in the amount of \$133,092.28, comprising principal in the amount of \$132,869.49 and accrued interest to and including September 18, 2023, in the amount of \$222.79.



Interest continues to accrue on the aforesaid principal amount at the Bank's prime rate plus 3.00% per annum. The *per diem* amount on the aforesaid principal amount, given the Bank's current prime rate, is \$37.13.

On behalf of the Bank, we hereby formally make demand upon you for payment by no later than October 2, 2023, of \$1,312,000, all interest accruing thereon and under the Guarantee from the date hereof up until the date of payment in full and for all other amounts which the Company is liable for to the Bank in accordance with the security delivered by the Company to the Bank, including, without limitation, legal fees on a full indemnity basis.

In the event payment is not made as requested, the Bank shall commence such legal proceedings it is entitled to commence against you in connection with your liabilities and obligations under the Guarantee.

We further advise you that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to October 2, 2023, without further notice to you if the Bank becomes aware of any matter which may impair its security.

We enclose a notice of intention to enforce security pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act* (Canada).

If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitors.

Yours truly,

**MINDEN GROSS LLP**

Per:

A handwritten signature in blue ink, appearing to read 'Timothy R. Dunn', is written over a horizontal line. The signature is stylized and includes a vertical line on the left side.

Timothy R. Dunn \*

TRD/vh

Enclosure

cc: Royal Bank of Canada

Attn: A. White-Smith, Manager – Special Loans and Advisory Services

#5880660 v1 | 4134081

**\*PARTNER THROUGH PROFESSIONAL CORPORATION**

**NOTICE OF INTENTION TO ENFORCE SECURITY  
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)  
SECTION 244**

**PERSONAL & CONFIDENTIAL  
REGISTERED MAIL AND ORDINARY MAIL**

**TO: 1865994 ONTARIO INC.,** an insolvent person

**TAKE NOTICE THAT:**

1. Royal Bank of Canada., a secured creditor, intends to enforce its security on the insolvent person's property described below:
  - all personal property of the insolvent person, including, without limitation, all inventory, equipment, machinery, fixtures, book debts, contractual rights, monies, chattel paper, intellectual property and goodwill of the insolvent person, together with all proceeds, additions, accretions and substitutions therefor
2. The security that is to be enforced is in the form of:
  - a General Security Agreement dated February 14, 2019
3. The total amount of indebtedness secured by the security as at September 18, 2023, is \$1,345,305.07, plus all legal and other expenses incurred by the secured creditor, which expenses are secured by the above-noted security.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

**DATED** at Toronto this 21st day of September, 2023.

**ROYAL BANK OF CANADA**  
by its solicitors, MINDEN GROSS LLP

Per:



---

Timothy R. Dunn



**MINDEN GROSS LLP**  
**BARRISTERS & SOLICITORS**  
 145 KING STREET WEST, SUITE 2200  
 TORONTO, ON, CANADA M5H 4G2  
 TEL 416.362.3711 FAX 416.864.9223  
 www.mindengross.com

DIRECT DIAL 416-369-4335  
 E-MAIL tdunn@mindengross.com  
 FILE NUMBER 4134081

September 21, 2023

**PERSONAL & CONFIDENTIAL**  
**VIA REGISTERED MAIL AND ORDINARY MAIL**

<b>Ravi Soups and Wraps Inc.</b> 196 Glen Road Toronto, ON M4W 2X1 <b>Attention: Tharmini Kandasamy</b>	<b>Ravi Soups and Wraps Inc.</b> 622 The Queensway Toronto, ON M8Y 1K3 <b>Attention: Tharmini Kandasamy</b>
---	---

Dear Sirs:

**Re: Royal Bank of Canada ("Bank") and 1818216 Ontario Inc. (operating as Ravi Kitchen and Ravi Wraps and Salads) (the "Company")**

We have been retained by the Bank in respect of the indebtedness owing to it by you.

As you are aware, you guaranteed all of the indebtedness and liabilities, present or future, direct or indirect, absolute or contingent, matured or not at any time owing by the Company to the Bank or remaining unpaid by the Company to the Bank under a Guarantee and Postponement of Claim dated March 3, 2020, limited to the sum of \$1,312,000.00 (the "**Guarantee**").

As at September 18, 2023, the Company is indebted to the Bank in the following amounts:

1. in respect of a term loan facility (No. 44960053-001), in the amount of \$535,732.59, comprising principal in the amount of \$533,571.40 and accrued interest to and including September 18, 2023, in the amount of \$2,161.19. Interest continues to accrue on the aforesaid principal amount at the rate of 4.48% per annum. The *per diem* amount on the aforesaid principal amount is \$65.49;
2. in respect of a term loan facility (No. 44960053-004), in the amount of \$676,480.20, comprising principal in the amount of \$674,586.18 and accrued interest to and including September 18, 2023, in the amount of \$1,894.02. Interest continues to accrue on the aforesaid principal amount at the rate of 3.66% per annum. The *per diem* amount on the aforesaid principal amount is \$67.64; and
3. in respect of the non-revolving term facility (No. 44960053-009) established under a CSBFA Credit Agreement, in the amount of \$133,092.28, comprising principal in the amount of \$132,869.49 and accrued interest to and including September 18, 2023, in the amount of \$222.79.



Interest continues to accrue on the aforesaid principal amount at the Bank's prime rate plus 3.00% per annum. The *per diem* amount on the aforesaid principal amount, given the Bank's current prime rate, is \$37.13.

On behalf of the Bank, we hereby formally make demand upon you for payment by no later than October 2, 2023, of \$1,312,000, all interest accruing thereon and under the Guarantee from the date hereof up until the date of payment in full and for all other amounts which the Company is liable for to the Bank in accordance with the security delivered by the Company to the Bank, including, without limitation, legal fees on a full indemnity basis.

In the event payment is not made as requested, the Bank shall commence such legal proceedings it is entitled to commence against you in connection with your liabilities and obligations under the Guarantee.

We further advise you that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to October 2, 2023, without further notice to you if the Bank becomes aware of any matter which may impair its security.

We enclose a notice of intention to enforce security pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act* (Canada).

If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitors.

Yours truly,

**MINDEN GROSS LLP**  
Per:

A handwritten signature in black ink, appearing to read 'Timothy R. Dunn', is written over a horizontal line. The signature is stylized with a large, sweeping initial 'T' and a long horizontal stroke.

Timothy R. Dunn \*  
TRD/vh  
Enclosure

cc: Royal Bank of Canada  
Attn: A. White-Smith, Manager – Special Loans and Advisory Services  
#5880643 v1 | 4134081

**\*PARTNER THROUGH PROFESSIONAL CORPORATION**

**NOTICE OF INTENTION TO ENFORCE SECURITY  
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)  
SECTION 244**

**PERSONAL & CONFIDENTIAL  
REGISTERED MAIL AND ORDINARY MAIL**

**TO: RAVI SOUPS AND WRAPS INC.,** an insolvent person

**TAKE NOTICE THAT:**

1. Royal Bank of Canada., a secured creditor, intends to enforce its security on the insolvent person's property described below:
  - all personal property of the insolvent person, including, without limitation, all inventory, equipment, machinery, fixtures, book debts, contractual rights, monies, chattel paper, intellectual property and goodwill of the insolvent person, together with all proceeds, additions, accretions and substitutions therefor
2. The security that is to be enforced is in the form of:
  - a General Security Agreement dated March 5, 2020
3. The total amount of indebtedness secured by the security as at September 18, 2023 is \$1,345,305.07, plus all legal and other expenses incurred by the secured creditor, which expenses are secured by the above-noted security.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

**DATED** at Toronto this 21st day of September, 2023.

**ROYAL BANK OF CANADA**  
by its solicitors, MINDEN GROSS LLP

Per:



---

Timothy R. Dunn



**MINDEN GROSS LLP**  
**BARRISTERS & SOLICITORS**  
 145 KING STREET WEST, SUITE 2200  
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 www.mindengross.com

DIRECT DIAL 416-369-4335  
 E-MAIL tdunn@mindengross.com  
 FILE NUMBER 4134081

September 21, 2023

**PERSONAL & CONFIDENTIAL**  
**VIA REGISTERED MAIL AND ORDINARY MAIL**

<p><b>1818216 Ontario Inc. (operating as Ravi Kitchen and Ravi Wraps and Salads)</b>          322 Adelaide St.          Toronto, ON          M5V 1R1  <b>Attention: Tharmini Kandasamy</b></p>	<p><b>1818216 Ontario Inc. (operating as Ravi Kitchen and Ravi Wraps and Salads)</b>          622 The Queensway          Etobicoke, ON          M8Y 1K3  <b>Attention: Tharmini Kandasamy</b></p>
<p><b>1818216 Ontario Inc. (operating as Ravi Kitchen and Ravi Wraps and Salads)</b>          2855 Markham Road, Unit 101-102          Toronto, ON          M1X 0B6  <b>Attention: Tharmini Kandasamy</b></p>	

Dear Sirs:

**Re: Royal Bank of Canada ("Bank") and 1818216 Ontario Inc. (operating as Ravi Kitchen and Ravi Wraps and Salads) (the "Company")**

We have been retained by the Bank in respect of the indebtedness owing to it by the Company.

As you are no doubt aware, the indebtedness owing by the Company to the Bank is repayable, among other things, upon the Company failing to abide by the terms and provisions of its lending arrangements with the Bank. In this regard, we refer to a Credit Facilities Letter Agreement dated August 4, 2021, among the Bank and the Company, as amended, restated and replaced from time to time (the "**Credit Agreement**") and a Credit Facilities Letter Agreement dated March 3, 2020, among the Bank and the Company pursuant to the requirements of the *Canada Small Business Financing Act* (the "**CSBFA Credit Agreement**") and together with the Credit Agreement, collectively, the "**Credit Agreements**").

We have been informed by the Bank that the Company is in breach of various covenants to the Bank, including, without limitation: (a) failure to pay municipal property taxes when the same fall due; (b) failing to have sufficient funds on hand to cover scheduled payments to third party creditors, resulting in the Bank having to return such payment requests for insufficient funds; and (c) failure of the Company to obtain



the written consent of the Bank to the registration of a Charge/Mortgage of Land against real property secured in favour of the Bank and in respect of which enforcement action is currently being taken by the subordinated mortgagee.

We have been advised by the Bank that as at September 18, 2023, the Company is indebted to it in the following amounts:

1. in respect of a term loan facility (No. 44960053-001), in the amount of \$535,732.59, comprising principal in the amount of \$533,571.40 and accrued interest to and including September 18, 2023, in the amount of \$2,161.19. Interest continues to accrue on the aforesaid principal amount at the rate of 4.48% per annum. The *per diem* amount on the aforesaid principal amount is \$65.49;
2. in respect of a term loan facility (No. 44960053-004), in the amount of \$676,480.20, comprising principal in the amount of \$674,586.18 and accrued interest to and including September 18, 2023, in the amount of \$1,894.02. Interest continues to accrue on the aforesaid principal amount at the rate of 3.66% per annum. The *per diem* amount on the aforesaid principal amount is \$67.64; and
3. in respect of the non-revolving term facility (No. 44960053-009) established under a CSBFA Credit Agreement, in the amount of \$133,092.28, comprising principal in the amount of \$132,869.49 and accrued interest to and including September 18, 2023, in the amount of \$222.79. Interest continues to accrue on the aforesaid principal amount at the Bank's prime rate plus 3.00% per annum. The *per diem* amount on the aforesaid principal amount, given the Bank's current prime rate, is \$37.13.

In addition, the Company is indebted to the Bank in the amount of \$40,000.00 advanced by the Bank to the Company under the Canada Emergency Business Account program, also known as the CEBA program.

On behalf of the Bank, we hereby advise you that the right of the Company to make any further borrowings under its agreement(s) with the Bank, and the obligation of the Bank to provide such borrowings, is hereby terminated and the indebtedness owing to the Bank by the Company expressed above is hereby declared to be immediately due and payable. Accordingly, on behalf of the Bank, we hereby formally make demand upon the Company for payment by no later than October 2, 2023, of the amounts expressed above and all interest accruing thereon up until the date of payment in full and for all other amounts which the Company is liable for to the Bank in accordance with the security delivered by the Company to the Bank, including, without limitation, legal fees on a full indemnity basis.

In the event payment is not made as requested, we must advise you that the Bank reserves its rights to take such further steps as are necessary to recover the indebtedness and liabilities owing by the Company to the Bank, including, without limitation, the appointment of a receiver and manager of the property, assets and undertaking of the Company and the Bank shall commence such legal proceedings it is entitled to commence against the Company in connection with its liabilities and obligations under any and all mortgage security delivered by the Company to the Bank.





We further advise the Company that the Bank expressly reserves its rights to take such further steps as are necessary at any time prior to October 2, 2023, without further notice to you if the Bank becomes aware of any matter which may impair its security. In addition, the Bank expressly reserves its rights not to make further advances to you or to honour any cheques drawn on the accounts maintained by you with the Bank. However, in the event the Bank, in its discretion, makes such advances or honours such cheques, such conduct shall not extend the time to make payment as set out herein or impose any obligation on the Bank to make further advances or honour further cheques and any additional indebtedness arising therefrom shall be immediately repayable to the Bank.

We enclose a notice of intention to enforce security pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act* (Canada).

If you wish to discuss this matter with us, please contact us immediately either directly or through your solicitors.

Yours truly,

**MINDEN GROSS LLP**

Per:

A handwritten signature in black ink, appearing to read 'Timothy R. Dunn', written over a horizontal line.

Timothy R. Dunn \*

TRD/vh

Enclosure

cc: Royal Bank of Canada

Attn: A. White-Smith, Manager – Special Loans and Advisory Services

#5880495 v1 | 4134081

**\*PARTNER THROUGH PROFESSIONAL CORPORATION**

**NOTICE OF INTENTION TO ENFORCE SECURITY  
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)  
SECTION 244**

**PERSONAL & CONFIDENTIAL  
REGISTERED MAIL AND ORDINARY MAIL**

**TO: 1818216 ONTARIO INC. (operating as Ravi Kitchen and Ravi Wraps and Salads),**  
an insolvent person

**TAKE NOTICE THAT:**

1. Royal Bank of Canada., a secured creditor, intends to enforce its security on the insolvent person's property described below:
  - (a) all personal property of the insolvent person, including, without limitation, all inventory, equipment, machinery, fixtures, book debts, contractual rights, monies, chattel paper, intellectual property and goodwill of the insolvent person, together with all proceeds, additions, accretions and substitutions therefor;
  - (b) real property legally described in PIN #76748-0019 (LT), Land Registry Office #66, and municipally known as Unit 17, 27 Coronet Road, Toronto, Ontario ("**Coronet Road Property**");
  - (c) real property legally described in PIN #76799-0001 (LT), Land Registry Office #66, and municipally known as Unit 101, 2855 Markham Road, Toronto, Ontario ("**Markham Road Unit 101 Property**"); and
  - (d) real property legally described in PIN #76799-0002 (LT), Land Registry Office #66, and municipally known as Unit 102, 2855 Markham Road, Toronto, Ontario ("**Markham Road Unit 102 Property**").
2. The security that is to be enforced is in the form of:
  - (a) a General Security Agreement dated February 14, 2019;
  - (b) a Security Agreement (Chattel Mortgage For Other Than Inventory and Consumer Goods) dated March 3, 2020;
  - (c) a collateral mortgage against the Coronet Road Property in the amount of \$572,000.00 registered on March 9, 2020 as Instrument No. AT5384071; and
  - (d) a collateral mortgage against the Markham Road Unit 101 Property and Markham Road Unit 102 Property in the amount of \$720,000.00 registered on October 22, 2020 as Instrument No. AT5552812.
3. The total amount of indebtedness secured by the security as at September 18, 2023, is \$1,345,305.07, plus all legal and other expenses incurred by the secured creditor, which expenses are secured by the above-noted security.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

**DATED** at Toronto this 21st day of September, 2023.

**ROYAL BANK OF CANADA**  
by its solicitors, MINDEN GROSS LLP

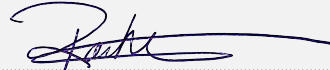
Per:

A handwritten signature in blue ink, appearing to read 'T. R. Dunn', is written over a horizontal line.

---

Timothy R. Dunn

This is **Exhibit "T"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits

**Liu, Carol**

---

**From:** Vita Hurley <VHurley@mindengross.com>  
**Sent:** Thursday, October 5, 2023 3:30 PM  
**To:** david@dhlegal.ca  
**Cc:** Carol Liu  
**Subject:** RBC re 181 {File #4134081}  
**Attachments:** DOCS1-#5899556-v2-Forbearance\_Agreement\_-\_1818216\_Ontario\_Inc\_.pdf

Hi David, as discussed, please find attached the form of Forbearance Agreement and ancillary documents required by the Bank for your review. As you will note, the Bank has requested that the documents be executed and delivered by the end of next week.

Best regards, Tim.

**TIMOTHY R. DUNN\***

**T:** [416.369.4335](tel:416.369.4335) **F:** 416.864.9223 [www.mindengross.com](http://www.mindengross.com)

145 King St. West, Suite 2200, Toronto, ON M5H 4G2

Save contact details: [Timothy R. Dunn](#)

\*Partner through Professional Corporation

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**Liu, Carol**

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**Sent:** Monday, October 16, 2023 3:38 PM  
**To:** David Hwang  
**Cc:** Tamires Macedo  
**Subject:** Re: RBC re 181 {File #4134081}

Hi David, I have received instructions from the Bank.

The Bank is prepared to permit your client until the close of business on Wednesday October 18, 2023, to execute and deliver the Forbearance Agreement. We will circulate an updated form of agreement with this date.

Please let me know if you have any questions.

Best regards, Tim.

**TIMOTHY R. DUNN\***

**T:** [416.369.4335](tel:416.369.4335) **F:** 416.864.9223 [www.mindengross.com](http://www.mindengross.com)

145 King St. West, Suite 2200, Toronto, ON M5H 4G2

Save contact details: [Timothy R. Dunn](#)

\*Partner through Professional Corporation

**MERITAS LAW FIRMS WORLDWIDE**

On Oct 13, 2023, at 15:22, David Hwang <david@dhlegal.ca> wrote:

[EXTERNAL]

Dear Tim,

My client was not able to attend at my office today. I have scheduled them to attend at my office next week Wednesday.

I am in discoveries on Monday and Tuesday.

Best regards,

S. David Hwang, B.A., LL.B.  
Barrister and Solicitor

**DH Law**

#2200 - 4950 Yonge Street

Toronto, ON M2N 6K1

Tel: 416 661 8822

Fax: 647 479 0551

Email: [david@dhlegal.ca](mailto:david@dhlegal.ca)

-

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This message is intended only for the use of the individuals to which it is addressed and may contain information that is privileged and confidential. If you are not the intended recipient, you are hereby notified that you have received this transmission in error; any review, dissemination, distribution or copying of this transmission is prohibited. If you have received this communication in error, please notify me immediately by reply e-mail and delete this message and all of its attachments.

---

**From:** Vita Hurley <VHurley@mindengross.com> **On Behalf Of** Timothy Dunn  
**Sent:** Tuesday, October 10, 2023 4:38 PM  
**To:** David Hwang <david@dhlegal.ca>  
**Subject:** RBC re 181 {File #4134081}

David, please find attached a corrected form of Schedule "D" respecting the Consent to Receiver that can be slip-sheeted into the Forbearance Agreement to replace the form previously delivered to you (that has a NTD in it).

Regards, Tim.

<image001.jpg>

**TIMOTHY R. DUNN\***

**T:** [416.369.4335](tel:416.369.4335) **F:** 416.864.9223 [www.mindengross.com](http://www.mindengross.com)

145 King St. West, Suite 2200, Toronto, ON M5H 4G2

Save contact details: [Timothy R. Dunn](mailto:Timothy.R.Dunn)

\*Partner through Professional Corporation

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**Liu, Carol**

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**From:** Vita Hurley <VHurley@mindengross.com>  
**Sent:** Monday, October 16, 2023 4:44 PM  
**To:** david@dhlegal.ca  
**Cc:** Carol Liu  
**Subject:** RBC re 181 {File #4134081}  
**Attachments:** DOCS1-#5899556-v4-Forbearance\_Agreement\_-\_1818216\_Ontario\_Inc\_.pdf; DOCS1-#5911892-v1-Blacklined\_Forbearance\_Agreement\_-\_1818216\_Ontario\_Inc\_.pdf

Hi David, further to my earlier email, please find attached a revised Forbearance Agreement with the amended dates. I also attach a blacklined version of the agreement that shows all changes to the last draft.

Regards, Tim.



**TIMOTHY R. DUNN\***

**T:** [416.369.4335](tel:416.369.4335) **F:** 416.864.9223 [www.mindengross.com](http://www.mindengross.com)

145 King St. West, Suite 2200, Toronto, ON M5H 4G2

Save contact details: [Timothy R. Dunn](#)

\*Partner through Professional Corporation

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## FORBEARANCE AGREEMENT

**THIS AGREEMENT** made as of the 18th day of October, 2023.

**A M O N G:**

**ROYAL BANK OF CANADA**  
(hereinafter referred to as the "**Bank**")

- and -

**1818216 ONTARIO INC., operating as RAVI KITCHEN and RAVI WRAPS AND SALADS**  
(hereinafter referred to as the "**Borrower**")

- and -

**RAVI SOUPS AND WRAPS INC.**  
(hereinafter referred to as "**Ravi Soups**")

- and -

**1865994 ONTARIO INC.**  
(hereinafter referred to as "**186**")

- and -

**THARMINI KANDASAMY**  
(hereinafter referred to as "**Tharmini**"; together with Ravi Soups and 186, the "**Guarantors**" and individually, a "**Guarantor**")

**WHEREAS:**

1. the Bank has made available the Credit Facilities to the Borrower on the terms and conditions established under the Loan Agreement;
2. the Guarantors have executed and delivered the Guarantees to the Bank for the purpose of guaranteeing the payment and performance of all of the debts, liabilities and obligations of the Borrower to the Bank;
3. the Borrower is in breach of various covenants contained in the Loan Agreement, including, without limitation:
  - (a) failure to pay municipal property taxes when the same fall due;

- (b) failure to have sufficient funds on hand to cover scheduled payments to third party creditors, resulting in the Bank having to return such payment requests for insufficient funds; and
  - (c) failure of the Borrower to obtain the written consent of the Bank to the registration of a Charge/Mortgage of Land against real property secured in favour of the Bank and in respect of which enforcement action is currently being taken by the subordinated mortgagee, which covenant breaches have not been waived by the Bank;
4. The Bank has, as a consequence of such default/breaches, by letter dated September 21, 2023, made demand upon the Borrower for the repayment of the indebtedness by no later than October 2, 2023 and enclosed a Notice of Intention to Enforce Security pursuant to Section 244(1) of the BIA also dated September 21, 2023;
  5. the Borrower has listed the Markham Road Property (as herein defined) for sale with the intention of using the sales proceeds to repay the Indebtedness;
  6. the Bank has had, and continues to have, serious concerns with respect to the financial viability of the Borrower;
  7. the Borrower and each of the Guarantors have requested that the Bank forbear from enforcing its rights and remedies under the Security so as to permit the Borrower the opportunity to: (i) obtain replacement financing; and (ii) sell the Markham Road Property in order to repay the Indebtedness in full;
  8. as an inducement to the Bank agreeing to so forbear, the Borrower and the Guarantors have agreed to enter into this Agreement and to comply with the terms and provisions contained herein, including, without limitation, the terms and provisions of the Repayment Plan;

**NOW THEREFORE** in consideration of the acknowledgements, confirmations, covenants and agreements contained herein, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto), each of the Parties hereto hereby agree with each other as follows:

## **ARTICLE 1** **INTERPRETATION**

**1.01 Definitions:** Unless otherwise specifically defined in this Agreement, all capitalized terms used in this Agreement shall have the meanings ascribed to them in the Loan Agreement. The following terms shall have the following meanings:

- (a) "**Account**" means all bank accounts established by the Bank in the name of the Borrower;

- (b) "**Assets**" means all of the real and personal property, tangible or intangible and undertakings of the Borrower and the Guarantors in respect of which the Bank holds Security;
- (c) "**BIA**" means the *Bankruptcy and Insolvency Act* (Canada);
- (d) "**Business Day**" means a day other than a Saturday, Sunday, statutory holiday in the Province of Ontario, or any other day on which the Schedule 1 Canadian Chartered Banks located in the City of Toronto are not open for business during normal banking hours;
- (e) "**Business Premises**" means any premises from which the Borrower operates its business, including, the Coronet Road Property and the Markham Road Property;
- (f) "**CEBA Program**" means the \$40,000.00 advanced by the Bank to the Borrower under the Canada Emergency Business Account program;
- (g) "**Coronet Road Property**" means the real property which is owned by the Borrower and known municipally as 27 Coronet Road, Unit 17, Toronto, Ontario;
- (h) "**Coronet Road Property Charge**" means the Charge/Mortgage of Land registered in favour of the Bank against title to the Coronet Road Property in the principal amount of \$572,000 as Instrument No. AT5384071;
- (i) "**Corporate Guarantors**" means collectively, Ravi Soups and 186, and "**Corporate Guarantor**" means any one of them;
- (j) "**Credit Agreement**" means the loan agreement dated August 4, 2021, and accepted by the Borrower on August 27, 2021, as amended, revised, restated, replaced and supplemented from time to time;
- (k) "**Credit Facilities**" means the credit facilities established by the Bank in favour of the Borrower pursuant to the Loan Agreement;
- (l) "**Environmental Laws**" means any applicable law respecting the natural environment, public or occupational health or safety, and the manufacture, importation, handling, transportation, storage, disposal and treatment of Hazardous Substances that applies to the Real Property and/or any other premises from which the Borrower operates its business;
- (m) "**Environmental Permits**" means all permits, certificates, approvals, consents, registrations and licenses issued or required by any Environmental Laws or any court or governmental authority relating to or required for the ownership of the Real Property and the operation of the Borrower's business thereon;
- (n) "**Event of Default**" means the occurrence of any one or more of the events set forth in Article 9 of this Agreement;

- (o) "**Guarantees**" means collectively, the Guarantees and Postponements of Claims executed and delivered, to and in favour of the Bank by the Guarantors, including, without limitation, the Guarantees and Postponements of Claims listed in **Schedule "B"** attached hereto and "**Guarantee**" means any one thereof;
- (p) "**Hazardous Substances**" means any solid, liquid, gas, odour, heat, sound, vibration, radiation or combination thereof that may impair the natural environment, injure or damage property or plant or animal life or harm or impair the health of any individual;
- (q) "**Indebtedness**" means the amounts set forth in [sections 2.01](#) and [2.02](#) hereof;
- (r) "**Lease**" means a lease of the Business Premises;
- (s) "**Loan Agreement**" means collectively, the Credit Agreement and the SBL Loan Agreement;
- (t) "**Markham Road Property**" means the two parcels of real property which are owned by the Borrower and known municipally as Unit 101 and Unit 102, 2855 Markham Road, Toronto, Ontario;
- (u) "**Markham Road Property Charge**" means the Charge/Mortgage of Land registered in favour of the Bank against title to the Markham Road Property in the principal amount of \$720,000 as Instrument No. AT5552812;
- (v) "**NOI Notice**" means any Notice of Intention to Enforce Security delivered to the Borrower by the Bank pursuant to subsection 244(1) of the BIA;
- (w) "**Parties**" means any one or more of the parties referred to in this Agreement, as the context may require;
- (x) "**Prime Rate**" means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on Canadian Dollar commercial loans in Canada;
- (y) "**Priority Payables**" shall have the meaning ascribed thereto in [subsection 6.01\(k\)](#);
- (z) "**Priority Payable Authorizations**" shall have the meaning ascribed thereto in subsection [6.01\(k\)](#)
- (aa) "**Real Property**" means collectively, the Coronet Road Property and the Markham Road Property;
- (bb) "**SBL Loan Agreement**" means the loan agreement pursuant to the requirements of the *Canada Small Business Financing Act* dated March 3, 2020 and accepted by the Borrower on March 3, 2020, as amended, revised, restated, replaced and supplemented from time to time;

- (cc) "**SBL Term Facility**" means the non – revolving term facility in the amount of \$200,000.00 established under the SBL Loan Agreement and set forth in subsection 2.01(c);
- (dd) "**Security**" means collectively all of the security delivered by the Borrower, or any other person, to the Bank as security for the Indebtedness and obligations of the Borrower to the Bank pursuant to the Loan Agreement, or otherwise, to secure the Indebtedness and obligations of the Borrower to the Bank, including, without limitation, the Security listed in **Schedule "A"** attached hereto;
- (ee) "**Subordinated Creditor Enforcement Proceeding**" means the mortgage enforcement proceeding commenced by Datjit Singh Banga in respect of the Coronet Property;
- (ff) "**Term Loan Facility No. 44960053-001**" means the non – revolving term facility in the amount of \$562,074.52 established under the Loan Agreement and set forth in subsection 2.01(a);
- (gg) "**Term Loan Facility No. 44960053-004**" means the non – revolving term facility in the amount of \$713,771.89 established under the Loan Agreement and set forth in subsection 2.01(b).

## ARTICLE 2

### CREDIT FACILITIES

**2.01 Acknowledgement of Indebtedness:** The Borrower acknowledges that, as at September 18, 2023, the Borrower is indebted to the Bank:

- (a) in respect of Term Loan Facility No. 44960053-001, in the amount of \$535,732.59, comprising principal in the amount of \$533,571.40 and accrued interest to and including September 18, 2023 in the amount of \$2,161.19. Interest continues to accrue on the aforesaid principal amount at the rate of 4.48% per annum. The *per diem* amount on the aforesaid principal amount, given the interest rate is \$65.49;
- (b) in respect of Term Loan Facility No. 44960053-004, in the amount of \$676,480.20, comprising principal in the amount of \$674,586.18 and accrued interest to and including September 18, 2023 in the amount of \$1,894.02. Interest continues to accrue on the aforesaid principal amount at the rate of 3.66% per annum. The *per diem* amount on the aforesaid principal amount, given the interest rate is \$67.64;
- (c) in respect of the SBL Term Facility, in the amount of \$133,092.28, comprising principal in the amount of \$132,869.49 and accrued interest to and including September 18, 2023, in the amount of \$222.79. Interest continues to accrue on the aforesaid principal amount at the Bank's Prime Rate plus 3.00% per annum.

The *per diem* amount on the aforesaid principal amount, given the interest rate is \$37.13;

- (d) in respect of the CEBA Program, in the amount of \$40,000.00.

**2.02 Interest, Etc.:** The Borrower and Guarantors acknowledge that interest on the amounts set forth in section 2.01 above, as well as all costs, fees, expenses and other monies incurred by the Bank in connection with the Security, the Indebtedness, including, without limitation, further advances, if any, made by the Bank under the Loan Agreement or hereunder, the collection of the Indebtedness, any appraisals, environmental reports and investigation of the Assets and/or the Real Property and the Security, enforcement of the Security, the negotiation, preparation and enforcement of this Agreement and any amendments hereto, and the disbursements and full amount of all legal and other professional fees incurred by the Bank in connection with all of the same shall be added to and are deemed to form part of the Indebtedness.

### **ARTICLE 3** **ACKNOWLEDGEMENTS**

**3.01 Acknowledgements by the Borrower:** The Borrower hereby confirms and acknowledges to the Bank that:

- (a) each of the foregoing recitals are true and accurate both in substance and in fact;
- (b) the Indebtedness is due and owing to the Bank and the Borrower has no right or claim of set-off, counter-claim, damages or any similar right or claim against the Bank in connection with the Indebtedness;
- (c) the Borrower is in default of certain covenants and obligations under the Loan Agreement as referenced in the recitals;
- (d) the Bank had the right to demand repayment of the Indebtedness and issue the NOI Notice referred to in the above recitals, and the right, as at the date hereof, to enforce the Security as the 10-day period set out in the NOI Notice has expired;
- (e) the Security is in full force and effect, constitutes legal, valid and binding obligations of the Borrower, or the person granting such Security, enforceable against the Borrower, and the person granting such Security, and the Borrower hereby waives and agrees not to assert or cause to be asserted on its behalf, and is hereby estopped from asserting or causing to be asserted on its behalf, any defences or rights with respect to the legal effect of the Security or the legality, validity or binding effect of the obligations of the Borrower thereunder and the enforceability of same;

- (f) except as provided for in this Agreement, the Bank (either by itself or through its employees or agents) has made no promises, nor has it taken any action or omitted to take any action which would constitute a waiver of its right to take any enforcement action in connection with the enforcement of the Security, or which would estop it from so doing and that no statement, representation, promise, act or omission by the Bank or its employees or agents shall create such a waiver or estoppel unless the Bank executes and delivers to the Borrower a written waiver of any such rights; and
- (g) the Borrower has been provided with a reasonable opportunity to seek legal advice with respect to the execution and delivery of this Agreement and has either done so or has decided to execute and deliver the same to the Bank without obtaining such legal advice.

**3.02 Acknowledgements by the Guarantors:** Each of the Guarantors hereby acknowledge and confirm that:

- (a) each of the foregoing recitals are true and accurate both in substance and in fact;
- (b) the Indebtedness is due and owing to the Bank and the Borrower has no right or claim of set-off or any similar right or claim against the Bank in connection with the Indebtedness;
- (c) the Bank had the right to demand repayment of the Indebtedness and issue the NOI Notice referred to in the above recitals, and the right, as at the date hereof, to enforce the Security as the 10-day period set out in the NOI Notice has expired;
- (d) the Security is in full force and effect, constitute legal, valid and binding obligations of the Borrower, or the person granting such Security, and any other security delivered by the Borrower, or any other person, will be enforceable against the Borrower, and the person granting such Security, and the Guarantors hereby waive and agree not to assert or cause to be asserted on behalf of any or all of them, and are hereby estopped from asserting or causing to be asserted on behalf of any or all of them, any defences or rights in relation to any matter, cause or thing whatsoever existing to the date hereof with respect to the legal effect of the Security or the legality, validity or binding effect of the obligations of the Borrower thereunder and the enforceability of same;
- (e) there is no dispute respecting the liability of the Guarantors in connection with the Indebtedness and the obligations of the Guarantors to repay the Indebtedness according to the provisions of the Guarantees delivered by the Guarantors;
- (f) the Guarantees are in full force and effect, constitute legal, valid and binding obligations of each of the Guarantors, are enforceable against the Guarantors and the Guarantors hereby waive and agree not to assert or cause to be asserted on behalf of any or all of them, and are hereby estopped from asserting or causing to be asserted on behalf of any or all of them, any defences or rights with respect to

the legal effect of the Guarantees or the legality, validity or binding effect of the obligations of the Guarantors thereunder and the enforceability of same;

- (g) they each consent to the Borrower entering into this Agreement;
- (h) notwithstanding the terms of the Guarantees, the Security, the Loan Agreement, this Agreement, or of any other agreement, whether written or oral, between the Bank and the Guarantors or any one of them, the Bank shall be entitled to rely upon the Guarantees in respect of any amounts comprising the Indebtedness;
- (i) except as provided in this Agreement, the Bank (either by itself or through its employees or agents) has made no promises, nor has it taken any action or omitted to take any action which would constitute a waiver of its right to take any enforcement action in connection with the enforcement of the Security, or which would estop it from so doing and that no statement, representation, promise, act or omission by the Bank or its employees or agents shall create such a waiver or estoppel unless the Bank executes and delivers to the Borrower a written waiver of any such rights following the date hereof; and
- (j) the Guarantors have been provided with a reasonable opportunity to seek legal advice with respect to the execution and delivery of this Agreement and has either done so or has decided to execute and deliver the same to the Bank without obtaining such legal advice.

### **3.03 Tolling Provisions:**

- (a) As of the date hereof and continuing until the termination of the Forbearance Period (defined herein) and thereafter until the termination of the tolling arrangements hereof in the manner provided for at subparagraph 3.03(b), the Bank, the Borrower and the Guarantors hereby agree to toll and suspend the running of the applicable statutes of limitations, laches or other doctrines related to the passage of time in relation to the Indebtedness, the Security, and any entitlements arising from the Indebtedness or the Security and any other related matters, and each of the parties confirm that this Agreement is intended to be an agreement to suspend or extend the basic limitation period, provided by section 4 of the *Limitations Act, 2002* (Ontario) as well as the ultimate limitation period provided by section 15 of the *Limitations Act, 2002* (Ontario) in accordance with the provisions of section 22(2) of the *Limitations Act, 2002* (Ontario) and as a business agreement in accordance with the provisions of section 22(5) of the *Limitations Act, 2002* (Ontario) and any contractual time limitation on the commencement of proceedings, any claims or defences based upon such applicable statute of limitations, contractual limitations, or any time related doctrine including waiver, estoppel or laches; and
- (b) the tolling provisions of this Agreement will terminate upon any party providing the others with 45 days written notice of an intention to terminate the tolling provisions hereof, and upon the expiry of such 45 day notice, and any time



provided for under the statutes of limitations, laches, or any other doctrine related to the passage of time in relation to the Indebtedness, the Security or any entitlements arising from the Indebtedness or the Security and any other related matters, will recommence running as of the effective date of such notice, and for greater certainty the time during which the limitation period is suspended pursuant to the tolling provisions of this Agreement shall not be included in the computation of any limitation period.

#### **ARTICLE 4** **WAIVER AND RELEASE**

**4.01 Waiver and Release:** The Borrower and Guarantors acknowledge and agree that, to the date hereof, the Bank's administration of the Credit Facilities, and its conduct and actions in dealing with the Borrower and Guarantors, have been fair and reasonable and hereby waive and agree not to assert or cause to be asserted on behalf of any of them, and are hereby estopped from asserting or causing to be asserted on behalf of any of them, any defences, rights or claims on any grounds whatsoever with respect to such administration, conduct, action and dealings, and hereby absolutely, unconditionally and irrevocably release and remise the Bank (and its present and former affiliates, subsidiaries, divisions, predecessors, directors, officers, employees, agents and other representatives and their successors and assigns) of and from any and all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any other claims, counterclaims, defences, rights of set-off, demands and liabilities of any nature and kind whatsoever, known or unknown, both at law and in equity that the Borrower or Guarantors or any of their successors, assigns, or other legal representatives may now or hereafter have against the Bank. The Borrower and Guarantors hereby waive any and all rights they may have to assess any of the legal fees previously paid or payable by the Bank to its solicitors in connection with or in any way related to the parties hereto whether such rights of assessment arises pursuant to the *Solicitors Act* (Ontario) or under any other law or statute. Further, in executing and delivering this Agreement, the Borrower and Guarantors acknowledge and agree that they are acting freely and without duress and that this release may be pleaded as a full and complete defence and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of that release and that no fact, event, circumstance, evidence or transaction which could now be asserted or which may later be discovered will affect in any manner the final, absolute and unconditional nature of this release.

#### **ARTICLE 5** **FORBEARANCE**

**5.01 Implementation of Plan:** The Borrower and each of the Guarantors hereby covenant and agree to and with the Bank that: (i) they shall, and each shall ensure that the other,

honours and fulfils the terms and provisions set forth in this Article 5; and (ii) the Indebtedness shall be repaid by no later than April 12, 2024.

**5.02 Forbearance Period:** Subject to the terms and conditions of this Agreement, the Bank agrees that it will forbear from the exercise of its rights and remedies under the Security in respect of the Indebtedness for the period of time (“**Forbearance Period**”) commencing with the execution and delivery of this Agreement until the earlier of:

- (a) April 12, 2024; or
- (b) the date that the Bank becomes aware of an Event of Default that occurred prior to the date hereof that was not disclosed to it by the Borrower; or
- (c) the occurrence of an Event of Default following the date hereof.

The Borrower and each of the Guarantors acknowledge that the Bank shall have no obligation to continue to forbear after the expiration of the Forbearance Period, and that the Indebtedness shall become due and payable on April 12, 2024.

**5.03 Forbearance Fee:** A forbearance fee in the sum of \$2,500.00 (the “**Forbearance Fee**”) shall be paid to the Bank in consideration for the Bank’s agreement to forbear as set out herein and to compensate the Bank for the time and expense incurred, and to be incurred, by it in connection with the administration of the Credit Facilities during the Forbearance Period and such Forbearance Fee is deemed to have been earned by the Bank upon the execution and delivery of this Agreement. The Forbearance Fee shall be and is hereby deemed to form part of the Indebtedness and secured by the Security. The Borrower and each of the Guarantors authorize the Bank to debit any Account in payment of the Forbearance Fee immediately upon the execution of this Agreement by the Borrower and the Guarantors.

**5.04 Repayment of Municipal Property Tax Arrears:** The Borrower shall pay all municipal property tax arrears owing in respect of the Real Property by no later than November 10, 2023 and provide the Bank with evidence of such payment.

**5.05 Servicing and Reduction of the Indebtedness:** Notwithstanding any other provisions of this Agreement, the Borrower shall honour all payment obligations in accordance with the provisions of the Loan Agreement and cause the Indebtedness to be permanently reduced as follows:

- (a) the proceeds from the sale of the Markham Road Property shall be applied as and by way of a permanent reduction of the Indebtedness;
- (b) the proceeds from all sales, transfers or other disposition of the Assets, or any portion thereof, outside of the ordinary course of the Borrower’s business, shall be paid directly to the Bank to permanently reduce the Indebtedness, in such manner as it determines in its sole and absolute discretion;

- (c) the Borrower shall, and the Guarantors shall cause the Borrower to, continue to make all monthly payments required under the Loan Agreement, including monthly payments of principal and interest in respect of the Credit Facilities.

Notwithstanding any of the foregoing, the Bank reserves the right to apply the monies received under [subsection 5.05](#) against the Indebtedness in such manner as it determines in its sole and absolute discretion.

## **ARTICLE 6** **COVENANTS**

**6.01** The Borrower and each of the Guarantors hereby jointly and severally covenant and agree with the Bank as follows:

- (a) **Maintain Corporate Status:** The Borrower and the Corporate Guarantors shall maintain, and the Guarantors shall ensure that the Borrower and the Corporate Guarantors maintain their respective corporate existence as valid and subsisting corporate entities;
- (b) **No Additional Shares:** The Borrower and the Corporate Guarantors shall not, and the Guarantors shall ensure that the Borrower and the Corporate Guarantors do not, issue any additional shares from treasury, or permit any of their shares to be transferred or redeemed except with the prior written consent of the Bank;
- (c) **No Corporate Changes:** The Borrower and the Corporate Guarantors shall not, and the Guarantors shall ensure that the Borrower and the Corporate Guarantors do not merge, amalgamate or consolidate, with any other corporation except with the prior written consent of the Bank;
- (d) **No Further Obligations:** The Borrower shall not, and the Guarantors shall ensure that the Borrower does not, incur or become liable for any borrowed money, or for the purchase price of assets, obligations and leases, obligations under letters of credit or guarantees or indemnities, obligations given pursuant to bankers' acceptances or indemnities in connection therewith, or any contingent obligation, including, without limitation, guarantees, endorsements or bills of exchange, obligations to purchase assets and obligations to make advances or otherwise provide financial assistance to any other entity without the prior written consent of the Bank, except any of the same which is in the ordinary course of the business of the Borrower, provided, however, that nothing herein shall preclude the Borrower from incurring and becoming liable for borrowed money provided the same is used by the Borrower to repay the Indebtedness in accordance with and pursuant to this Agreement;
- (e) **Notice of Proceedings:** The Borrower shall deliver to the Bank, and the Guarantors shall ensure that the Borrower delivers to the Bank, prompt notice of any dispute, litigation, arbitration or administrative proceedings affecting any of

the Assets that is before or of any court, arbitration, tribunal or governmental authority;

- (f) **No Agreements:** Except as expressly permitted herein, the Borrower and the Guarantors shall not enter into any agreement or employ any strategy, either directly or indirectly, which would affect the ranking of the Security, encumber, restrict or otherwise impair the Assets or the marketability thereof and each of the Borrower and the Guarantors shall work diligently, toward the overall implementation of this Agreement;
- (g) **No Further Security:** The Borrower and the Guarantors shall not grant, execute or deliver any security interests, mortgages, hypothecs, liens, charges, pledges or other encumbrances whatsoever to any person, firm, corporation or other legal entity without the prior written consent of the Bank; however, nothing herein shall preclude the Borrower and the Guarantors from granting security against the Assets provided the same is delivered to secure borrowed money that is used by the Borrower to repay the Indebtedness in accordance with and pursuant to this Agreement;
- (h) **Payment of Bonuses, Etc.:** The Borrower and the Corporate Guarantors shall not, and the Guarantors shall ensure that the Borrower and the Corporate Guarantors do not, without the prior written consent of the Bank, incur any capital expenditures, or make any payments, whether directly or indirectly, to any of their shareholders or any other persons, whether by way of dividends, capital dividends, redemption or retraction of shares, bonuses or otherwise;
- (i) **No Repayment to Related Persons:** Until the Indebtedness is repaid in full, there shall be no repayment of any amounts owing by the Borrower and the Corporate Guarantors to any “related person” as such term is defined under the BIA, without the prior written consent of the Bank;
- (j) **Notice of Event of Default:** The Borrower and the Guarantors shall give to the Bank prompt notice of any Event of Default or any event which, with notice or lapse of time or both, would constitute an Event of Default;
- (k) **Statutory Remittances:** The Borrower and the Corporate Guarantors shall, and the Guarantors shall cause the Borrower and the Corporate Guarantors to, keep current all amounts owing by the Borrower and the Corporate Guarantors to the Crown, including, without limitation, amounts owing under the *Income Tax Act* (Canada), the *Excise Tax Act* (Canada), the *Retail Sales Tax Act* (Ontario), the *Municipal Act* (Ontario) and any other federal, provincial or municipal laws which could give rise to a claim against the Bank in priority to the Security held by the Bank against the Assets (collectively, the “**Priority Payables**”). The Borrower hereby authorizes and directs any entity having information in respect of the Priority Payables to release such information to the Bank or its agents to assist the Bank in evaluating the existence and extent of any indebtedness owing by the Borrower to such entity and the Borrower shall at the request of the Bank

execute and deliver such authorizations and consents as the Bank may require in respect of same (the “**Priority Payable Authorizations**”);

- (l) **Property Taxes:** Without limiting the covenants contained in subsection 6.01(k), the Borrower shall keep current all remittances owing by it in respect of property taxes, related to the Real Property current as of the date of execution of this Agreement and shall ensure that all remittances owing by it in respect of property taxes related to the Real Property remain current;
- (m) **Equipment Suppliers:** The Borrower shall, and the Guarantors shall cause the Borrower to, keep current all of its obligations to third parties that have or may be granted a lien, charge or security interest in any equipment forming part of the Assets;
- (n) **No Movement of Assets:** The Assets shall not be moved or otherwise relocated from the Business Premises where they are currently situate without the prior written consent of the Bank;
- (o) **Compliance:** The Borrower and the Guarantors shall comply, and each shall ensure that the other complies in all respects with all terms and provisions of this Agreement, the Loan Agreement, the Security and the Guarantees;
- (p) **Environmental Compliance:** The Borrower shall, and the Guarantors shall cause the Borrower to, comply with all applicable Environmental Laws respecting the ownership and operation of their respective businesses and keep in good standing all Environmental Permits required to operate its business;
- (q) **Environmental Assessment Reports and Appraisal:** The Borrower shall deliver to the Bank, and the Guarantors shall cause the Borrower to deliver to the Bank: (i) its most recent and up to date Environmental Assessment Phase I and II Reports in connection with the Real Property, (ii) its most recent and up to date appraisal of the Real Property and/or the Borrower shall consent to the Bank obtaining, at the Bank’s discretion, a current appraisal of the Real Property, and any costs associated with such appraisal shall form part of the Indebtedness;
- (r) **Progress and Status Reports:** The Borrower shall deliver to the Bank, and the Guarantors shall cause the Borrower to deliver to the Bank, status reports, by way of email sent directly to the Bank, on the last Business Day of each month commencing on October 31, 2023 respecting: (i) its efforts to sell the Markham Road Property; (ii) the status of Subordinated Credit Enforcement Proceeding; and (iii) its efforts to obtain replacement financing to repay the Indebtedness;
- (s) **Financial Reporting:** The Borrower shall honour, and the Guarantors shall cause the Borrower: (i) to honour, all financial reporting covenants contained in this Agreement and the Loan Agreement; (ii) to provide to the Bank copies of any term sheet or loan commitment obtained by the Borrower in connection with its refinancing efforts; (iii) to provide to the Bank copies of any listing agreement

and offer to purchase in connection with its efforts to sell the Markham Road Property; and (iv) to provide copies of any financial information requested by the Bank within twenty-four (24) hours of receiving a written request for the same;

- (t) **Insurance:** The Borrower shall, and the Guarantors shall ensure that the Borrower maintains current insurance evidencing fire and other perils coverage on the Real Property. The Borrower shall deliver to the Bank, and the Guarantors shall cause the Borrower to deliver to the Bank: (i) evidence that insurance coverage on the Real Property is in good standing and (ii) evidence showing that the Bank is 1<sup>st</sup> loss payee under its insurance coverage on the Real Property by no later than October 18, 2023.
- (u) **Bank Account:** The Borrower and Guarantors shall ensure that all monies generated by the Borrower in the course of its business operations are deposited into the Account and the Borrower shall only maintain accounts at the Bank. The Account shall be closed effective on the date of repayment of the Indebtedness;
- (v) **Account Debit Authorization:** The Borrower hereby authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any account in the name of the Borrower for all amounts payable under this Agreement;
- (w) **Cooperation On Enforcement:** Should an Event of Default occur and the Bank exercises its rights and remedies under this Agreement, the Security, the Guarantee or the Loan Agreement, the Borrower shall assist, and the Guarantors shall ensure that the Borrower assists, the Bank in the exercise of such rights and remedies, including, without limitation, assisting the Bank in securing possession of the Assets and providing such assistance as is requested in the sale of same;
- (x) **Consent To Judgment:** The Guarantors shall, contemporaneously with the execution of this Agreement, execute and deliver to and in favour of the Bank a Consent to Judgment in the form attached hereto as **Schedule “C”** (the “**Consent to Judgment**”), provided that the Bank shall not be entitled to rely upon the Consent to Judgment until the occurrence of an Event of Default; and
- (y) **Consent To Appointment:** The Borrower and Corporate Guarantors shall, contemporaneously with the execution of this Agreement, execute and deliver to and in favour of the Bank a Consent to Court-Appointed Receiver in the form attached hereto as **Schedule “D”** (the “**Consent to Appointment**”), provided that the Bank shall not be entitled to rely upon the Consent to Court-Appointed Receiver until the occurrence of an Event of Default.

**ARTICLE 7**  
**REPRESENTATIONS AND WARRANTIES**

**7.01 Representations and Warranties:** The Borrower and the Guarantors represent and warrant to and in favour of the Bank and acknowledge that the Bank is relying upon such representations and warranties in entering into this Agreement as follows:

- (a) The Borrower and the Corporate Guarantors are corporations duly incorporated, organized and subsisting under the laws of the Province of Ontario;
- (b) The Borrower and the Corporate Guarantors have all necessary power and authority and are duly qualified and holds all necessary licenses and/or registrations to carry on their respective businesses as now conducted and to enter into and perform their obligations under this Agreement;
- (c) the execution, delivery and performance of this Agreement by the Borrower and the Corporate Guarantors and the performance of their obligations hereunder:
  - (g) have been duly authorized by all necessary corporate actions;
  - (h) do not conflict with or result in a breach or violation of or constitute a default under;
    - A. the constating documents or by-laws of the Borrower and the Corporate Guarantors;
    - B. any law, rule, regulation, order, judgment, writ, injunction or decree applicable to the Borrower and/or the Corporate Guarantors; and
    - C. any commitment, agreement or other instrument to which the Borrower and the Corporate Guarantors are now a party or otherwise bound; and
  - (i) does not require the consent or approval of any third party;
- (d) there are no proceedings nor any circumstances or material facts which could give rise to any proceedings, in which it is alleged on reasonable grounds that the Borrower or its predecessors are potentially responsible for clean-up or remediation of lands contaminated with Hazardous Substances or for any other remedial or corrective action under any Environmental Laws;
- (e) there are no circumstances, to the knowledge of the Borrower, that could reasonably be expected to give rise to any civil or criminal proceedings or liability regarding (i) the release or presence of a Hazardous Substance on the Real Property, or (ii) the violation of any Environmental Laws by the Borrower, its

respective employees, agents or others for which the Borrower is responsible in law;

- (f) all Hazardous Substances disposed of, treated or stored on the Real Property have been disposed of, treated and stored in compliance in all material respects with all Environmental Laws;
- (g) save and except for the municipal property tax arrears referred in section 5.04, all amounts owing by the Borrower under the *Income Tax Act* (Canada), *Excise Tax Act* (Canada), *Retail Sales Tax Act* (Ontario), *Municipal Sales Act* (Ontario) and any other federal, provincial or municipal laws which could give rise to a claim against the Bank in priority to the Security, are current, including, without limitation, source deductions and harmonized sales tax and there are no amounts owing to Canada Revenue Agency, the Province of Ontario, or any other federal or provincial government agency or body that may give rise to the issuance of a third party requirement to pay or any similar such demand notice;
- (h) there is no matter, fact or event which is known to the Borrower or Guarantors that has not been disclosed to the Bank which constitutes an Event of Default or is likely to have a material adverse effect on the performance of their respective obligations under this Agreement, or have a material adverse effect on the Assets or the operations of the Borrower and each of the Borrower and the Guarantors have conducted such investigations as they consider reasonably necessary to make this representation and warranty; and
- (i) no proceeding or action has been taken or commenced by any person against the Borrower in respect of any amounts owing by the Borrower to any person.

**7.02 Non-Merger:** The representations and warranties set forth herein shall survive the execution and delivery of this Agreement and shall continue in full force and effect until the repayment of the Indebtedness.

## **ARTICLE 8** **SECURITY**

**8.01 Security:** The Security shall continue to be held by the Bank hereunder.

**8.02 Cross Collateralization:** All Security held by the Bank shall be held as security for all Indebtedness. For greater certainty, the Borrower and Guarantors hereby acknowledge and agree that upon the occurrence of an Event of Default, the Bank shall be entitled to enforce its rights under the Security, or any part thereof, against the Assets, or any portion thereof, to the extent of the Indebtedness.

**8.03 Access to the Assets:** The Borrower shall provide, and the Guarantors shall ensure that the Borrower provides, access to the Bank or its agents during normal business hours, to enter the Business Premises or any property where the Assets are located to inspect the



Assets or to have appraisals made of the Assets, or to conduct environmental investigations in respect of the Real Property, and to examine and make copies of all books and records relating thereto, including any books and records required by the Bank, its representatives or agents to confirm, among other things, that the Priority Payables are current. All costs in connection with such appraisals, environmental reports, testing and enquires shall form and are hereby deemed to form part of the Indebtedness.

**ARTICLE 9**  
**DEFAULT**

**9.01 Events of Default:** Each of the following events shall constitute an Event of Default under this Agreement:

- (a) any default or failure in the observance or performance of any payment, covenant, obligation or agreement contained herein and/or under the Security and/or under the Loan Agreement by the Borrower and/or the Guarantors;
- (b) the occurrence of any Event of Default under the Security and/or under the Loan Agreement;
- (c) any representation, warranty or statement contained herein and/or in the Security and/or in the Loan Agreement which is or proves to be untrue or incorrect;
- (d) the receipt by the Bank of a demand or requirement for payment from Canada Revenue Agency, the Province of Ontario, or any other federal, provincial or municipal governmental agency or body, as a result of arrears or monies owing by the Borrower or a Corporate Guarantor including, without limitation, on account of employee source deductions, harmonized sales tax, corporate tax, employee health tax, employee vacation pay, provincial pension contributions or municipal property taxes;
- (e) the Bank determining, in its sole and absolute discretion, that a material adverse change has occurred in the financial condition, ownership structure or composition or operation of the Borrower or a Corporate Guarantor;
- (f) the Borrower taking any action or commencing any proceeding or any action or proceeding being taken or commenced by another person or persons against the Borrower in respect of the liquidation, dissolution or winding-up of the Borrower, including, without limitation, any action or proceeding under the *Winding Up and Restructuring Act*, the *Business Corporations Act* (Ontario), or other similar legislation whether now or hereinafter in effect;
- (g) the Borrower or a Corporate Guarantor taking any action or commencing any proceeding or any action or proceeding being taken or commenced by another person or persons against the Borrower or a Corporate Guarantor relating to the reorganization, readjustment, compromise or settlement of the debts owed by the

Borrower and/or a Corporate Guarantor to their respective creditors where such reorganization, readjustment, compromise or settlement shall affect a substantial portion of the Assets, including, without limitation, the filing of a notice of intention to make a proposal or the filing of a proposal pursuant to the provisions of the BIA, the making of an order under the *Companies' Creditors Arrangements Act (Canada)* or the commencement of any similar action or proceeding by the Borrower or a Corporate Guarantor;

- (h) the Borrower or a Corporate Guarantor committing or threatening to commit any act of bankruptcy pursuant to or set out under the provisions of the BIA;
- (i) the filing of a bankruptcy application for a bankruptcy order against the Borrower or a Corporate Guarantor pursuant to the provisions of the BIA;
- (j) any execution, sequestration or other process of any court or other tribunal becoming enforceable against the Borrower or a Corporate Guarantor or a distress or analogous action or proceeding being taken, commenced or issued against the Borrower or a Corporate Guarantor or levied upon or in respect of the Assets or any part thereof, or any lien, trust claim or any other right or entitlement against or in respect of the Assets or any part thereof becoming effective, including, without limitation, a warrant of distress of any rent in respect of any premises occupied by the Borrower or a Corporate Guarantor, including, without limitation, any premises in or upon which the Assets or any part thereof may at any time be situate; and
- (k) an interim receiver, receiver, receiver and manager, agent, liquidator or other similar administrator being appointed in respect of the Assets, or any part thereof, or the taking by a secured party, lien claimant, other encumbrancer, judgment creditor or a person asserting similar rights of possession to the Assets or any part thereof.

**9.02 Waiver:** The Bank may waive in writing any Event of Default, in its sole and absolute discretion, but no such waiver shall constitute a waiver of any other Event of Default.

## **ARTICLE 10** **REMEDIES ON DEFAULT**

**10.01 Enforcement:** Upon the occurrence of an Event of Default:

- (a) the Bank may immediately terminate its agreement to forbear as set forth in section 5.02 hereof and shall be entitled to enforce all of its rights and remedies against the Borrower and the Guarantors;
- (b) the Borrower and the Corporate Guarantors shall assist, and the Guarantors covenants they will ensure that the Borrower and the Corporate Guarantors assist, the Bank in the exercise of its rights and remedies, including, without limitation,

assisting the Bank in securing possession of the Assets, or any part thereof, and providing such assistance as is requested in the sale of same;

- (c) the Borrower and the Guarantors hereby consent to the Bank immediately enforcing its rights under this Agreement, the Loan Agreement and the Security, including, without limitation, the appointment of an interim receiver, receiver or receiver and manager, by way of private appointment or on an application to the Superior Court of Justice (Ontario) (Commercial List), against the Assets;
- (d) the Borrower and the Guarantors shall, immediately upon receipt from the Bank or its counsel of a Notice of Disposition pursuant to the provisions of subsection 63(4) of the *Personal Property Security Act* (Ontario), consent to the immediate disposition of the Assets by the Bank and should the Borrower and/or the Guarantors or any one of them, fail to execute such consent when requested to do so by the Bank, the agreement of the Borrower and/or the Guarantors to do so herein shall be deemed to constitute the irrevocable consent of the Borrower and the Guarantors to the immediate disposition of the Assets by the Bank;
- (e) the Borrower and the Corporate Guarantors shall immediately upon the filing by the Bank of a bankruptcy application for a bankruptcy order against the Borrower and/or the Corporate Guarantors forthwith consent to an immediate bankruptcy order being made against it and should the Borrower or the Corporate Guarantors fail to execute such consent when requested to do so by the Bank, the consent of the Borrower and the Corporate Guarantors to do so herein shall be deemed to constitute the irrevocable consent to such bankruptcy order;
- (f) the Bank shall immediately issue an action or application in the Superior Court of Justice (Ontario) (Commercial List) in order to file and enforce the Consent to Judgment referenced in subsection 6.01(x); and
- (g) the Bank shall immediately issue an action or application in the Superior Court of Justice (Ontario) (Commercial List) in order to file and enforce the Consent to Appointment referenced in subsection 6.01(y).

## ARTICLE 11 GENERAL

**11.01 Entire Agreement:** This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements or discussions between the Parties whether written or oral.

**11.02 Headings:** The headings in this Agreement are provided for convenience of reference only and should not be considered to form part hereof for the purpose of interpreting or construing or applying this Agreement and such headings shall not define, limit, extend or describe the scope of this Agreement or any of its terms and conditions.

**11.03 Schedules:** Schedules "A", "B", "C" and "D" attached hereto form an integral part of this Agreement.

**11.04 Severability:** If any provision of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and shall remain valid and enforceable.

**11.05 Notices:** Any notice required or permitted to be given hereunder or any tender or delivery of documents may be given in writing by personal delivery, facsimile or other electronic transmission to the Borrower and the Bank at the following addresses:

**To the Borrower/Guarantors at:**

622 The Queensway  
Toronto, ON M8Y 1K3  
Attention: Tharmini Kandasamy

**with a courtesy copy to:**

**DH Law**

#2200 – 4950 Yonge Street  
Toronto, ON M2N 6K1  
Attention: S. David Hwang  
Tel: 416-661-8822  
Email: david@dhlegal.ca

**To the Bank at:**

20 King Street West, 2<sup>nd</sup> Floor  
Toronto, ON M5H 1C4  
Attention: Angella White-Smith  
Tel: 416-955-2132  
Email: angella.white@rbc.com

**with a courtesy copy to:**

**Minden Gross LLP**

145 King Street West, Suite 2200  
Toronto, ON M5H 4G2

Attention: Timothy R. Dunn  
Fax: 416-369-4335  
Email: tdunn@mindengross.com

The date of receipt of such notice shall be the date of the actual delivery to the address specified if delivered or the date of actual transmission to the telecopier number (if

telecopied) or the date of actual electronic transmission, unless such date is not a Business Day, in which event the date of receipt shall be the next Business Day immediately following the date of such delivery or transmission.

- 11.06 No Prejudice:** The provisions hereof shall operate and apply without prejudice to any rights which the Bank may now or in the future have in respect of the Indebtedness, or other liabilities or obligations, whether direct or indirect, matured or not, contingent or otherwise, of the Borrower to the Bank.
- 11.07 Successors and Assigns:** This Agreement may be assigned by the Bank in its sole and absolute discretion, but shall not be assigned by the Borrower or any Guarantor unless authorized by the Bank in writing and this Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors, permitted assigns, heirs and legal personal representatives (as applicable).
- 11.08 Timely Performance:** It is intended by all Parties to this Agreement that all obligations hereunder will be performed strictly in accordance with the provisions of this Agreement and in a timely manner, with time being of the essence hereof. Accordingly, should default occur in the timely performance of any of the obligations by the Borrower for any reason, whether within or beyond its control, the Bank shall upon the occurrence of such default be entitled to rely strictly on its rights and remedies as set forth in this Agreement and under the Loan Agreement and the Security.
- 11.09 Relationship of Parties:** Nothing in this Agreement shall be construed to change the relationship existing between the Borrower and the Bank to one other than the debtor/creditor relationship as it now exists. This Agreement is not entered into, nor shall it create, a partnership, joint venture or agency relationship between the Bank and any of the Parties hereto.
- 11.10 Counterparts and Electronic Execution:** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, and all of which taken together shall be deemed to constitute one and the same agreement. A facsimile or other electronic transmission received by each Party of the other Parties signatures shall serve to confirm the execution thereof by each such party.
- 11.11 Governing Law:** This Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada as are applicable therein.
- 11.12 No Amendment:** This Agreement shall not be amended unless such amendments are in writing and signed by all Parties.
- 11.13 Further Assurances:** The Borrower and each of the Guarantors hereby agree to sign or execute all such other documents and do such other things as may be necessary or desirable for more completely and effectively carrying out the terms and intentions of this Agreement.

**11.14 Acceptance:** Each of the Borrower and the Guarantors hereby acknowledge and agree to and with the Bank that on or before 5:00 p.m. on October 18, 2023 the Bank shall have received: (i) a copy of this Agreement executed by the Borrower and each of the Guarantors; (ii) payment of the Forbearance Fee required under [section 5.05](#) hereof; and (iii) evidence of adequate insurance coverage as required under subsection 6.01(t) hereof. In the event either of these conditions precedent to the Bank agreeing to forbear have not been satisfied, the Bank may elect to rely upon its rights and remedies under the Loan Agreement, the Security, the Guarantees or otherwise.

**[REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]**

**IN WITNESS WHEREOF** the Parties hereto have duly executed this Agreement with effect as and from the date first written above.

**ROYAL BANK OF CANADA**

Per: \_\_\_\_\_  
Name: Angella White-Smith  
Title: Manager, Special Loans and  
Advisory Services

I Have Authority to Bind the Bank

**1818216 ONTARIO INC.**

Per: \_\_\_\_\_  
Name: Tharmini Kandasamy  
Title: Authorized Signing Officer

I Have Authority to Bind the Corporation

**RAVI SOUPS AND WRAPS INC.**

Per: \_\_\_\_\_  
Name: Tharmini Kandasamy  
Title: Authorized Signing Officer

I Have Authority to Bind the Corporation

**1865994 ONTARIO INC.**

Per: \_\_\_\_\_  
Name: Tharmini Kandasamy  
Title: Authorized Signing Officer

I Have Authority to Bind the Corporation

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
**THARMINI KANDASAMY**

**SCHEDULE "A"****SECURITY****BORROWER**

1. General Security Agreement (Form 924) dated February 14, 2019 executed and delivered to and in favour of the Bank by the Borrower;
2. Security Agreement (Chattel Mortgage) (Form 927) dated March 3, 2020 executed and delivered to and in favour of the Bank by the Borrower, constituting a first ranking and specific security interest in equipment and leaseholds, held in support of the SBL Term Facility;
3. First-ranking Collateral Charge/Mortgage of land in the principal sum of \$572,000.00 executed and delivered to and in favour of the Bank by the Borrower and registered against title to the Coronet Road Property registered on March 9, 2020 as Instrument No. AT5384071;
4. First-ranking Collateral Charge/Mortgage of land in the principal sum of \$720,000.00 executed and delivered to and in favour of the Bank by the Borrower and registered against title to the Markham Road Property registered on October 22, 2020 as Instrument No. AT5552812;

**GUARANTORS**

5. General Security Agreement (Form 924) dated March 5, 2020 executed and delivered to and in favour of the Bank by Ravi Soups;
6. General Security Agreement (Form 924) dated February 14, 2019, executed and delivered to and in favour of the Bank by 186.



**SCHEDULE "B"****GUARANTEES**

1. Guarantee and Postponement of Claim (Form 812) dated February 28, 2020, limited to the principal amount of \$1,312,000.00 executed and delivered to the Bank by Tharmini respecting the Indebtedness;
2. Guarantee and Postponement of Claim (Form 812) dated March 3, 2020, limited to the principal amount of \$50,000 executed and delivered to the Bank by Tharmini respecting the SBL Term Facility;
3. Guarantee and Postponement of Claim (Form 812) dated March 5, 2020, limited to the principal amount of \$1,312,000.00 executed and delivered to the Bank by Ravi Soups respecting the Indebtedness; and
4. Guarantee and Postponement of Claim (Form 812) dated February 28, 2020, limited to the principal amount of \$1,312,000.00 executed and delivered to the Bank by 186 respecting the Indebtedness.

**SCHEDULE "C"**

Court File No.

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**

B E T W E E N:

**ROYAL BANK OF CANADA**

Plaintiff

and

**1818216 ONTARIO INC., RAVI SOUPS AND WRAPS INC., 1865994 ONTARIO INC.**  
**and THARMINI KANDASAMY**

Defendants

**CONSENT**

The undersigned consent to Judgment, in substantially the same form as that attached hereto as **Schedule "A"**, being entered against each undersigned. The undersigned also certify that the Judgment being sought herein does not affect the rights of any person under disability.

**DATED** this        day of October, 2023.

**1818216 ONTARIO INC.**

Per: \_\_\_\_\_  
Name: Tharmini Kandasamy  
Title: Authorized Signing Officer  
I Have Authority to Bind the Corporation

**RAVI SOUPS AND WRAPS INC.**

Per: \_\_\_\_\_  
Name: Tharmini Kandasamy  
Title: Authorized Signing Officer  
I Have Authority to Bind the Corporation

**1865994 ONTARIO INC.**

Per: \_\_\_\_\_

Name: Tharmini Kandasamy

Title: Authorized Signing Officer

I Have Authority to Bind the Corporation

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
**THARMINI KANDASAMY**

**Schedule "A"**

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**THE HONOURABLE** ) **DAY, THE** **DAY**  
 )  
**JUSTICE** ) **OF** **202**

**B E T W E E N:**

**ROYAL BANK OF CANADA**

Plaintiff

and

**1818216 ONTARIO INC., RAVI SOUPS AND WRAPS INC., 1865994 ONTARIO INC.  
and THARMINI KANDASAMY**

Defendants

**JUDGMENT**

**THIS MOTION**, made by the plaintiff, Royal Bank of Canada ("**RBC**"), without notice, for consent judgment against the defendants, 1818216 Ontario Inc., Ravi Soups and Wraps Inc., 1865994 Ontario Inc. and Tharmini Kandasamy was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the notice of motion, including an affidavit of verification, and the consent of the parties, filed,

1. **IT IS ORDERED AND ADJUDGED** that the defendant, 1818216 Ontario Inc., shall pay to the plaintiff, RBC, the sum of \$ \_\_\_\_\_ in respect of the indebtedness owing by it to the Bank under its loan and security arrangements with the Bank.

2. **IT IS ORDERED AND ADJUDGED** that the defendant, Ravi Soups and Wraps Inc., shall pay to the plaintiff, RBC, the sum of \$ \_\_\_\_\_ in respect of its guarantee limited to the principal amount of \$1,312,000.00 and dated March 5, 2020, in respect of the debts, liabilities and obligations of 1818216 Ontario Inc.

3. **IT IS ORDERED AND ADJUDGED** that the defendant, 1865994 Ontario Inc., shall pay to the plaintiff, RBC, the sum of \$ \_\_\_\_\_ in respect of its guarantee limited to the principal amount of \$1,312,000.00 and dated February 28, 2020, in respect of the debts, liabilities and obligations of 1818216 Ontario Inc.

4. **IT IS ORDERED AND ADJUDGED** that the defendant, Tharmini Kandasamy, shall pay to the plaintiff, RBC, the sum of \$ \_\_\_\_\_ in respect of her guarantee limited to: (i) the principal amount of \$1,312,000.00 and dated February 28, 2020, in respect of the debts, liabilities and obligations of 1818216 Ontario Inc.; and (ii) the principal amount of \$50,000 dated March 3, 2020, in respect of the debts, liabilities and obligations of 1818216 Ontario under a Canada Small Business Loan Agreement made pursuant to the *Canada Small Business Financing Act*.

5. **IT IS ORDERED AND ADJUDGED** that the defendants, Ravi Soups and Wraps Inc., 1865994 Ontario Inc. and Tharmini Kandasamy, shall pay to the plaintiff, RBC, the sum of \$ \_\_\_\_\_ in respect of costs incurred by the plaintiff, RBC, in respect of this motion.

**THIS JUDGMENT BEARS INTEREST** as follows:

(a) On the judgment debt of \$ \_\_\_\_\_ as set out in above paragraph 1 payable by the defendant, Ravi Soups and Wraps Inc., to RBC at RBC's prime rate of interest per annum in effect from time to time plus 5.00% from the date of judgment.

(b) On the judgment debt of \$ \_\_\_\_\_ as set out in above paragraph 2 payable by the defendant, 1865994 Ontario Inc., to RBC at RBC's prime rate of interest per annum in effect from time to time plus 5.00% from the date of judgment.

(c) On the judgment debt of \$ \_\_\_\_\_ as set out in above paragraph 3 payable by the defendant, Tharmini Kandasamy, to RBC at RBC's prime rate of interest per annum in effect from time to time plus 5.00% from the date of judgment.

(d) On the costs of \$ \_\_\_\_\_ as set out in above paragraph 4 payable by the defendants, Ravi Soups and Wraps Inc., 1865994 Ontario Inc. and Tharmini Kandasamy, to RBC at the rate of 5.00% per annum from the date of judgment.

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**SCHEDULE “D”****CONSENT TO RECEIVER**

**TO: Royal Bank of Canada (the “Lender”)**

**AND TO: Its solicitors, Minden Gross LLP**

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1818216 Ontario Inc. (the “**Debtor**”) and Ravi Soups and Wraps Inc. and 1865994 Ontario Inc. (the “**Corporate Guarantors**”) hereby consent to: (i) the immediate appointment by the Lender of a private receiver or receiver and manager in respect of the Debtor’s and the Corporate Guarantors’ assets, property and undertaking, including the real properties municipally known as 27 Coronet Road, Unit 17, Toronto, Ontario, Unit 101 and Unit 102, 2855 Markham Road, Toronto, Ontario, and any and all of the Debtor’s and the Corporate Guarantors’ books and records (collectively, the “**Assets**”); and/or (ii) the immediate appointment by Court Order in substantially the form attached hereto as Schedule “A” of a receiver or receiver and manager of the Assets pursuant to subsections 47(1) and 243(1) of the *Bankruptcy and Insolvency Act* and section 101 of the *Courts of Justice Act*.

*[signature page follows]*

**DATED** this      day of October, 2023.

**1818216 ONTARIO INC.**

By: \_\_\_\_\_

Name:

Title:

I have authority to bind the corporation.

**RAVI SOUPS AND WRAPS INC.**

By: \_\_\_\_\_

Name:

Title:

I have authority to bind the corporation.

**1865994 ONTARIO INC.**

By: \_\_\_\_\_

Name:

Title:

I have authority to bind the corporation.



## Schedule "A"

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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

**ROYAL BANK OF CANADA<sup>1</sup>**

Plaintiff

- and -

**1818216 ONTARIO INC., RAVI SOUPS AND WRAPS INC., 1865994 ONTARIO INC.  
and THARMINI KANDASAMY**

Defendant

**ORDER  
(appointing Receiver)**

THIS MOTION made by the Plaintiff<sup>2</sup> 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] as receiver [and manager] (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 1818216 Ontario Inc., Ravi Soups and Wraps Inc. and 1865994 Ontario Inc. (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

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<sup>1</sup> 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.

<sup>2</sup> Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".

ON READING the affidavit of [NAME] sworn [DATE] 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] 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<sup>3</sup> 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] is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (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 businesses 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, 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 businesses 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

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<sup>3</sup> 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.

instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings.<sup>4</sup> 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 \$\_\_\_\_\_, provided that the aggregate consideration for all such transactions does not exceed \$\_\_\_\_\_; 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,]<sup>5</sup> shall not be required.

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<sup>4</sup> 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.

<sup>5</sup> 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.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (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 Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this

paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

9. THIS COURT ORDERS that no Proceeding against or in respect of the 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 the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors 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 the Debtors 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 Debtors 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 Debtors' 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 Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

#### **RECEIVER TO HOLD FUNDS**

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the



collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

### **EMPLOYEES**

14. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

### **PIPEDA**

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

### **LIMITATION ON THE RECEIVER'S LIABILITY**

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

### **RECEIVER'S ACCOUNTS**

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this

Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.<sup>6</sup>

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### **FUNDING OF THE RECEIVERSHIP**

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$\_\_\_\_\_ (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.

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<sup>6</sup> 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".

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

#### **SERVICE AND NOTICE**

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<@>'.

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 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**

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the 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 Debtors' estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party

likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the \_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Order") made in an 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 \$\_\_\_\_\_ 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\_\_.

[RECEIVER'S NAME], solely in its capacity  
as Receiver of the Property, and not in its  
personal capacity

Per: \_\_\_\_\_

Name:

Title:



## FORBEARANCE AGREEMENT

**THIS AGREEMENT** made as of the ~~13~~<sup>18</sup>th day of October, 2023.

### A M O N G:

**ROYAL BANK OF CANADA**  
(hereinafter referred to as the "**Bank**")

- and -

**1818216 ONTARIO INC., operating as RAVI KITCHEN and RAVI WRAPS AND SALADS**  
(hereinafter referred to as the "**Borrower**")

- and -

**RAVI SOUPS AND WRAPS INC.**  
(hereinafter referred to as "**Ravi Soups**")

- and -

**1865994 ONTARIO INC.**  
(hereinafter referred to as "**186**")

- and -

**THARMINI KANDASAMY**  
(hereinafter referred to as "**Tharmini**"; together with Ravi Soups and 186, the "**Guarantors**" and individually, a "**Guarantor**")

### WHEREAS:

1. the Bank has made available the Credit Facilities to the Borrower on the terms and conditions established under the Loan Agreement;
2. the Guarantors have executed and delivered the Guarantees to the Bank for the purpose of guaranteeing the payment and performance of all of the debts, liabilities and obligations of the Borrower to the Bank;
3. the Borrower is in breach of various covenants contained in the Loan Agreement, including, without limitation:
  - (a) failure to pay municipal property taxes when the same fall due;

- (b) failure to have sufficient funds on hand to cover scheduled payments to third party creditors, resulting in the Bank having to return such payment requests for insufficient funds; and
  - (c) failure of the Borrower to obtain the written consent of the Bank to the registration of a Charge/Mortgage of Land against real property secured in favour of the Bank and in respect of which enforcement action is currently being taken by the subordinated mortgagee, which covenant breaches have not been waived by the Bank;
4. The Bank has, as a consequence of such default/breaches, by letter dated September 21, 2023, made demand upon the Borrower for the repayment of the indebtedness by no later than October 2, 2023 and enclosed a Notice of Intention to Enforce Security pursuant to Section 244(1) of the BIA also dated September 21, 2023;
  5. the Borrower has listed the Markham Road Property (as herein defined) for sale with the intention of using the sales proceeds to repay the Indebtedness;
  6. the Bank has had, and continues to have, serious concerns with respect to the financial viability of the Borrower;
  7. the Borrower and each of the Guarantors have requested that the Bank forbear from enforcing its rights and remedies under the Security so as to permit the Borrower the opportunity to: (i) obtain replacement financing; and (ii) sell the Markham Road Property in order to repay the Indebtedness in full;
  8. as an inducement to the Bank agreeing to so forbear, the Borrower and the Guarantors have agreed to enter into this Agreement and to comply with the terms and provisions contained herein, including, without limitation, the terms and provisions of the Repayment Plan;

**NOW THEREFORE** in consideration of the acknowledgements, confirmations, covenants and agreements contained herein, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto), each of the Parties hereto hereby agree with each other as follows:

## **ARTICLE 1** **INTERPRETATION**

**1.01 Definitions:** Unless otherwise specifically defined in this Agreement, all capitalized terms used in this Agreement shall have the meanings ascribed to them in the Loan Agreement. The following terms shall have the following meanings:

- (a) "**Account**" means all bank accounts established by the Bank in the name of the Borrower;

- (b) "**Assets**" means all of the real and personal property, tangible or intangible and undertakings of the Borrower and the Guarantors in respect of which the Bank holds Security;
- (c) "**BIA**" means the *Bankruptcy and Insolvency Act* (Canada);
- (d) "**Business Day**" means a day other than a Saturday, Sunday, statutory holiday in the Province of Ontario, or any other day on which the Schedule 1 Canadian Chartered Banks located in the City of Toronto are not open for business during normal banking hours;
- (e) "**Business Premises**" means any premises from which the Borrower operates its business, including, the Coronet Road Property and the Markham Road Property;
- (f) "**CEBA Program**" means the \$40,000.00 advanced by the Bank to the Borrower under the Canada Emergency Business Account program;
- (g) "**Coronet Road Property**" means the real property which is owned by the Borrower and known municipally as 27 Coronet Road, Unit 17, Toronto, Ontario;
- (h) "**Coronet Road Property Charge**" means the Charge/Mortgage of Land registered in favour of the Bank against title to the Coronet Road Property in the principal amount of \$572,000 as Instrument No. AT5384071;
- (i) "**Corporate Guarantors**" means collectively, Ravi Soups and 186, and "**Corporate Guarantor**" means any one of them;
- (j) "**Credit Agreement**" means the loan agreement dated August 4, 2021, and accepted by the Borrower on August 27, 2021, as amended, revised, restated, replaced and supplemented from time to time;
- (k) "**Credit Facilities**" means the credit facilities established by the Bank in favour of the Borrower pursuant to the Loan Agreement;
- (l) "**Environmental Laws**" means any applicable law respecting the natural environment, public or occupational health or safety, and the manufacture, importation, handling, transportation, storage, disposal and treatment of Hazardous Substances that applies to the Real Property and/or any other premises from which the Borrower operates its business;
- (m) "**Environmental Permits**" means all permits, certificates, approvals, consents, registrations and licenses issued or required by any Environmental Laws or any court or governmental authority relating to or required for the ownership of the Real Property and the operation of the Borrower's business thereon;
- (n) "**Event of Default**" means the occurrence of any one or more of the events set forth in Article 9 of this Agreement;

- (o) "**Guarantees**" means collectively, the Guarantees and Postponements of Claims executed and delivered, to and in favour of the Bank by the Guarantors, including, without limitation, the Guarantees and Postponements of Claims listed in **Schedule "B"** attached hereto and "**Guarantee**" means any one thereof;
- (p) "**Hazardous Substances**" means any solid, liquid, gas, odour, heat, sound, vibration, radiation or combination thereof that may impair the natural environment, injure or damage property or plant or animal life or harm or impair the health of any individual;
- (q) "**Indebtedness**" means the amounts set forth in [sections 2.01](#) and [2.02](#) hereof;
- (r) "**Lease**" means a lease of the Business Premises;
- (s) "**Loan Agreement**" means collectively, the Credit Agreement and the SBL Loan Agreement;
- (t) "**Markham Road Property**" means the two parcels of real property which are owned by the Borrower and known municipally as Unit 101 and Unit 102, 2855 Markham Road, Toronto, Ontario;
- (u) "**Markham Road Property Charge**" means the Charge/Mortgage of Land registered in favour of the Bank against title to the Markham Road Property in the principal amount of \$720,000 as Instrument No. AT5552812;
- (v) "**NOI Notice**" means any Notice of Intention to Enforce Security delivered to the Borrower by the Bank pursuant to subsection 244(1) of the BIA;
- (w) "**Parties**" means any one or more of the parties referred to in this Agreement, as the context may require;
- (x) "**Prime Rate**" means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on Canadian Dollar commercial loans in Canada;
- (y) "**Priority Payables**" shall have the meaning ascribed thereto in [subsection 6.01\(k\)](#);
- (z) "**Priority Payable Authorizations**" shall have the meaning ascribed thereto in [subsection 6.01\(k\)](#);
- (aa) "**Real Property**" means collectively, the Coronet Road Property and the Markham Road Property;
- (bb) "**SBL Loan Agreement**" means the loan agreement pursuant to the requirements of the *Canada Small Business Financing Act* dated March 3, 2020 and accepted by the Borrower on March 3, 2020, as amended, revised, restated, replaced and supplemented from time to time;

- (cc) "**SBL Term Facility**" means the non – revolving term facility in the amount of \$200,000.00 established under the SBL Loan Agreement and set forth in subsection 2.01(c);
- (dd) "**Security**" means collectively all of the security delivered by the Borrower, or any other person, to the Bank as security for the Indebtedness and obligations of the Borrower to the Bank pursuant to the Loan Agreement, or otherwise, to secure the Indebtedness and obligations of the Borrower to the Bank, including, without limitation, the Security listed in **Schedule "A"** attached hereto;
- (ee) "**Subordinated Creditor Enforcement Proceeding**" means the mortgage enforcement proceeding commenced by Datjit Singh Banga in respect of the Coronet Property;
- (ff) "**Term Loan Facility No. 44960053-001**" means the non – revolving term facility in the amount of \$562,074.52 established under the Loan Agreement and set forth in subsection 2.01(a);
- (gg) "**Term Loan Facility No. 44960053-004**" means the non – revolving term facility in the amount of \$713,771.89 established under the Loan Agreement and set forth in subsection 2.01(b).

## ARTICLE 2 CREDIT FACILITIES

**2.01 Acknowledgement of Indebtedness:** The Borrower acknowledges that, as at September 18, 2023, the Borrower is indebted to the Bank:

- (a) in respect of Term Loan Facility No. 44960053-001, in the amount of \$535,732.59, comprising principal in the amount of \$533,571.40 and accrued interest to and including September 18, 2023 in the amount of \$2,161.19. Interest continues to accrue on the aforesaid principal amount at the rate of 4.48% per annum. The *per diem* amount on the aforesaid principal amount, given the interest rate is \$65.49;
- (b) in respect of Term Loan Facility No. 44960053-004, in the amount of \$676,480.20, comprising principal in the amount of \$674,586.18 and accrued interest to and including September 18, 2023 in the amount of \$1,894.02. Interest continues to accrue on the aforesaid principal amount at the rate of 3.66% per annum. The *per diem* amount on the aforesaid principal amount, given the interest rate is \$67.64;
- (c) in respect of the SBL Term Facility, in the amount of \$133,092.28, comprising principal in the amount of \$132,869.49 and accrued interest to and including September 18, 2023, in the amount of \$222.79. Interest continues to accrue on the aforesaid principal amount at the Bank's Prime Rate plus 3.00% per annum.

The *per diem* amount on the aforesaid principal amount, given the interest rate is \$37.13;

- (d) in respect of the CEBA Program, in the amount of \$40,000.00.

**2.02 Interest, Etc.:** The Borrower and Guarantors acknowledge that interest on the amounts set forth in section 2.01 above, as well as all costs, fees, expenses and other monies incurred by the Bank in connection with the Security, the Indebtedness, including, without limitation, further advances, if any, made by the Bank under the Loan Agreement or hereunder, the collection of the Indebtedness, any appraisals, environmental reports and investigation of the Assets and/or the Real Property and the Security, enforcement of the Security, the negotiation, preparation and enforcement of this Agreement and any amendments hereto, and the disbursements and full amount of all legal and other professional fees incurred by the Bank in connection with all of the same shall be added to and are deemed to form part of the Indebtedness.

### **ARTICLE 3** **ACKNOWLEDGEMENTS**

**3.01 Acknowledgements by the Borrower:** The Borrower hereby confirms and acknowledges to the Bank that:

- (a) each of the foregoing recitals are true and accurate both in substance and in fact;
- (b) the Indebtedness is due and owing to the Bank and the Borrower has no right or claim of set-off, counter-claim, damages or any similar right or claim against the Bank in connection with the Indebtedness;
- (c) the Borrower is in default of certain covenants and obligations under the Loan Agreement as referenced in the recitals;
- (d) the Bank had the right to demand repayment of the Indebtedness and issue the NOI Notice referred to in the above recitals, and the right, as at the date hereof, to enforce the Security as the 10-day period set out in the NOI Notice has expired;
- (e) the Security is in full force and effect, constitutes legal, valid and binding obligations of the Borrower, or the person granting such Security, enforceable against the Borrower, and the person granting such Security, and the Borrower hereby waives and agrees not to assert or cause to be asserted on its behalf, and is hereby estopped from asserting or causing to be asserted on its behalf, any defences or rights with respect to the legal effect of the Security or the legality, validity or binding effect of the obligations of the Borrower thereunder and the enforceability of same;
- (f) except as provided for in this Agreement, the Bank (either by itself or through its employees or agents) has made no promises, nor has it taken any action or

omitted to take any action which would constitute a waiver of its right to take any enforcement action in connection with the enforcement of the Security, or which would estop it from so doing and that no statement, representation, promise, act or omission by the Bank or its employees or agents shall create such a waiver or estoppel unless the Bank executes and delivers to the Borrower a written waiver of any such rights; and

- (g) the Borrower has been provided with a reasonable opportunity to seek legal advice with respect to the execution and delivery of this Agreement and has either done so or has decided to execute and deliver the same to the Bank without obtaining such legal advice.

**3.02 Acknowledgements by the Guarantors:** Each of the Guarantors hereby acknowledge and confirm that:

- (a) each of the foregoing recitals are true and accurate both in substance and in fact;
- (b) the Indebtedness is due and owing to the Bank and the Borrower has no right or claim of set-off or any similar right or claim against the Bank in connection with the Indebtedness;
- (c) the Bank had the right to demand repayment of the Indebtedness and issue the NOI Notice referred to in the above recitals, and the right, as at the date hereof, to enforce the Security as the 10-day period set out in the NOI Notice has expired;
- (d) the Security is in full force and effect, constitute legal, valid and binding obligations of the Borrower, or the person granting such Security, and any other security delivered by the Borrower, or any other person, will be enforceable against the Borrower, and the person granting such Security, and the Guarantors hereby waive and agree not to assert or cause to be asserted on behalf of any or all of them, and are hereby estopped from asserting or causing to be asserted on behalf of any or all of them, any defences or rights in relation to any matter, cause or thing whatsoever existing to the date hereof with respect to the legal effect of the Security or the legality, validity or binding effect of the obligations of the Borrower thereunder and the enforceability of same;
- (e) there is no dispute respecting the liability of the Guarantors in connection with the Indebtedness and the obligations of the Guarantors to repay the Indebtedness according to the provisions of the Guarantees delivered by the Guarantors;
- (f) the Guarantees are in full force and effect, constitute legal, valid and binding obligations of each of the Guarantors, are enforceable against the Guarantors and the Guarantors hereby waive and agree not to assert or cause to be asserted on behalf of any or all of them, and are hereby estopped from asserting or causing to be asserted on behalf of any or all of them, any defences or rights with respect to the legal effect of the Guarantees or the legality, validity or binding effect of the obligations of the Guarantors thereunder and the enforceability of same;

- (g) they each consent to the Borrower entering into this Agreement;
- (h) notwithstanding the terms of the Guarantees, the Security, the Loan Agreement, this Agreement, or of any other agreement, whether written or oral, between the Bank and the Guarantors or any one of them, the Bank shall be entitled to rely upon the Guarantees in respect of any amounts comprising the Indebtedness;
- (i) except as provided in this Agreement, the Bank (either by itself or through its employees or agents) has made no promises, nor has it taken any action or omitted to take any action which would constitute a waiver of its right to take any enforcement action in connection with the enforcement of the Security, or which would estop it from so doing and that no statement, representation, promise, act or omission by the Bank or its employees or agents shall create such a waiver or estoppel unless the Bank executes and delivers to the Borrower a written waiver of any such rights following the date hereof; and
- (j) the Guarantors have been provided with a reasonable opportunity to seek legal advice with respect to the execution and delivery of this Agreement and has either done so or has decided to execute and deliver the same to the Bank without obtaining such legal advice.

### **3.03 Tolling Provisions:**

- (a) As of the date hereof and continuing until the termination of the Forbearance Period (defined herein) and thereafter until the termination of the tolling arrangements hereof in the manner provided for at subparagraph 3.03(b), the Bank, the Borrower and the Guarantors hereby agree to toll and suspend the running of the applicable statutes of limitations, laches or other doctrines related to the passage of time in relation to the Indebtedness, the Security, and any entitlements arising from the Indebtedness or the Security and any other related matters, and each of the parties confirm that this Agreement is intended to be an agreement to suspend or extend the basic limitation period, provided by section 4 of the *Limitations Act, 2002* (Ontario) as well as the ultimate limitation period provided by section 15 of the *Limitations Act, 2002* (Ontario) in accordance with the provisions of section 22(2) of the *Limitations Act, 2002* (Ontario) and as a business agreement in accordance with the provisions of section 22(5) of the *Limitations Act, 2002* (Ontario) and any contractual time limitation on the commencement of proceedings, any claims or defences based upon such applicable statute of limitations, contractual limitations, or any time related doctrine including waiver, estoppel or laches; and
- (b) the tolling provisions of this Agreement will terminate upon any party providing the others with 45 days written notice of an intention to terminate the tolling provisions hereof, and upon the expiry of such 45 day notice, and any time provided for under the statutes of limitations, laches, or any other doctrine related to the passage of time in relation to the Indebtedness, the Security or any entitlements arising from the Indebtedness or the Security and any other related



matters, will recommence running as of the effective date of such notice, and for greater certainty the time during which the limitation period is suspended pursuant to the tolling provisions of this Agreement shall not be included in the computation of any limitation period.

#### **ARTICLE 4** **WAIVER AND RELEASE**

**4.01 Waiver and Release:** The Borrower and Guarantors acknowledge and agree that, to the date hereof, the Bank's administration of the Credit Facilities, and its conduct and actions in dealing with the Borrower and Guarantors, have been fair and reasonable and hereby waive and agree not to assert or cause to be asserted on behalf of any of them, and are hereby estopped from asserting or causing to be asserted on behalf of any of them, any defences, rights or claims on any grounds whatsoever with respect to such administration, conduct, action and dealings, and hereby absolutely, unconditionally and irrevocably release and remise the Bank (and its present and former affiliates, subsidiaries, divisions, predecessors, directors, officers, employees, agents and other representatives and their successors and assigns) of and from any and all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any other claims, counterclaims, defences, rights of set-off, demands and liabilities of any nature and kind whatsoever, known or unknown, both at law and in equity that the Borrower or Guarantors or any of their successors, assigns, or other legal representatives may now or hereafter have against the Bank. The Borrower and Guarantors hereby waive any and all rights they may have to assess any of the legal fees previously paid or payable by the Bank to its solicitors in connection with or in any way related to the parties hereto whether such rights of assessment arises pursuant to the *Solicitors Act* (Ontario) or under any other law or statute. Further, in executing and delivering this Agreement, the Borrower and Guarantors acknowledge and agree that they are acting freely and without duress and that this release may be pleaded as a full and complete defence and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of that release and that no fact, event, circumstance, evidence or transaction which could now be asserted or which may later be discovered will affect in any manner the final, absolute and unconditional nature of this release.

#### **ARTICLE 5** **FORBEARANCE**

**5.01 Implementation of Plan:** The Borrower and each of the Guarantors hereby covenant and agree to and with the Bank that: (i) they shall, and each shall ensure that the other, honours and fulfils the terms and provisions set forth in this Article 5; and (ii) the Indebtedness shall be repaid by no later than April 12, 2024.

**5.02 Forbearance Period:** Subject to the terms and conditions of this Agreement, the Bank agrees that it will forbear from the exercise of its rights and remedies under the Security

in respect of the Indebtedness for the period of time (“**Forbearance Period**”) commencing with the execution and delivery of this Agreement until the earlier of:

- (a) April 12, 2024; or
- (b) the date that the Bank becomes aware of an Event of Default that occurred prior to the date hereof that was not disclosed to it by the Borrower; or
- (c) the occurrence of an Event of Default following the date hereof.

The Borrower and each of the Guarantors acknowledge that the Bank shall have no obligation to continue to forbear after the expiration of the Forbearance Period, and that the Indebtedness shall become due and payable on April 12, 2024.

**5.03 Forbearance Fee:** A forbearance fee in the sum of \$2,500.00 (the “**Forbearance Fee**”) shall be paid to the Bank in consideration for the Bank’s agreement to forbear as set out herein and to compensate the Bank for the time and expense incurred, and to be incurred, by it in connection with the administration of the Credit Facilities during the Forbearance Period and such Forbearance Fee is deemed to have been earned by the Bank upon the execution and delivery of this Agreement. The Forbearance Fee shall be and is hereby deemed to form part of the Indebtedness and secured by the Security. The Borrower and each of the Guarantors authorize the Bank to debit any Account in payment of the Forbearance Fee immediately upon the execution of this Agreement by the Borrower and the Guarantors.

**5.04 Repayment of Municipal Property Tax Arrears:** The Borrower shall pay all municipal property tax arrears owing in respect of the Real Property by no later than November 10, 2023 and provide the Bank with evidence of such payment.

**5.05 Servicing and Reduction of the Indebtedness:** Notwithstanding any other provisions of this Agreement, the Borrower shall honour all payment obligations in accordance with the provisions of the Loan Agreement and cause the Indebtedness to be permanently reduced as follows:

- (a) the proceeds from the sale of the Markham Road Property shall be applied as and by way of a permanent reduction of the Indebtedness;
- (b) the proceeds from all sales, transfers or other disposition of the Assets, or any portion thereof, outside of the ordinary course of the Borrower’s business, shall be paid directly to the Bank to permanently reduce the Indebtedness, in such manner as it determines in its sole and absolute discretion;
- (c) the Borrower shall, and the Guarantors shall cause the Borrower to, continue to make all monthly payments required under the Loan Agreement, including monthly payments of principal and interest in respect of the Credit Facilities.

Notwithstanding any of the foregoing, the Bank reserves the right to apply the monies received under [subsection 5.05](#) against the Indebtedness in such manner as it determines in its sole and absolute discretion.

## **ARTICLE 6** **COVENANTS**

**6.01** The Borrower and each of the Guarantors hereby jointly and severally covenant and agree with the Bank as follows:

- (a) **Maintain Corporate Status:** The Borrower and the Corporate Guarantors shall maintain, and the Guarantors shall ensure that the Borrower and the Corporate Guarantors maintain their respective corporate existence as valid and subsisting corporate entities;
- (b) **No Additional Shares:** The Borrower and the Corporate Guarantors shall not, and the Guarantors shall ensure that the Borrower and the Corporate Guarantors do not, issue any additional shares from treasury, or permit any of their shares to be transferred or redeemed except with the prior written consent of the Bank;
- (c) **No Corporate Changes:** The Borrower and the Corporate Guarantors shall not, and the Guarantors shall ensure that the Borrower and the Corporate Guarantors do not merge, amalgamate or consolidate, with any other corporation except with the prior written consent of the Bank;
- (d) **No Further Obligations:** The Borrower shall not, and the Guarantors shall ensure that the Borrower does not, incur or become liable for any borrowed money, or for the purchase price of assets, obligations and leases, obligations under letters of credit or guarantees or indemnities, obligations given pursuant to bankers' acceptances or indemnities in connection therewith, or any contingent obligation, including, without limitation, guarantees, endorsements or bills of exchange, obligations to purchase assets and obligations to make advances or otherwise provide financial assistance to any other entity without the prior written consent of the Bank, except any of the same which is in the ordinary course of the business of the Borrower, provided, however, that nothing herein shall preclude the Borrower from incurring and becoming liable for borrowed money provided the same is used by the Borrower to repay the Indebtedness in accordance with and pursuant to this Agreement;
- (e) **Notice of Proceedings:** The Borrower shall deliver to the Bank, and the Guarantors shall ensure that the Borrower delivers to the Bank, prompt notice of any dispute, litigation, arbitration or administrative proceedings affecting any of the Assets that is before or of any court, arbitration, tribunal or governmental authority;
- (f) **No Agreements:** Except as expressly permitted herein, the Borrower and the Guarantors shall not enter into any agreement or employ any strategy, either

directly or indirectly, which would affect the ranking of the Security, encumber, restrict or otherwise impair the Assets or the marketability thereof and each of the Borrower and the Guarantors shall work diligently, toward the overall implementation of this Agreement;

- (g) **No Further Security:** The Borrower and the Guarantors shall not grant, execute or deliver any security interests, mortgages, hypothecs, liens, charges, pledges or other encumbrances whatsoever to any person, firm, corporation or other legal entity without the prior written consent of the Bank; however, nothing herein shall preclude the Borrower and the Guarantors from granting security against the Assets provided the same is delivered to secure borrowed money that is used by the Borrower to repay the Indebtedness in accordance with and pursuant to this Agreement;
- (h) **Payment of Bonuses, Etc.:** The Borrower and the Corporate Guarantors shall not, and the Guarantors shall ensure that the Borrower and the Corporate Guarantors do not, without the prior written consent of the Bank, incur any capital expenditures, or make any payments, whether directly or indirectly, to any of their shareholders or any other persons, whether by way of dividends, capital dividends, redemption or retraction of shares, bonuses or otherwise;
- (i) **No Repayment to Related Persons:** Until the Indebtedness is repaid in full, there shall be no repayment of any amounts owing by the Borrower and the Corporate Guarantors to any “related person” as such term is defined under the BIA, without the prior written consent of the Bank;
- (j) **Notice of Event of Default:** The Borrower and the Guarantors shall give to the Bank prompt notice of any Event of Default or any event which, with notice or lapse of time or both, would constitute an Event of Default;
- (k) **Statutory Remittances:** The Borrower and the Corporate Guarantors shall, and the Guarantors shall cause the Borrower and the Corporate Guarantors to, keep current all amounts owing by the Borrower and the Corporate Guarantors to the Crown, including, without limitation, amounts owing under the *Income Tax Act* (Canada), the *Excise Tax Act* (Canada), the *Retail Sales Tax Act* (Ontario), the *Municipal Act* (Ontario) and any other federal, provincial or municipal laws which could give rise to a claim against the Bank in priority to the Security held by the Bank against the Assets (collectively, the “**Priority Payables**”). The Borrower hereby authorizes and directs any entity having information in respect of the Priority Payables to release such information to the Bank or its agents to assist the Bank in evaluating the existence and extent of any indebtedness owing by the Borrower to such entity and the Borrower shall at the request of the Bank execute and deliver such authorizations and consents as the Bank may require in respect of same (the “**Priority Payable Authorizations**”);
- (l) **Property Taxes:** Without limiting the covenants contained in subsection 6.01(k), the Borrower shall keep current all remittances owing by it in respect of property

taxes, related to the Real Property current as of the date of execution of this Agreement and shall ensure that all remittances owing by it in respect of property taxes related to the Real Property remain current;

- (m) **Equipment Suppliers:** The Borrower shall, and the Guarantors shall cause the Borrower to, keep current all of its obligations to third parties that have or may be granted a lien, charge or security interest in any equipment forming part of the Assets;
- (n) **No Movement of Assets:** The Assets shall not be moved or otherwise relocated from the Business Premises where they are currently situate without the prior written consent of the Bank;
- (o) **Compliance:** The Borrower and the Guarantors shall comply, and each shall ensure that the other complies in all respects with all terms and provisions of this Agreement, the Loan Agreement, the Security and the Guarantees;
- (p) **Environmental Compliance:** The Borrower shall, and the Guarantors shall cause the Borrower to, comply with all applicable Environmental Laws respecting the ownership and operation of their respective businesses and keep in good standing all Environmental Permits required to operate its business;
- (q) **Environmental Assessment Reports and Appraisal:** The Borrower shall deliver to the Bank, and the Guarantors shall cause the Borrower to deliver to the Bank: (i) its most recent and up to date Environmental Assessment Phase I and II Reports in connection with the Real Property, (ii) its most recent and up to date appraisal of the Real Property and/or the Borrower shall consent to the Bank obtaining, at the Bank's discretion, a current appraisal of the Real Property, and any costs associated with such appraisal shall form part of the Indebtedness;
- (r) **Progress and Status Reports:** The Borrower shall deliver to the Bank, and the Guarantors shall cause the Borrower to deliver to the Bank, status reports, by way of email sent directly to the Bank, on the last Business Day of each month commencing on October 31, 2023 respecting: (i) its efforts to sell the Markham Road Property; (ii) the status of Subordinated Credit Enforcement Proceeding; and (iii) its efforts to obtain replacement financing to repay the Indebtedness;
- (s) **Financial Reporting:** The Borrower shall honour, and the Guarantors shall cause the Borrower: (i) to honour, all financial reporting covenants contained in this Agreement and the Loan Agreement; (ii) to provide to the Bank copies of any term sheet or loan commitment obtained by the Borrower in connection with its refinancing efforts; (iii) to provide to the Bank copies of any listing agreement and offer to purchase in connection with its efforts to sell the Markham Road Property; and (iv) to provide copies of any financial information requested by the Bank within twenty-four (24) hours of receiving a written request for the same;
- (t) **Insurance:** The Borrower shall, and the Guarantors shall ensure that the Borrower maintains current insurance evidencing fire and other perils coverage on

the Real Property. The Borrower shall deliver to the Bank, and the Guarantors shall cause the Borrower to deliver to the Bank: (i) evidence that insurance coverage on the Real Property is in good standing and (ii) evidence showing that the Bank is 1<sup>st</sup> loss payee under its insurance coverage on the Real Property by no later than October ~~13~~, 18, 2023.

- (u) **Bank Account:** The Borrower and Guarantors shall ensure that all monies generated by the Borrower in the course of its business operations are deposited into the Account and the Borrower shall only maintain accounts at the Bank. The Account shall be closed effective on the date of repayment of the Indebtedness;
- (v) **Account Debit Authorization:** The Borrower hereby authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any account in the name of the Borrower for all amounts payable under this Agreement;
- (w) **Cooperation On Enforcement:** Should an Event of Default occur and the Bank exercises its rights and remedies under this Agreement, the Security, the Guarantee or the Loan Agreement, the Borrower shall assist, and the Guarantors shall ensure that the Borrower assists, the Bank in the exercise of such rights and remedies, including, without limitation, assisting the Bank in securing possession of the Assets and providing such assistance as is requested in the sale of same;
- (x) **Consent To Judgment:** The Guarantors shall, contemporaneously with the execution of this Agreement, execute and deliver to and in favour of the Bank a Consent to Judgment in the form attached hereto as **Schedule “C”** (the “**Consent to Judgment**”), provided that the Bank shall not be entitled to rely upon the Consent to Judgment until the occurrence of an Event of Default; and
- (y) **Consent To Appointment:** The Borrower and Corporate Guarantors shall, contemporaneously with the execution of this Agreement, execute and deliver to and in favour of the Bank a Consent to Court-Appointed Receiver in the form attached hereto as **Schedule “D”** (the “**Consent to Appointment**”), provided that the Bank shall not be entitled to rely upon the Consent to Court-Appointed Receiver until the occurrence of an Event of Default.

## **ARTICLE 7**

### **REPRESENTATIONS AND WARRANTIES**

**7.01 Representations and Warranties:** The Borrower and the Guarantors represent and warrant to and in favour of the Bank and acknowledge that the Bank is relying upon such representations and warranties in entering into this Agreement as follows:

- (a) The Borrower and the Corporate Guarantors are corporations duly incorporated, organized and subsisting under the laws of the Province of Ontario;

- (b) The Borrower and the Corporate Guarantors have all necessary power and authority and are duly qualified and holds all necessary licenses and/or registrations to carry on their respective businesses as now conducted and to enter into and perform their obligations under this Agreement;
- (c) the execution, delivery and performance of this Agreement by the Borrower and the Corporate Guarantors and the performance of their obligations hereunder:
  - (g) have been duly authorized by all necessary corporate actions;
  - (h) do not conflict with or result in a breach or violation of or constitute a default under:
    - A. the constating documents or by-laws of the Borrower and the Corporate Guarantors;
    - B. any law, rule, regulation, order, judgment, writ, injunction or decree applicable to the Borrower and/or the Corporate Guarantors; and
    - C. any commitment, agreement or other instrument to which the Borrower and the Corporate Guarantors are now a party or otherwise bound; and
  - (i) does not require the consent or approval of any third party;
- (d) there are no proceedings nor any circumstances or material facts which could give rise to any proceedings, in which it is alleged on reasonable grounds that the Borrower or its predecessors are potentially responsible for clean-up or remediation of lands contaminated with Hazardous Substances or for any other remedial or corrective action under any Environmental Laws;
- (e) there are no circumstances, to the knowledge of the Borrower, that could reasonably be expected to give rise to any civil or criminal proceedings or liability regarding (i) the release or presence of a Hazardous Substance on the Real Property, or (ii) the violation of any Environmental Laws by the Borrower, its respective employees, agents or others for which the Borrower is responsible in law;
- (f) all Hazardous Substances disposed of, treated or stored on the Real Property have been disposed of, treated and stored in compliance in all material respects with all Environmental Laws;
- (g) save and except for the municipal property tax arrears referred in section 5.04, all amounts owing by the Borrower under the *Income Tax Act* (Canada), *Excise Tax Act* (Canada), *Retail Sales Tax Act* (Ontario), *Municipal Sales Act* (Ontario) and any other federal, provincial or municipal laws which could give rise to a claim against the Bank in priority to the Security, are current, including, without

limitation, source deductions and harmonized sales tax and there are no amounts owing to Canada Revenue Agency, the Province of Ontario, or any other federal or provincial government agency or body that may give rise to the issuance of a third party requirement to pay or any similar such demand notice;

- (h) there is no matter, fact or event which is known to the Borrower or Guarantors that has not been disclosed to the Bank which constitutes an Event of Default or is likely to have a material adverse effect on the performance of their respective obligations under this Agreement, or have a material adverse effect on the Assets or the operations of the Borrower and each of the Borrower and the Guarantors have conducted such investigations as they consider reasonably necessary to make this representation and warranty; and
- (i) no proceeding or action has been taken or commenced by any person against the Borrower in respect of any amounts owing by the Borrower to any person.

**7.02 Non-Merger:** The representations and warranties set forth herein shall survive the execution and delivery of this Agreement and shall continue in full force and effect until the repayment of the Indebtedness.

## **ARTICLE 8** **SECURITY**

**8.01 Security:** The Security shall continue to be held by the Bank hereunder.

**8.02 Cross Collateralization:** All Security held by the Bank shall be held as security for all Indebtedness. For greater certainty, the Borrower and Guarantors hereby acknowledge and agree that upon the occurrence of an Event of Default, the Bank shall be entitled to enforce its rights under the Security, or any part thereof, against the Assets, or any portion thereof, to the extent of the Indebtedness.

**8.03 Access to the Assets:** The Borrower shall provide, and the Guarantors shall ensure that the Borrower provides, access to the Bank or its agents during normal business hours, to enter the Business Premises or any property where the Assets are located to inspect the Assets or to have appraisals made of the Assets, or to conduct environmental investigations in respect of the Real Property, and to examine and make copies of all books and records relating thereto, including any books and records required by the Bank, its representatives or agents to confirm, among other things, that the Priority Payables are current. All costs in connection with such appraisals, environmental reports, testing and enquires shall form and are hereby deemed to form part of the Indebtedness.

## **ARTICLE 9** **DEFAULT**

**9.01 Events of Default:** Each of the following events shall constitute an Event of Default under this Agreement:



- (a) any default or failure in the observance or performance of any payment, covenant, obligation or agreement contained herein and/or under the Security and/or under the Loan Agreement by the Borrower and/or the Guarantors;
- (b) the occurrence of any Event of Default under the Security and/or under the Loan Agreement;
- (c) any representation, warranty or statement contained herein and/or in the Security and/or in the Loan Agreement which is or proves to be untrue or incorrect;
- (d) the receipt by the Bank of a demand or requirement for payment from Canada Revenue Agency, the Province of Ontario, or any other federal, provincial or municipal governmental agency or body, as a result of arrears or monies owing by the Borrower or a Corporate Guarantor including, without limitation, on account of employee source deductions, harmonized sales tax, corporate tax, employee health tax, employee vacation pay, provincial pension contributions or municipal property taxes;
- (e) the Bank determining, in its sole and absolute discretion, that a material adverse change has occurred in the financial condition, ownership structure or composition or operation of the Borrower or a Corporate Guarantor;
- (f) the Borrower taking any action or commencing any proceeding or any action or proceeding being taken or commenced by another person or persons against the Borrower in respect of the liquidation, dissolution or winding-up of the Borrower, including, without limitation, any action or proceeding under the *Winding Up and Restructuring Act*, the *Business Corporations Act* (Ontario), or other similar legislation whether now or hereinafter in effect;
- (g) the Borrower or a Corporate Guarantor taking any action or commencing any proceeding or any action or proceeding being taken or commenced by another person or persons against the Borrower or a Corporate Guarantor relating to the reorganization, readjustment, compromise or settlement of the debts owed by the Borrower and/or a Corporate Guarantor to their respective creditors where such reorganization, readjustment, compromise or settlement shall affect a substantial portion of the Assets, including, without limitation, the filing of a notice of intention to make a proposal or the filing of a proposal pursuant to the provisions of the BIA, the making of an order under the *Companies' Creditors Arrangements Act (Canada)* or the commencement of any similar action or proceeding by the Borrower or a Corporate Guarantor;
- (h) the Borrower or a Corporate Guarantor committing or threatening to commit any act of bankruptcy pursuant to or set out under the provisions of the BIA;
- (i) the filing of a bankruptcy application for a bankruptcy order against the Borrower or a Corporate Guarantor pursuant to the provisions of the BIA;

- (j) any execution, sequestration or other process of any court or other tribunal becoming enforceable against the Borrower or a Corporate Guarantor or a distress or analogous action or proceeding being taken, commenced or issued against the Borrower or a Corporate Guarantor or levied upon or in respect of the Assets or any part thereof, or any lien, trust claim or any other right or entitlement against or in respect of the Assets or any part thereof becoming effective, including, without limitation, a warrant of distress of any rent in respect of any premises occupied by the Borrower or a Corporate Guarantor, including, without limitation, any premises in or upon which the Assets or any part thereof may at any time be situate; and
- (k) an interim receiver, receiver, receiver and manager, agent, liquidator or other similar administrator being appointed in respect of the Assets, or any part thereof, or the taking by a secured party, lien claimant, other encumbrancer, judgment creditor or a person asserting similar rights of possession to the Assets or any part thereof.

**9.02 Waiver:** The Bank may waive in writing any Event of Default, in its sole and absolute discretion, but no such waiver shall constitute a waiver of any other Event of Default.

## **ARTICLE 10** **REMEDIES ON DEFAULT**

**10.01 Enforcement:** Upon the occurrence of an Event of Default:

- (a) the Bank may immediately terminate its agreement to forbear as set forth in section 5.02 hereof and shall be entitled to enforce all of its rights and remedies against the Borrower and the Guarantors;
- (b) the Borrower and the Corporate Guarantors shall assist, and the Guarantors covenants they will ensure that the Borrower and the Corporate Guarantors assist, the Bank in the exercise of its rights and remedies, including, without limitation, assisting the Bank in securing possession of the Assets, or any part thereof, and providing such assistance as is requested in the sale of same;
- (c) the Borrower and the Guarantors hereby consent to the Bank immediately enforcing its rights under this Agreement, the Loan Agreement and the Security, including, without limitation, the appointment of an interim receiver, receiver or receiver and manager, by way of private appointment or on an application to the Superior Court of Justice (Ontario) (Commercial List), against the Assets;
- (d) the Borrower and the Guarantors shall, immediately upon receipt from the Bank or its counsel of a Notice of Disposition pursuant to the provisions of subsection 63(4) of the *Personal Property Security Act* (Ontario), consent to the immediate disposition of the Assets by the Bank and should the Borrower and/or the Guarantors or any one of them, fail to execute such consent when requested to do so by the Bank, the agreement of the Borrower and/or the Guarantors to do so

herein shall be deemed to constitute the irrevocable consent of the Borrower and the Guarantors to the immediate disposition of the Assets by the Bank;

- (e) the Borrower and the Corporate Guarantors shall immediately upon the filing by the Bank of a bankruptcy application for a bankruptcy order against the Borrower and/or the Corporate Guarantors forthwith consent to an immediate bankruptcy order being made against it and should the Borrower or the Corporate Guarantors fail to execute such consent when requested to do so by the Bank, the consent of the Borrower and the Corporate Guarantors to do so herein shall be deemed to constitute the irrevocable consent to such bankruptcy order;
- (f) the Bank shall immediately issue an action or application in the Superior Court of Justice (Ontario) (Commercial List) in order to file and enforce the Consent to Judgment referenced in subsection 6.01(x); and
- (g) the Bank shall immediately issue an action or application in the Superior Court of Justice (Ontario) (Commercial List) in order to file and enforce the Consent to Appointment referenced in subsection 6.01(y).

## ARTICLE 11 GENERAL

- 11.01 Entire Agreement:** This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements or discussions between the Parties whether written or oral.
- 11.02 Headings:** The headings in this Agreement are provided for convenience of reference only and should not be considered to form part hereof for the purpose of interpreting or construing or applying this Agreement and such headings shall not define, limit, extend or describe the scope of this Agreement or any of its terms and conditions.
- 11.03 Schedules:** Schedules "A", "B", "C" and "D" attached hereto form an integral part of this Agreement.
- 11.04 Severability:** If any provision of this Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and shall remain valid and enforceable.
- 11.05 Notices:** Any notice required or permitted to be given hereunder or any tender or delivery of documents may be given in writing by personal delivery, facsimile or other electronic transmission to the Borrower and the Bank at the following addresses:

**To the Borrower/Guarantors at:**

622 The Queensway  
Toronto, ON M8Y 1K3  
Attention: Tharmini Kandasamy

**with a courtesy copy to:****DH Law**

#2200 – 4950 Yonge Street  
Toronto, ON M2N 6K1  
Attention: S. David Hwang  
Tel: 416-661-8822  
Email: david@dhlegal.ca

**To the Bank at:**

20 King Street West, 2<sup>nd</sup> Floor  
Toronto, ON M5H 1C4  
Attention: Angella White-Smith  
Tel: 416-955-2132  
Email: angella.white@rbc.com

**with a courtesy copy to:****Minden Gross LLP**

145 King Street West, Suite 2200  
Toronto, ON M5H 4G2

Attention: Timothy R. Dunn  
Fax: 416-369-4335  
Email: tdunn@mindengross.com

The date of receipt of such notice shall be the date of the actual delivery to the address specified if delivered or the date of actual transmission to the telecopier number (if telecopied) or the date of actual electronic transmission, unless such date is not a Business Day, in which event the date of receipt shall be the next Business Day immediately following the date of such delivery or transmission.

- 11.06 No Prejudice:** The provisions hereof shall operate and apply without prejudice to any rights which the Bank may now or in the future have in respect of the Indebtedness, or other liabilities or obligations, whether direct or indirect, matured or not, contingent or otherwise, of the Borrower to the Bank.
- 11.07 Successors and Assigns:** This Agreement may be assigned by the Bank in its sole and absolute discretion, but shall not be assigned by the Borrower or any Guarantor unless authorized by the Bank in writing and this Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors, permitted assigns, heirs and legal personal representatives (as applicable).
- 11.08 Timely Performance:** It is intended by all Parties to this Agreement that all obligations hereunder will be performed strictly in accordance with the provisions of this Agreement

and in a timely manner, with time being of the essence hereof. Accordingly, should default occur in the timely performance of any of the obligations by the Borrower for any reason, whether within or beyond its control, the Bank shall upon the occurrence of such default be entitled to rely strictly on its rights and remedies as set forth in this Agreement and under the Loan Agreement and the Security.

- 11.09 Relationship of Parties:** Nothing in this Agreement shall be construed to change the relationship existing between the Borrower and the Bank to one other than the debtor/creditor relationship as it now exists. This Agreement is not entered into, nor shall it create, a partnership, joint venture or agency relationship between the Bank and any of the Parties hereto.
- 11.10 Counterparts and Electronic Execution:** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, and all of which taken together shall be deemed to constitute one and the same agreement. A facsimile or other electronic transmission received by each Party of the other Parties signatures shall serve to confirm the execution thereof by each such party.
- 11.11 Governing Law:** This Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada as are applicable therein.
- 11.12 No Amendment:** This Agreement shall not be amended unless such amendments are in writing and signed by all Parties.
- 11.13 Further Assurances:** The Borrower and each of the Guarantors hereby agree to sign or execute all such other documents and do such other things as may be necessary or desirable for more completely and effectively carrying out the terms and intentions of this Agreement.
- 11.14 Acceptance:** Each of the Borrower and the Guarantors hereby acknowledge and agree to and with the Bank that on or before 5:00 p.m. on October ~~13~~, 18, 2023 the Bank shall have received: (i) a copy of this Agreement executed by the Borrower and each of the Guarantors; (ii) payment of the Forbearance Fee required under [section 5.05](#) hereof; and (iii) evidence of adequate insurance coverage as required under subsection 6.01(t) hereof. In the event either of these conditions precedent to the Bank agreeing to forbear have not been satisfied, the Bank may elect to rely upon its rights and remedies under the Loan Agreement, the Security, the Guarantees or otherwise.

**[REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]**

**IN WITNESS WHEREOF** the Parties hereto have duly executed this Agreement with effect as and from the date first written above.

**ROYAL BANK OF CANADA**

Per: \_\_\_\_\_  
Name: Angella White-Smith  
Title: Manager, Special Loans and  
Advisory Services

I Have Authority to Bind the Bank

**1818216 ONTARIO INC.**

Per: \_\_\_\_\_  
Name: Tharmini Kandasamy  
Title: Authorized Signing Officer

I Have Authority to Bind the Corporation

**RAVI SOUPS AND WRAPS INC.**

Per: \_\_\_\_\_  
Name: Tharmini Kandasamy  
Title: Authorized Signing Officer

I Have Authority to Bind the Corporation

**1865994 ONTARIO INC.**

Per: \_\_\_\_\_  
Name: Tharmini Kandasamy  
Title: Authorized Signing Officer

I Have Authority to Bind the Corporation

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
**THARMINI KANDASAMY**

**SCHEDULE "A"****SECURITY****BORROWER**

1. General Security Agreement (Form 924) dated February 14, 2019 executed and delivered to and in favour of the Bank by the Borrower;
2. Security Agreement (Chattel Mortgage) (Form 927) dated March 3, 2020 executed and delivered to and in favour of the Bank by the Borrower, constituting a first ranking and specific security interest in equipment and leaseholds, held in support of the SBL Term Facility;
3. First-ranking Collateral Charge/Mortgage of land in the principal sum of \$572,000.00 executed and delivered to and in favour of the Bank by the Borrower and registered against title to the Coronet Road Property registered on March 9, 2020 as Instrument No. AT5384071;
4. First-ranking Collateral Charge/Mortgage of land in the principal sum of \$720,000.00 executed and delivered to and in favour of the Bank by the Borrower and registered against title to the Markham Road Property registered on October 22, 2020 as Instrument No. AT5552812;

**GUARANTORS**

5. General Security Agreement (Form 924) dated March 5, 2020 executed and delivered to and in favour of the Bank by Ravi Soups;
6. General Security Agreement (Form 924) dated February 14, 2019, executed and delivered to and in favour of the Bank by 186.

**SCHEDULE "B"****GUARANTEES**

1. Guarantee and Postponement of Claim (Form 812) dated February 28, 2020, limited to the principal amount of \$1,312,000.00 executed and delivered to the Bank by Tharmini respecting the Indebtedness;
2. Guarantee and Postponement of Claim (Form 812) dated March 3, 2020, limited to the principal amount of \$50,000 executed and delivered to the Bank by Tharmini respecting the SBL Term Facility;
3. Guarantee and Postponement of Claim (Form 812) dated March 5, 2020, limited to the principal amount of \$1,312,000.00 executed and delivered to the Bank by Ravi Soups respecting the Indebtedness; and
4. Guarantee and Postponement of Claim (Form 812) dated February 28, 2020, limited to the principal amount of \$1,312,000.00 executed and delivered to the Bank by 186 respecting the Indebtedness.



**SCHEDULE "C"**

Court File No.

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**

B E T W E E N:

**ROYAL BANK OF CANADA**

Plaintiff

and

**1818216 ONTARIO INC., RAVI SOUPS AND WRAPS INC., 1865994 ONTARIO INC.**  
**and THARMINI KANDASAMY**

Defendants

**CONSENT**

The undersigned consent to Judgment, in substantially the same form as that attached hereto as **Schedule "A"**, being entered against each undersigned. The undersigned also certify that the Judgment being sought herein does not affect the rights of any person under disability.

**DATED** this        day of October, 2023.

**1818216 ONTARIO INC.**

Per: \_\_\_\_\_  
Name: Tharmini Kandasamy  
Title: Authorized Signing Officer  
I Have Authority to Bind the Corporation

**RAVI SOUPS AND WRAPS INC.**

Per: \_\_\_\_\_  
Name: Tharmini Kandasamy  
Title: Authorized Signing Officer  
I Have Authority to Bind the Corporation

**1865994 ONTARIO INC.**

Per: \_\_\_\_\_

Name: Tharmini Kandasamy

Title: Authorized Signing Officer

I Have Authority to Bind the Corporation

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
**THARMINI KANDASAMY**

**Schedule “A”**

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**THE HONOURABLE** ) **DAY, THE** **DAY**  
 )  
**JUSTICE** ) **OF** **202**

**B E T W E E N:**

**ROYAL BANK OF CANADA**

Plaintiff

and

**1818216 ONTARIO INC., RAVI SOUPS AND WRAPS INC., 1865994 ONTARIO INC.  
and THARMINI KANDASAMY**

Defendants

**JUDGMENT**

**THIS MOTION**, made by the plaintiff, Royal Bank of Canada (“**RBC**”), without notice, for consent judgment against the defendants, 1818216 Ontario Inc., Ravi Soups and Wraps Inc., 1865994 Ontario Inc. and Tharmini Kandasamy was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the notice of motion, including an affidavit of verification, and the consent of the parties, filed,

1. **IT IS ORDERED AND ADJUDGED** that the defendant, 1818216 Ontario Inc., shall pay to the plaintiff, RBC, the sum of \$ \_\_\_\_\_ in respect of the indebtedness owing by it to the Bank under its loan and security arrangements with the Bank.

2. **IT IS ORDERED AND ADJUDGED** that the defendant, Ravi Soups and Wraps Inc., shall pay to the plaintiff, RBC, the sum of \$ \_\_\_\_\_ in respect of its guarantee limited to the principal amount of \$1,312,000.00 and dated March 5, 2020, in respect of the debts, liabilities and obligations of 1818216 Ontario Inc.

3. **IT IS ORDERED AND ADJUDGED** that the defendant, 1865994 Ontario Inc., shall pay to the plaintiff, RBC, the sum of \$ \_\_\_\_\_ in respect of its guarantee limited to the principal amount of \$1,312,000.00 and dated February 28, 2020, in respect of the debts, liabilities and obligations of 1818216 Ontario Inc.

4. **IT IS ORDERED AND ADJUDGED** that the defendant, Tharmini Kandasamy, shall pay to the plaintiff, RBC, the sum of \$ \_\_\_\_\_ in respect of her guarantee limited to: (i) the principal amount of \$1,312,000.00 and dated February 28, 2020, in respect of the debts, liabilities and obligations of 1818216 Ontario Inc.; and (ii) the principal amount of \$50,000 dated March 3, 2020, in respect of the debts, liabilities and obligations of 1818216 Ontario under a Canada Small Business Loan Agreement made pursuant to the *Canada Small Business Financing Act*.

5. **IT IS ORDERED AND ADJUDGED** that the defendants, Ravi Soups and Wraps Inc., 1865994 Ontario Inc. and Tharmini Kandasamy, shall pay to the plaintiff, RBC, the

sum of \$ \_\_\_\_\_ in respect of costs incurred by the plaintiff, RBC, in respect of this motion.

**THIS JUDGMENT BEARS INTEREST** as follows:

(a) On the judgment debt of \$ \_\_\_\_\_ as set out in above paragraph 1 payable by the defendant, Ravi Soups and Wraps Inc., to RBC at RBC's prime rate of interest per annum in effect from time to time plus 5.00% from the date of judgment.

(b) On the judgment debt of \$ \_\_\_\_\_ as set out in above paragraph 2 payable by the defendant, 1865994 Ontario Inc., to RBC at RBC's prime rate of interest per annum in effect from time to time plus 5.00% from the date of judgment.

(c) On the judgment debt of \$ \_\_\_\_\_ as set out in above paragraph 3 payable by the defendant, Tharmini Kandasamy, to RBC at RBC's prime rate of interest per annum in effect from time to time plus 5.00% from the date of judgment.

(d) On the costs of \$ \_\_\_\_\_ as set out in above paragraph 4 payable by the defendants, Ravi Soups and Wraps Inc., 1865994 Ontario Inc. and Tharmini Kandasamy, to RBC at the rate of 5.00% per annum from the date of judgment.

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**SCHEDULE “D”****CONSENT TO RECEIVER**

**TO: Royal Bank of Canada (the “Lender”)**

**AND TO: Its solicitors, Minden Gross LLP**

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1818216 Ontario Inc. (the “**Debtor**”) and Ravi Soups and Wraps Inc. and 1865994 Ontario Inc. (the “**Corporate Guarantors**”) hereby consent to: (i) the immediate appointment by the Lender of a private receiver or receiver and manager in respect of the Debtor’s and the Corporate Guarantors’ assets, property and undertaking, including the real properties municipally known as 27 Coronet Road, Unit 17, Toronto, Ontario, Unit 101 and Unit 102, 2855 Markham Road, Toronto, Ontario, and any and all of the Debtor’s and the Corporate Guarantors’ books and records (collectively, the “**Assets**”); and/or (ii) the immediate appointment by Court Order in substantially the form attached hereto as Schedule “A” of a receiver or receiver and manager of the Assets pursuant to subsections 47(1) and 243(1) of the *Bankruptcy and Insolvency Act* and section 101 of the *Courts of Justice Act*.

*[signature page follows]*

**DATED** this      day of October, 2023.

**1818216 ONTARIO INC.**

By: \_\_\_\_\_

Name:

Title:

I have authority to bind the corporation.

**RAVI SOUPS AND WRAPS INC.**

By: \_\_\_\_\_

Name:

Title:

I have authority to bind the corporation.

**1865994 ONTARIO INC.**

By: \_\_\_\_\_

Name:

Title:

I have authority to bind the corporation.

## Schedule "A"

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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

**ROYAL BANK OF CANADA<sup>1</sup>**

Plaintiff

- and -

**1818216 ONTARIO INC., RAVI SOUPS AND WRAPS INC., 1865994 ONTARIO INC.  
and THARMINI KANDASAMY**

Defendant

**ORDER  
(appointing Receiver)**

THIS MOTION made by the Plaintiff<sup>2</sup> 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] as receiver [and manager] (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 1818216 Ontario Inc., Ravi Soups and Wraps Inc. and 1865994 Ontario Inc. (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

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<sup>1</sup> 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.

<sup>2</sup> Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".



ON READING the affidavit of [NAME] sworn [DATE] 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] 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<sup>3</sup> 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] is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (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

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<sup>3</sup> 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.

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 businesses 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, 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 businesses 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.<sup>4</sup> 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 \$\_\_\_\_\_, provided that the aggregate consideration for all such transactions does not exceed \$\_\_\_\_\_; 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,]<sup>5</sup> 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;

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<sup>4</sup> 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.

<sup>5</sup> 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.

- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (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 Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

9. THIS COURT ORDERS that no Proceeding against or in respect of the 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 the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors 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 the Debtors 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 Debtors 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 Debtors' 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 Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

**RECEIVER TO HOLD FUNDS**

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

**EMPLOYEES**

14. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

**PIPEDA**

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

**LIMITATION ON ENVIRONMENTAL LIABILITIES**

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or



relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

### **LIMITATION ON THE RECEIVER'S LIABILITY**

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

### **RECEIVER'S ACCOUNTS**

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.<sup>6</sup>

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<sup>6</sup> 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".

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

### **FUNDING OF THE RECEIVERSHIP**

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$\_\_\_\_\_ (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

### **SERVICE AND NOTICE**

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<@>'.

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 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**

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the 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 Debtors' estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the \_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Order") made in an 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 \$\_\_\_\_\_ 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\_\_.

[RECEIVER'S NAME], solely in its capacity  
as Receiver of the Property, and not in its  
personal capacity

Per: \_\_\_\_\_

Name:

Title:

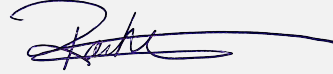
Document comparison by Workshare Compare on Monday, October 16, 2023  
4:23:55 PM

<b>Input:</b>	
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Description	DOCS1-#5899556-v3-Forbearance_Agreement_-_1818216_Ontario_Inc.
Document 2 ID	PowerDocs://DOCS1/5899556/4
Description	DOCS1-#5899556-v4-Forbearance_Agreement_-_1818216_Ontario_Inc.
Rendering set	Standard

<b>Legend:</b>	
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<del>Deletion</del>	
<del>Moved from</del>	
<u>Moved to</u>	
Style change	
Format change	
<del>Moved deletion</del>	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

<b>Statistics:</b>	
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Insertions	3
Deletions	3
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	6

This is **Exhibit “U”** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits



**Liu, Carol**

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**From:** Vita Hurley <VHurley@mindengross.com>  
**Sent:** Tuesday, February 13, 2024 11:19 AM  
**To:** Liu, Carol  
**Subject:** Fw: RBC re 1818216 Ontario Inc. {File #4134081}  
**Attachments:** DOCS1-#6028906-v1-Blacklined\_-\_Forbearance\_Agreement\_-\_1818216\_Ontario\_Inc\_.pdf; DOCS1-#5899556-v5-Forbearance\_Agreement\_-\_1818216\_Ontario\_Inc\_.pdf

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

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**From:** Vita Hurley  
**Sent:** December 15, 2023 2:58 PM  
**To:** david@dhlegal.ca <david@dhlegal.ca>  
**Cc:** angella.white@rbc.com <angella.white@rbc.com>  
**Subject:** RBC re 1818216 Ontario Inc. {File #4134081}

David, as discussed in our call this morning, please find attached a revised form of Forbearance Agreement which incorporates the date changes we discussed. All changes to the last draft form of agreement have been blacklined for ease of reference.

Please note that I have not updated the debt figures as this would cause unnecessary delay. The indebtedness is what it is and your client is aware of the quantum.

Please make arrangements to have the clean copy of this agreement fully executed and returned to me by noon on Monday, December 15, 2023.

Regards, Tim.

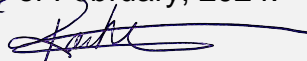
**VITA HURLEY**

Legal Assistant **T:** [416.369.4301 ext. 1348](tel:416.369.4301) **F:** 416.864.9223 [www.mindengross.com](http://www.mindengross.com)  
 145 King St. West, Suite 2200, Toronto, ON M5H 4G2  
 Save contact details: [Vita Hurley](#)

MERITAS LAW FIRMS WORLDWIDE

This communication is for the use of the individual or entity named herein and contains information that may be privileged and confidential. If you are not the intended recipient, any dissemination, distribution or copying of this message or its contents is strictly prohibited. If you have received this message in error, please advise the sender immediately.

This is **Exhibit "V"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.

A handwritten signature in black ink, appearing to be 'Katie', written over a horizontal line.

.....  
A Commissioner for Taking Affidavits

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

**Properties**

*PIN* 76799 - 0001 LT  
*Description* UNIT 1, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2799 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT5511149; CITY OF TORONTO  
*Address* 101 UNIT  
 2855 MARKHAM ROAD  
 TORONTO

**Claimant(s)**

*Name* HIS MAJESTY THE KING IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE  
*Address for Service* CANADA REVENUE AGENCY  
 1 FRONT STREET WEST  
 TORONTO, ONTARIO  
 M5J 2X6

This document is not authorized under Power of Attorney by this party.  
 This document is being authorized by a representative of the Crown.

**Statements**

Schedule: See Schedules

**Signed By**

Tonya Marie Cowle	1 Front Street West Toronto M5J 2X6	acting for Applicant(s)	Signed	2023 10 03
-------------------	---	----------------------------	--------	------------

Tel 416-952-6590  
 Fax 416-954-5742

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

**Submitted By**

CANADA REVENUE AGENCY	1 Front Street West Toronto M5J 2X6	2023 10 03
-----------------------	---	------------

Tel 416-952-6590  
 Fax 416-954-5742

**Fees/Taxes/Payment**

<i>Statutory Registration Fee</i>	\$69.00
<i>Total Paid</i>	\$69.00

**File Number**

*Claimant Client File Number :* ITA-411-23

NOTICE OF LIEN PURSUANT TO SUBSECTION 223(5) AND (6) OF THE  
INCOME TAX ACT

CONSIDERATION:\$ 78892.98

WHEREAS pursuant to subsection 223(2) and (3) of the Income Tax Act, any amount payable or any part of the amount payable by a tax debtor (the amount) and that amount remains unpaid the amount may be certified by the Minister of National Revenue and registered in the Federal Court of Canada (the Court) at which point the certificate is deemed to be a judgment against the tax debtor;

WHEREAS pursuant to subsection 223(5) and (6) of the Income Tax Act, a document which the Court has issued, and which evidences a certificate of that Court upon registration on title or otherwise recorded creates a charge, lien or priority on, or a binding interest in property that the tax debtor holds;

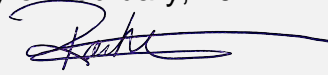
AND WHEREAS 1818216 ONTARIO INC. (sometime carrying on business as RAVISOUPS) is indebted to the Minister of National Revenue for income taxes and other amounts totalling \$ 78892.98 at the date of issuance of the Certificate in Court File Number ITA-411-23 by the Court, together with interest at such rate or rates as determined from time to time by Section 161 of the Income Tax Act;

AND WHEREAS 1818216 ONTARIO INC. (sometime carrying on business as RAVISOUPS) has an interest in the lands described in this notice.

NOW THEREFORE TAKE NOTICE that HIS MAJESTY THE KING IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE claims a lien and charge against the interest of 1818216 ONTARIO INC. (sometime carrying on business as RAVISOUPS) in the lands described in this notice.

Notwithstanding the date of registration of this lien, a portion of the lien takes priority over all other encumbrances except those that fall within the definition of "prescribed security interest" in Regulation 2201 of the Income Tax Act. This priority is claimed pursuant to subsections 227(4) and (4.1) of the Income Tax Act, and/or section 222 of the Excise Tax Act.

This is **Exhibit “W”** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits

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

yyy mm dd Page 1 of 2

**Properties**

PIN 76799 - 0001 LT  
 Description UNIT 1, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2799 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT5511149; CITY OF TORONTO  
 Address 101 UNIT  
 2855 MARKHAM ROAD  
 TORONTO

**Claimant(s)**

Name HIS MAJESTY THE KING IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE  
 Address for Service CANADA REVENUE AGENCY  
 1 FRONT STREET WEST  
 TORONTO, ONTARIO  
 M5J 2X6

This document is not authorized under Power of Attorney by this party.  
 This document is being authorized by a representative of the Crown.

**Statements**

Schedule: See Schedules

**Signed By**

Tonya Marie Cowle	1 Front Street West Toronto M5J 2X6	acting for Applicant(s)	Signed	2023 11 20
-------------------	---	----------------------------	--------	------------

Tel 416-952-6590  
 Fax 416-954-5742

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

**Submitted By**

CANADA REVENUE AGENCY	1 Front Street West Toronto M5J 2X6	2023 11 20
-----------------------	---	------------

Tel 416-952-6590  
 Fax 416-954-5742

**Fees/Taxes/Payment**

Statutory Registration Fee	\$69.95
Total Paid	\$69.95

**File Number**

Claimant Client File Number : ETA-3769-23

NOTICE OF LIEN PURSUANT TO SUBSECTION 316 (4) AND (5)  
OF THE EXCISE TAX ACT

CONSIDERATION: \$ 96967.12

WHEREAS pursuant to subsection 316 (1) and (2) of the Excise Tax Act, any amount payable or any part of the amount payable by a tax debtor (the amount) and that amount remains unpaid the amount may be certified by the Minister of National Revenue and registered in the Federal Court of Canada (the Court) at which point the certificate is deemed to be a judgment against the tax debtor;

WHEREAS pursuant to subsection 316 (4) and (5) of the Excise Tax Act, a document which the Court has issued, and which evidences a certificate of that Court upon registration on title or otherwise recorded creates a charge, lien or priority on, or a binding interest in property that the tax debtor holds;

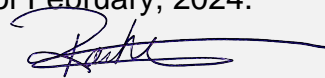
AND WHEREAS: 1818216 ONTARIO INC. is indebted to the Minister of National Revenue for Goods and Services tax and other amounts as set out in this notice at the date of issuance of the Certificate in Court File Number ETA-3769-23 by the Court, together with interest at such rate or rates as determined from time to time by Section 280 of the Excise Tax Act;

AND WHEREAS: 1818216 ONTARIO INC. has an interest in the lands described in this notice.

NOW THEREFORE TAKE NOTICE that HIS MAJESTY THE KING IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE claims a lien and charge against the interest of 1818216 ONTARIO INC. in the lands described in this notice.

Notwithstanding the date of registration of this lien, a portion of the lien takes priority over all other encumbrances except those that fall within the definition of "prescribed security interest" in Regulation 2201 of the Income Tax Act. This priority is claimed pursuant to subsections 227(4) and (4.1) of the Income Tax Act, and/or section 222 of the Excise Tax Act.

This is **Exhibit "X"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits



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

**Properties**

*PIN* 76799 - 0001 LT  
*Description* UNIT 1, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2799 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT5511149; CITY OF TORONTO

*Address* 101 UNIT  
2855 MARKHAM ROAD  
TORONTO

*PIN* 76799 - 0002 LT  
*Description* UNIT 2, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN NO. 2799 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT5511149; CITY OF TORONTO

*Address* 102 UNIT  
2855 MARKHAM ROAD  
TORONTO

**Consideration**

*Consideration* \$0.00

**Claimant(s)**

*Name* TORONTO STANDARD CONDOMINIUM CORPORATION NO. 2799  
*Address for Service* c/o Common Ground Condo Law  
5700-100 King St W  
Toronto, ON M5X 1C7  
liens@commongroundcondolaw.ca

The identified Condominium Corporation certifies that it has a lien under the Condominium Act against the above unit/property for: (a) unpaid common expenses in the amount of \$4,271.22 as of the date of this certificate; (b) the amount by which the owner defaults in the obligation to contribute, after the registration of this certificate, to the common expenses which include all amounts that under the Act are added to or form part of the common expenses; and (c) all interest owing and all reasonable legal costs and reasonable expenses that the Condominium Corporation incurs in connection with the collection or attempted collection of the amounts described in clauses (a) and (b), including the costs of preparing and registering this certificate of lien and a discharge of it. Upon payment of the amounts described above, the Condominium Corporation shall prepare and register a discharge of this certificate of lien and shall advise the owner in writing of the particulars of registration. This lien does not secure payments of common expenses that became due more than three months before the date of registration of this certificate.

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

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

**Signed By**

Kristen Stephanie Baillie 5700-100 King St W. acting for Signed 2023 11 30  
Toronto Applicant(s)  
M5X 1C7

Tel 416-467-5712

Fax

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

**Submitted By**

Common Ground Condo Law 5700-100 King St W. 2023 11 30  
Toronto  
M5X 1C7

Tel 416-467-5712

Fax

**Fees/Taxes/Payment**

*Statutory Registration Fee* \$69.95

*Total Paid* \$69.95

**File Number**

*Claimant Client File Number :* 23-00325

**NOTICE OF SALE UNDER MORTGAGE**  
**(FOR ARREARS OF COMMON EXPENSES**  
**SECURED BY CONDOMINIUM LIEN)**  
*Mortgages Act and Condominium Act, 1998, s. 85(6)*

**TO:** **1818216 Ontario Inc.**  
 101-2855 Markham Rd  
 Scarborough, ON M1X 0C3

**AND TO:** **1818216 Ontario Inc.**  
 322 Adelaide St W  
 Toronto, ON M5V 1R1

**AND TO:** **Royal Bank of Canada**  
 Toronto Mortgage Operations  
 3rd Floor  
 10 York Mills Rd  
 Toronto, ON M2P 0A2

**AND TO:** **Rajinder Singh Pahal**  
 12-2023 Williams Pkwy  
 Brampton, ON L6S 5N1

**AND TO:** **Minister of National Revenue**  
**Canada Revenue Agency**  
 1 Front St W  
 Toronto, ON M5J 2X6

TAKE NOTICE that default has been made in payment by **1818216 Ontario Inc.**,  
 being the owner(s) of:

**Unit 1, Level 1 (Commercial) and Unit 2, Level 1 (Commercial)**  
**of Toronto Standard Condominium Plan No. 2799**  
**City of Toronto**

**Municipally known as: 101& 102 - 2855 Markham Rd, Toronto, ON**

for monies due to the undersigned condominium corporation as common expenses for the aforesaid unit(s) under subsection 84(1) of the *Condominium Act, 1998* and the provisions of the declaration and general by-law of the undersigned condominium corporation registered in the Land Registry Office for the Land Titles Division of Toronto (#80).

A CERTIFICATE OF LIEN pursuant to subsections 85(1) and (3) of the *Condominium Act, 1998* was registered on title to the aforesaid unit(s) as Instrument AT6469352 on 2023 11 30 to secure the unpaid common expenses, interest and costs described below. Pursuant to subsection 86(3) of the *Condominium Act, 1998*, notice of the lien was given to the owners and encumbrancers listed above on or before that date.

AND WE HEREBY GIVE NOTICE that the amount now due for common expenses, interest, collection costs, legal fees and disbursements secured by the lien is as follows:

Common Expense Arrears secured by lien as of today, including Corporation's collection costs:	\$8,453.44
Interest on Arrears as of today, if not included in above, at 18%, compounded monthly:	\$125.14
Legal costs and HST for Notice of Lien to Owner, if given by us:	N/A
Legal costs and HST for Certificate of Lien & Discharge:	\$1,575.00
Legal costs and HST for Notice of Intention to Enforce Security:	\$500.00
Legal costs and HST for additional collection work:	N/A
Legal costs and HST for this Notice of Sale:	\$1,700.00
<b>TOTAL:</b>	<b>\$12,353.58</b>

TOGETHER WITH common expenses arising on the 1<sup>st</sup> day of each month hereafter in the sum of \$2,096.06 or as may otherwise be advised, plus interest from today at 18% per annum, compounded monthly, plus additional legal costs, disbursements and taxes for such other collection steps as may reasonably be required.

AND UNLESS these sums are paid on or before **February 29, 2024**, the undersigned condominium corporation shall sell the aforesaid unit(s) under subsection 85(6) of the *Condominium Act, 1998* and Part II of the *Mortgages Act*.

THIS NOTICE IS GIVEN to you as you appear to have an interest in the aforesaid unit(s) and may be entitled to redeem it.

Dated: January 12, 2024

**Toronto Standard Condominium Corp. No. 2799**

by its lawyers

**COMMON GROUND CONDO LAW**

5700 - 100 King St. W.

Toronto, ON M5X 1C7

Telephone: 416-467-5712

Email: liens@commongroundcondolaw.ca

HST# 82719 2998 RT0001

per:



CHRISTOPHER J. JAGLOWITZ, Lawyer

I have authority to bind the Corporation.

Our File No. 23-00325-TSCC#2799

This is **Exhibit “Y”** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits

**Liu, Carol**

**From:** Yuvraj Chhina <y.chhina@cslawfirm.ca>  
**Sent:** Monday, January 22, 2024 3:26 PM  
**To:** Liu, Carol  
**Cc:** Moses, Rachel  
**Subject:** RE: 1818216 Ontario Inc.

Some people who received this message don't often get email from y.chhina@cslawfirm.ca. [Learn why this is important](#)

Hello Carol,

As for the update on the matter:

1. My client has brought an action for SJ and possession of the Property. The borrower has served a boilerplate Statement of defence. We asked for their AoD but haven't heard back, we are likely to setup date for SJ motion in next week;
2. We did notify the Property management office of our Notice of Sale but have not received any correspondence from them.

I will keep you posted on the matter when we have the motion date.

On a side note, what is the status of your client's mortgage with the borrowers, is it in good standing?

Regards,

Yuvraj



**Yuvraj S. Chhina**  
 Barrister Solicitor & Notary

**CS Lawyers Professional Corporation**  
 220 Advance Blvd, Suite 203  
 Brampton, ON L6T 4J5  
 C 416 619 4969 | F 416 619 0685  
[y.chhina@cslawfirm.ca](mailto:y.chhina@cslawfirm.ca) | [cslawfirm.ca](http://cslawfirm.ca)

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**From:** Liu, Carol <cliu@foglers.com>  
**Sent:** Monday, January 22, 2024 1:40 PM  
**To:** Yuvraj Chhina <y.chhina@cslawfirm.ca>  
**Cc:** Moses, Rachel <rmoses@foglers.com>  
**Subject:** RE: 1818216 Ontario Inc.

We have not received a reply to our inquiry below, may we please hear from you.



**Carol Liu**  
 Fogler, Rubinoff LLP  
 Lawyers  
 77 King Street West  
 Suite 3000, P.O. Box 95  
 TD Centre North Tower  
 Toronto, ON M5K 1G8

Direct: 416.849.4150  
 Main: 416.864.9700  
 Toll Free: 1.866.861.9700  
 Fax: 416.941.8852  
 Email: [cliu@foglers.com](mailto:cliu@foglers.com)  
[foglers.com](http://foglers.com)

---

**From:** Liu, Carol <[cliu@foglers.com](mailto:cliu@foglers.com)>  
**Sent:** Friday, January 12, 2024 11:05 AM  
**To:** [y.chhina@cslawfirm.ca](mailto:y.chhina@cslawfirm.ca)  
**Cc:** Moses, Rachel <[rmoses@foglers.com](mailto:rmoses@foglers.com)>  
**Subject:** 1818216 Ontario Inc.

Good morning,

We are the lawyers for Royal Bank of Canada in connection with the credit facilities advanced to 1818216 Ontario Inc. On July 12, 2023, you issued a Notice of Sale on behalf of your client, Daljit Singh Banga, in respect of Unit 17, 17 Coronet Road, Toronto, Ontario ("Coronet Road Property"). Could you please advise:

1. What is the current status of the sale of the Coronet Road Property;
2. Has any of the common elements expenses or condo fees owing to the condo corporation been paid.

Thank you



**Carol Liu**  
 Fogler, Rubinoff LLP  
 Lawyers  
 77 King Street West  
 Suite 3000, P.O. Box 95  
 TD Centre North Tower  
 Toronto, ON M5K 1G8  
 Direct: 416.849.4150  
 Main: 416.864.9700  
 Toll Free: 1.866.861.9700  
 Fax: 416.941.8852  
 Email: [cliu@foglers.com](mailto:cliu@foglers.com)  
[foglers.com](http://foglers.com)

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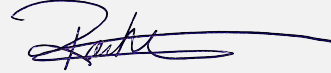
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Before printing, please consider the environment.

This is **Exhibit "Z"** referred to  
in the Affidavit of Angella White-Smith  
Sworn this 15<sup>th</sup>  
day of February, 2024.



.....  
A Commissioner for Taking Affidavits



**TAX CERTIFICATE**

5100 Yonge Street, Toronto ON M2N 5V7  
Tel: 311 Outside city limits: (416) 392-CITY (2489) Fax: (416) 696-3640  
(UNDER SECTION 352 OF THE MUNICIPAL ACT, 2001 S.O. 2001, C. 25 AND  
SECTION 317 OF THE CITY OF TORONTO ACT, 2006, S.O. 2006, C. 11 )

**Assessment Roll Number**  
19-19-01-4-230-00419-0000-0 4

**Issued to:**  
Fogler Rubinoff LLP  
Rebecca Feldman  
3000-77 King Street West  
Toronto ON M5K 1G

DESCRIPTION OF PROPERTY		
27 CORONET RD 17 TSCP 2748 LEVEL 1 UNIT 19		
TAX SUMMARY		
2023	Taxes	6,178.55
2024	Interim	3,089.28

**Your Ref. No.:** 240063  
**Statement Showing Taxes as at:** February 12, 2024

**MESSAGES**

**OUTSTANDING TAXES**

Year	Description	Taxes	Interest	Fees	Total	Related Roll Number
2023	Real Estate 2023	6,178.55	691.74	0.00	6,870.29	
2022	Real Estate 2022	6,042.42	1,598.97	0.00	7,641.39	
2021	Real Estate 2021	4,478.30	1,231.55	189.06	5,898.91	
<b>Total:</b>		16,699.27	3,522.26	189.06	20,410.59	

**Important Notice: PLEASE ADVISE YOUR CLIENT OF TAXES NOT YET DUE**

**FUTURE INSTALLMENTS**

Due Date	Amount Due	Description	Related Roll Number
March 01, 2024	1,030.00	Real Estate 2024	
April 02, 2024	1,030.00	Real Estate 2024	
May 01, 2024	1,029.28	Real Estate 2024	
<b>Total:</b>	3,089.28		

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**CHANGE OF OWNERSHIP NOTICE**

RCS-G16

**Return To:** City Of Toronto  
Revenue Services  
PO Box 4300, STN A  
Toronto ON M5W 3B5  
Fax: (416) 696-3640

**Assessment Roll Number**  
19-19-01-4-230-00419-0000-0 4

**Issued to:**  
Fogler Rubinoff LLP  
Rebecca Feldman  
3000-77 King Street West  
Toronto ON M5K 1G

**Your Ref. No.:** 240063

DESCRIPTION OF PROPERTY
27 CORONET RD 17 TSCP 2748 LEVEL 1 UNIT 19
MESSAGES

CHANGES	
<b>Owner(s)</b>	Surname _____ Given Name _____
	Surname _____ Given Name _____
	Surname _____ Given Name _____
<b>Mailing Address</b>	_____
	_____
<b>Postal Code</b>	_____
<b>Property Address</b>	_____

**\*\*\* PLEASE RETURN THIS PART OF THE FORM AFTER THE DATE OF CLOSING - THANK YOU \*\***

Closing Date \_\_\_\_\_

Signature \_\_\_\_\_





TAX CERTIFICATE

5100 Yonge Street, Toronto ON M2N 5V7
Tel: 311 Outside city limits: (416) 392-CITY (2489) Fax: (416) 696-3640
(UNDER SECTION 352 OF THE MUNICIPAL ACT, 2001 S.O. 2001, C. 25 AND SECTION 317 OF THE CITY OF TORONTO ACT, 2006, S.O. 2006, C. 11 )

Assessment Roll Number
19-19-01-4-230-00419-0000-0 4

Issued to:
Fogler Rubinoff LLP
Rebecca Feldman
3000-77 King Street West
Toronto ON M5K 1G

Table with 2 columns: Description of Property, Tax Summary. Rows include 2023 Taxes (6,178.55) and 2024 Interim (3,089.28).

Your Ref. No.: 240063
Statement Showing Taxes as at: February 12, 2024

I hereby certify that the above statement shows all arrears of taxes (prior years) and unpaid current year's taxes against the above lands, and proceedings have not been commenced under the Municipal Tax Sales Act, 1990 or the Municipal Act, 2001, S.O. 2001, C.25, as amended and the City of Toronto Act 2006 S.O. 2006, C.11, unless otherwise indicated below.

THIS CERTIFICATE IS ISSUED SUBJECT TO CHEQUES TENDERED IN PAYMENT OF TAXES BEING HONOURED BY THE BANK FEE PAID 76.43 for each separate parcel

Handwritten signature of Andrew Flynn

Andrew Flynn
Controller, City of Toronto

Important Notes:

- 1. This Certificate covers levied Tax Arrears or Current Taxes.
2. There are a variety of services which may be added to the Collector's Roll and collected as Taxes.
3. The amount of the levy does not include subsequent supplementary taxes that may be levied and added pursuant to Section 33 and 34 of the Assessment Act, R.S.O. 1990, as amended, nor does it include adjustments that may be made pursuant to Sections 357, 358 and 359 of the Municipal Act, 2001.S.O. 2001, c.25, as amended, Sections 323, 325 and 326 of the City of Toronto Act, 2006, S.O. 2006, C. 11, Section 40 of the Assessment Act,R.S.O. as amended, or any legislative amendments that provide for further adjustments.
4. This Certificate is exclusive of any Local Improvement charges that have not been added to the Collector's Roll at the date of this Certification.
5. This certificate is subject to any apportionment which may be made pursuant to Section 356 of the Municipal Act, 2001, S.O. 2001, c.25, as amended or Section 322 of the City of Toronto Act, 2006, S.O. 2006, C. 11.
6. This certificate is subject to any phase-in/capping recalculation made pursuant to Section 318 of the Municipal Act, 2001, S.O. 2001, c.25, as amended or Section 282 of the City of Toronto Act, 2006, S.O. 2006, C. 11.
7. An administrative fee will be added to the account when there is an ownership transfer. For more information please visit our website at www.toronto.ca/taxes/property\_tax and click to our fees page for current charges.
8. This certificate may not include any Vacant Home Tax amount that is owing and which has not yet been added to the Collector's Roll at the date of this certification. Additional information may be obtained by calling 311 within Toronto or 416-392-CITY (2489) outside City limits.



CHANGE OF OWNERSHIP NOTICE

Cut Here
RCS-G16

Return To: City Of Toronto
Revenue Services
PO Box 4300, STN A
Toronto ON M5W 3B5
Fax: (416) 696-3640

Assessment Roll Number
19-19-01-4-230-00419-0000-0 4

Issued to:
Fogler Rubinoff LLP
Rebecca Feldman
3000-77 King Street West
Toronto ON M5K 1G

Your Ref. No.: 240063

Form with sections: DESCRIPTION OF PROPERTY (27 CORONET RD 17, TSCP 2748 LEVEL 1 UNIT 19) and MESSAGES.

Form with sections: CHANGES (Owner(s) with Surname and Given Name fields), Mailing Address, Postal Code, and Property Address.

\*\*\* PLEASE RETURN THIS PART OF THE FORM AFTER THE DATE OF CLOSING - THANK YOU \*\*

Closing Date

Signature



TAX CERTIFICATE

5100 Yonge Street, Toronto ON M2N 5V7
Tel: 311 Outside city limits: (416) 392-CITY (2489) Fax: (416) 696-3640
(UNDER SECTION 352 OF THE MUNICIPAL ACT, 2001 S.O. 2001, C. 25 AND SECTION 317 OF THE CITY OF TORONTO ACT, 2006, S.O. 2006, C. 11 )

Assessment Roll Number
19-01-12-6-490-01030-0000-0 2

Issued to:
Fogler Rubinoff LLP
Rebecca Feldman
3000-77 King Street West
Toronto ON M5K 1G

Table with 2 columns: Description of Property, Tax Summary. Rows include 2023 Taxes (9,885.69) and 2024 Interim (4,942.85).

Your Ref. No.: 240063
Statement Showing Taxes as at: February 12, 2024

MESSAGES

Bailiff warrant issued on above property, please contact Sterling Bailiffs Inc. (Bailiff) for taxes under warrant, as amounts shown do not include Bailiff Fees. Call 416-701-1322.

OUTSTANDING TAXES

Table with 7 columns: Year, Description, Taxes, Interest, Fees, Total, Related Roll Number. Rows for 2023, 2022, 2021, and a Total row.

Important Notice: PLEASE ADVISE YOUR CLIENT OF TAXES NOT YET DUE

FUTURE INSTALLMENTS

Table with 5 columns: Due Date, Amount Due, Description, Related Roll Number. Rows for March 01, 2024, April 02, 2024, May 01, 2024, and a Total row.

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CHANGE OF OWNERSHIP NOTICE

RCS-G16

Return To: City Of Toronto
Revenue Services
PO Box 4300, STN A
Toronto ON M5W 3B5
Fax: (416) 696-3640

Assessment Roll Number
19-01-12-6-490-01030-0000-0 2

Issued to:
Fogler Rubinoff LLP
Rebecca Feldman
3000-77 King Street West
Toronto ON M5K 1G

Your Ref. No.: 240063

Form containing sections for Description of Property, Messages, and other details.

Form titled CHANGES with fields for Owner(s), Mailing Address, Postal Code, and Property Address.

\*\*\* PLEASE RETURN THIS PART OF THE FORM AFTER THE DATE OF CLOSING - THANK YOU \*\*

Closing Date

Signature



TAX CERTIFICATE

5100 Yonge Street, Toronto ON M2N 5V7
Tel: 311 Outside city limits: (416) 392-CITY (2489) Fax: (416) 696-3640
(UNDER SECTION 352 OF THE MUNICIPAL ACT, 2001 S.O. 2001, C. 25 AND SECTION 317 OF THE CITY OF TORONTO ACT, 2006, S.O. 2006, C. 11 )

Assessment Roll Number
19-01-12-6-490-01030-0000-0 2

Issued to:
Fogler Rubinoff LLP
Rebecca Feldman
3000-77 King Street West
Toronto ON M5K 1G

Table with 2 columns: Year, Amount. Rows for 2023 (Taxes: 9,885.69) and 2024 (Interim: 4,942.85)

Your Ref. No.: 240063
Statement Showing Taxes as at: February 12, 2024

I hereby certify that the above statement shows all arrears of taxes (prior years) and unpaid current year's taxes against the above lands, and proceedings have not been commenced under the Municipal Tax Sales Act, 1990 or the Municipal Act, 2001, S.O. 2001, C.25, as amended and the City of Toronto Act 2006 S.O. 2006, C.11, unless otherwise indicated below.

THIS CERTIFICATE IS ISSUED SUBJECT TO CHEQUES TENDERED IN PAYMENT OF TAXES BEING HONOURED BY THE BANK
FEE PAID 76.43 for each separate parcel

Handwritten signature of Andrew Flynn

Andrew Flynn
Controller, City of Toronto

Important Notes:

- 1. This Certificate covers levied Tax Arrears or Current Taxes.
2. There are a variety of services which may be added to the Collector's Roll and collected as Taxes.
3. The amount of the levy does not include subsequent supplementary taxes that may be levied and added pursuant to Section 33 and 34 of the Assessment Act, R.S.O. 1990, as amended, nor does it include adjustments that may be made pursuant to Sections 357, 358 and 359 of the Municipal Act, 2001 S.O. 2001, c.25, as amended, Sections 323, 325 and 326 of the City of Toronto Act, 2006, S.O. 2006, C. 11, Section 40 of the Assessment Act, R.S.O. as amended, or any legislative amendments that provide for further adjustments.
4. This Certificate is exclusive of any Local Improvement charges that have not been added to the Collector's Roll at the date of this Certification.
5. This certificate is subject to any apportionment which may be made pursuant to Section 356 of the Municipal Act, 2001, S.O. 2001, c.25, as amended or Section 322 of the City of Toronto Act, 2006, S.O. 2006, C. 11.
6. This certificate is subject to any phase-in/capping recalculation made pursuant to Section 318 of the Municipal Act, 2001, S.O. 2001, c.25, as amended or Section 282 of the City of Toronto Act, 2006, S.O. 2006, C. 11.
7. An administrative fee will be added to the account when there is an ownership transfer. For more information please visit our website at www.toronto.ca/taxes/property\_tax and click to our fees page for current charges.
8. This certificate may not include any Vacant Home Tax amount that is owing and which has not yet been added to the Collector's Roll at the date of this certification. Additional information may be obtained by calling 311 within Toronto or 416-392-CITY (2489) outside City limits.



CHANGE OF OWNERSHIP NOTICE

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RCS-G16

Return To: City Of Toronto
Revenue Services
PO Box 4300, STN A
Toronto ON M5W 3B5
Fax: (416) 696-3640

Assessment Roll Number
19-01-12-6-490-01030-0000-0 2

Issued to:
Fogler Rubinoff LLP
Rebecca Feldman
3000-77 King Street West
Toronto ON M5K 1G

Your Ref. No.: 240063

Form with sections: DESCRIPTION OF PROPERTY (2855 MARKHAM RD 101, TSCP 2799 LEVEL 1 UNIT 1) and MESSAGES.

Form with sections: CHANGES (Owner(s) with Surname and Given Name fields), Mailing Address, Postal Code, and Property Address.

\*\*\* PLEASE RETURN THIS PART OF THE FORM AFTER THE DATE OF CLOSING - THANK YOU \*\*

Closing Date

Signature



**TAX CERTIFICATE**

5100 Yonge Street, Toronto ON M2N 5V7  
Tel: 311 Outside city limits: (416) 392-CITY (2489) Fax: (416) 696-3640  
(UNDER SECTION 352 OF THE MUNICIPAL ACT, 2001 S.O. 2001, C. 25 AND SECTION 317 OF THE CITY OF TORONTO ACT, 2006, S.O. 2006, C. 11 )

**Assessment Roll Number**  
19-01-12-6-490-01031-0000-0 0

**Issued to:**  
Fogler Rubinoff LLP  
Rebecca Feldman  
3000-77 King Street West  
Toronto ON M5K 1G

DESCRIPTION OF PROPERTY		
2855 MARKHAM RD 102 TSCP 2799 LEVEL 1 UNIT 2		
TAX SUMMARY		
2023	Taxes	5,403.94
2024	Interim	2,701.97

**Your Ref. No.:** 240063  
**Statement Showing Taxes as at:** February 12, 2024

**MESSAGES**

Bailiff warrant issued on above property, please contact Sterling Bailiffs Inc. (Bailiff) for taxes under warrant, as amounts shown do not include Bailiff Fees. Call 416-701-1322.

**OUTSTANDING TAXES**

Year	Description	Taxes	Interest	Fees	Total	Related Roll Number
2023	Real Estate 2023	5,403.94	604.99	0.00	6,008.93	
2022	Real Estate 2022	5,284.87	1,398.55	0.00	6,683.42	
2021	Real Estate 2021	71.92	25.20	211.77	308.89	
<b>Total:</b>		10,760.73	2,028.74	211.77	13,001.24	

**Important Notice: PLEASE ADVISE YOUR CLIENT OF TAXES NOT YET DUE**

**FUTURE INSTALLMENTS**

Due Date	Amount Due	Description	Related Roll Number
March 01, 2024	901.00	Real Estate 2024	
April 02, 2024	901.00	Real Estate 2024	
May 01, 2024	899.97	Real Estate 2024	
<b>Total:</b>	2,701.97		

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**CHANGE OF OWNERSHIP NOTICE**

RCS-G16

**Return To:** City Of Toronto  
Revenue Services  
PO Box 4300, STN A  
Toronto ON M5W 3B5  
Fax: (416) 696-3640

**Assessment Roll Number**  
19-01-12-6-490-01031-0000-0 0

**Issued to:**  
Fogler Rubinoff LLP  
Rebecca Feldman  
3000-77 King Street West  
Toronto ON M5K 1G

**Your Ref. No.:** 240063

DESCRIPTION OF PROPERTY
2855 MARKHAM RD 102 TSCP 2799 LEVEL 1 UNIT 2
MESSAGES

CHANGES	
<b>Owner(s)</b>	Surname _____ Given Name _____
	Surname _____ Given Name _____
	Surname _____ Given Name _____
<b>Mailing Address</b>	_____
	_____
<b>Postal Code</b>	_____
<b>Property Address</b>	_____

**\*\*\* PLEASE RETURN THIS PART OF THE FORM AFTER THE DATE OF CLOSING - THANK YOU \*\***

Closing Date \_\_\_\_\_

Signature \_\_\_\_\_



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Assessment Roll Number
19-01-12-6-490-01031-0000-0 0

Issued to:
Fogler Rubinoff LLP
Rebecca Feldman
3000-77 King Street West
Toronto ON M5K 1G

Table with 1 column: DESCRIPTION OF PROPERTY
2855 MARKHAM RD 102
TSCP 2799 LEVEL 1 UNIT 2

Table with 3 columns: Year, Taxes, Amount
2023 Taxes 5,403.94
2024 Interim 2,701.97

Your Ref. No.: 240063
Statement Showing Taxes as at: February 12, 2024

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FEE PAID 76.43 for each separate parcel

Handwritten signature of Andrew Flynn

Andrew Flynn
Controller, City of Toronto

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CHANGE OF OWNERSHIP NOTICE

Cut Here
RCS-G16

Return To: City Of Toronto
Revenue Services
PO Box 4300, STN A
Toronto ON M5W 3B5
Fax: (416) 696-3640

Assessment Roll Number
19-01-12-6-490-01031-0000-0 0

Issued to:
Fogler Rubinoff LLP
Rebecca Feldman
3000-77 King Street West
Toronto ON M5K 1G

Your Ref. No.: 240063

Form with sections: DESCRIPTION OF PROPERTY (2855 MARKHAM RD 102, TSCP 2799 LEVEL 1 UNIT 2) and MESSAGES.

Form with sections: CHANGES (Owner(s) with Surname and Given Name fields), Mailing Address, Postal Code, and Property Address.

\*\*\* PLEASE RETURN THIS PART OF THE FORM AFTER THE DATE OF CLOSING - THANK YOU \*\*

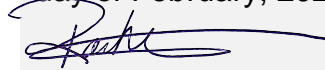
Closing Date

Signature

This is **Exhibit “AA”** referred to  
in the Affidavit of Angella White-Smith

Sworn this 15<sup>th</sup>

day of February, 2024.

A handwritten signature in blue ink, appearing to be 'R. White', written over a horizontal line.

.....  
A Commissioner for Taking Affidavits

Court File No. CV-24-00714666-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

**ROYAL BANK OF CANADA**

Plaintiff

and

**1818216 ONTARIO INC., operating as RAVI KITCHEN and RAVI WRAPS AND SALADS, RAVI SOUPS AND WRAPS INC., 1865994 ONTARIO INC. and THARMINI KANDASAMY**

Defendants

**CONSENT**

**BDO CANADA LIMITED** hereby agrees to act as Receiver in the above-noted matter.

DATED at Hamilton, Ontario this 14<sup>th</sup> day of February, 2024.

**BDO CANADA LIMITED**

Per: 

Name: *Chris Maza*

Title: *Senior Vice President*

BETWEEN

**ROYAL BANK OF CANADA**  
Plaintiff

-and-

**1818216 ONTARIO INC. et al.**  
Defendants

Court File No. CV-24-00714666-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**CONSENT**

**FOGLER, RUBINOFF LLP**

Lawyers

77 King Street West, Suite 3000  
Toronto, ON M5K 1G8

**Rachel Moses** (LSO# 42081V)

[rmoses@foglers.com](mailto:rmoses@foglers.com)

Tel: 416-864-7627

**Carol Liu** (LSO# 84938G)

[cliu@foglers.com](mailto:cliu@foglers.com)

Tel: 416-849-4150

Lawyers for the Plaintiff



B E T W E E N

**ROYAL BANK OF CANADA**  
Plaintiff

-and-

**1818216 ONTARIO INC., et al**  
Defendants  
Court File No. CV-24-00714666-00CL

---

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

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**AFFIDAVIT OF ANGELLA WHITE-SMITH**

---

**FOGLER, RUBINOFF LLP**  
Barristers and Solicitors  
77 King Street West  
Suite 3000, P.O. Box 95  
Toronto ON M5K 1G8

**Rachel Moses** (LSO#42081V)  
rmoses@foglers.com  
Tel: 416-864-7627

**Carol Liu** (LSO# 84938G)  
cliu@foglers.com  
Tel: 416-849-4150

Lawyers for the Plaintiff

(File No. 240063)

**TAB 3**

Court File No. CV-24-00714666-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE	)	WEDNESDAY, THE 6 <sup>TH</sup>
	)	
JUSTICE	)	DAY OF MARCH, 2024

B E T W E E N:

**ROYAL BANK OF CANADA**

Plaintiff

and

**1818216 ONTARIO INC., operating as RAVI KITCHEN and RAVI  
WRAPS AND SALADS, RAVI SOUPS AND WRAPS INC., 1865994  
ONTARIO INC. and THARMINI KANDASAMY**

Defendants

**ORDER  
(appointing Receiver)**

**THIS MOTION** made by the Plaintiff, Royal Bank of Canada, 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 BDO Canada Limited as receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and properties of 1818216 Ontario Inc. operating as Ravi Kitchen and Ravi Wraps and Salads (the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Motion of the Plaintiff, the Affidavit of Angella White-Smith sworn February 15, 2024 and the Exhibits thereto, and on hearing the submissions of counsel for the Plaintiff, \_\_\_\_\_, no one else appearing although duly served as appears from the Affidavit of Service of Hayley Morgan sworn \_\_\_\_\_, 2024, and on reading the Consent of BDO Canada Limited 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, BDO Canada Limited is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**").

### **RECEIVER'S POWERS**

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such

monies, including, without limitation, to enforce any security held by the Debtor;

- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$100,000.00; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, [or section 31 of the Ontario *Mortgages Act*, as the case may be,] shall not be required, 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 Debtor;

- (p) to enter into agreements with any Trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.



5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the

information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way

against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

### **NO EXERCISE OF RIGHTS OR REMEDIES**

10. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

### **NO INTERFERENCE WITH THE RECEIVER**

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

### **CONTINUATION OF SERVICES**

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data

services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the Supplier or service provider and the Receiver, or as may be ordered by this Court.

#### **RECEIVER TO HOLD FUNDS**

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

**EMPLOYEES**

14. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

**PIPEDA**

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective Purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The Purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

### **LIMITATION ON THE RECEIVER’S LIABILITY**

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection*

*Program Act.* Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

## **RECEIVER'S ACCOUNTS**

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a Judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

**FUNDING OF THE RECEIVERSHIP**

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.



24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

### **SERVICE AND NOTICE**

25. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/1818216ontarioinc> .

26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail,

courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

## **GENERAL**

27. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a Trustee in bankruptcy of the Debtor.

29. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a

representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. **THIS COURT ORDERS** that the 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 Debtor's estate with such priority and at such time as this Court may determine.

32. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO.

AMOUNT \$

1. THIS IS TO CERTIFY that BDO Canada Limited, the receiver (the "**Receiver**") of the assets, undertakings and properties [INSERT NAME OF DEBTOR] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the "**Order**") made in an action having Court file number **\*\*Press F11 to insert (court file number)\*\***-CL-**\*\*Press F11 to insert (court file number)\*\***, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$**\*\*Press F11 to insert (amount)\*\***, being part of the total principal sum of \$**\*\*Press F11 to insert (amount)\*\*** 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 **\*\*Press F11 to insert (day)\*\*** day of each month] after the date hereof at a notional rate per annum equal to the rate of **\*\*Press F11 to insert (rate)\*\*** per cent above the prime commercial lending rate of Bank of **\*\*Press F11 to insert (bank)\*\*** 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.

1. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
2. 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.
3. 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.
4. 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 February, 2024.

**BDO CANADA LIMITED, solely in its capacity  
as Receiver of the Property, and not in its  
personal capacity**

Per: \_\_\_\_\_  
Name:  
Title:

**ROYAL BANK OF CANADA**  
Plaintiff

-and- **1818216 ONTARIO INC. et al.**  
Defendants

Court File No. CV-24-00714666-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT  
TORONTO

**ORDER**

**FOGLER, RUBINOFF LLP**

Lawyers  
77 King Street West  
Suite 3000, P.O. Box 95  
TD Centre North Tower  
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**Rachel Moses** (LSO# 42081V)

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Tel: 416.864.7627

Lawyers for the Plaintiff, Royal Bank of Canada

**TAB 4**



Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**BETWEEN:**

**ROYAL BANK OF CANADA**

Plaintiff

and

**1818216 ONTARIO INC., operating as RAVI KITCHEN and RAVI WRAPS AND  
SALADS, RAVI SOUPS AND WRAPS INC., 1865994 ONTARIO INC. and THARMINI  
KANDASAMY**

Defendants

**STATEMENT OF CLAIM**

TO THE DEFENDANT(S):

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

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

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



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

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

IF YOU PAY THE PLAINTIFF'S CLAIM, and \$750 for costs, within the time for serving and filing your Statement of Defence, you may move to have this proceeding dismissed by the Court. If you believe the amount claimed for costs is excessive, you may pay the Plaintiff's claim and \$400 for costs and have the costs assessed by the Court.

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

Date February 13, 2024 Issued by \_\_\_\_\_  
Local Registrar  
Address of 330 University Avenue, 9th Floor  
court office: Toronto ON M5G 1R7

TO: **1818216 ONTARIO INC., operating as RAVI KITCHEN and RAVI WRAPS AND SALADS**  
322 Adelaide St  
Toronto, Ontario, M5V 1R1

AND TO: **RAVI SOUPS AND WRAPS INC.**  
196 Glen Road  
Toronto, Ontario, M4W 2X1

AND TO: **1865994 ONTARIO INC.**  
622 The Queensway  
Toronto, Ontario, M8Y 1K3

AND TO: **THARMINI KANDASAMY**  
196 Glen Road  
Toronto, Ontario, M4W 2X1

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### CLAIM

1. The plaintiff, Royal Bank of Canada ("**RBC**"), claims as against the defendant, 1818216 Ontario Inc. operating as Ravi Kitchen and Ravi Wraps and Salads (the "**Borrower**") as follows:

- (a) an order pursuant to section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended ("**BIA**") and section 101 of the Courts of Justice Act, R.S.O. 1990, c. C. 43, as amended, appointing BDO Canada Limited as receiver (in such capacity, the "**Receiver**"), without security, over all of the assets, undertakings and property of the Borrower, including the real properties: (i) the Coronet Road Property municipally known as Unit 17, 27 Coronet Road, Toronto, Ontario (the "**Coronet Road Property**") and legally described in Schedule "A" hereto; and (ii) the Markham Road Property municipally known as Unit 101 and Unit 102, 2855 Markham Road, Toronto, Ontario (the "**Markham Road Property**"; together with the Coronet Road Property, the "**Real Properties**") and legally described in Schedule "A" hereto;
- (b) payment of the sum of \$535,748.92 in respect of a term facility owing by the Borrower to RBC, plus interest thereon from February 13, 2024 to the date of judgment at the rate of 4.48% per annum, both before and after judgment;

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- (c) payment of the sum of \$679,018.85 in respect of a term facility owing by the Borrower to RBC, plus interest thereon from February 13, 2024 to the date of judgment at the rate of 3.66% per annum, both before and after judgment; and
  - (d) payment of the sum of \$131,815.80 in respect of a term facility advanced pursuant to the *Canada Small Business Financing Act*, plus interest thereon from February 13, 2024 to the date of judgment at RBC's prime rate of interest per annum in effect from time to time plus 3.00%, both before and after judgment;
2. RBC claims as against the defendant, Ravi Soups and Wraps Inc. ("**Ravi Soups**"):
- (a) payment of the sum of \$1,312,000.00 under Ravi Soups' guarantee of the debts, liabilities and obligations of the Borrower to RBC dated March 5, 2020, plus interest thereon from February 13, 2024 to the date of judgment at RBC's prime rate of interest per annum in effect from time to time plus 5.00%, both before and after judgment.
3. RBC claims as against the defendant, 1865994 Ontario Inc. ("**186**"):
- (a) payment of the sum of \$1,312,000.00 under 186's guarantee of the debts, liabilities and obligations of the Borrower to RBC dated February 28, 2020, plus interest thereon from February 13, 2024 to

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the date of judgment at RBC's prime rate of interest per annum in effect from time to time plus 5.00%, both before and after judgment.

4. RBC claims as against the defendant, Tharmini Kandasamy ("**Tharmini**"):
  - (a) payment of the sum of \$1,214,767.77 under Tharmini's guarantee of the debts, liabilities and obligations of the Borrower to RBC dated February 28, 2020, plus interest thereon from February 13, 2024 to the date of judgment at RBC's prime rate of interest per annum in effect from time to time plus 5.00%, both before and after judgment;  
and
  - (b) payment of the sum of \$50,000.00 under Tharmini's guarantee of the debts, liabilities and obligations of the Borrower to RBC dated March 3, 2020, plus interest thereon from February 13, 2024 to the date of judgment at RBC's prime rate of interest per annum in effect from time to time plus 5.00%, both before and after judgment.
  
5. RBC claims against the defendants collectively:
  - (a) in the alternative to the interest claimed above, pre-judgment interest from September 18, 2023 and post-judgment interest, in accordance with sections 128 and 129 of the *Courts of Justice Act*;
  - (b) its legal and professional costs of this proceeding on a full indemnity basis, plus all applicable taxes; and

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- (c) such further and other relief as to this Honourable Court may seem just.

### **The Parties**

6. RBC is a chartered bank with offices in Toronto, Ontario.
7. The Borrower is incorporated pursuant to the laws of Ontario. Its registered office address is 322 Adelaide St, Toronto, Ontario. Until February 1, 2024 (or earlier), the Borrower operated a restaurant/cafe business from the Real Properties.
8. Ravi Soups is incorporated pursuant to the laws of Ontario. Its registered office address is 196 Glen Road, Toronto, Ontario.
9. 186 is incorporated pursuant to the laws of Ontario. Its registered office address is 622 The Queensway, Toronto, Ontario.
10. Tharmini is an individual currently residing in the Province of Ontario. Tharmini is the sole director of the Borrower, Ravi Soups and 186. Ravi Soups, 186 and Tharmini are collectively the “**Guarantors**”.

### **The Credit Agreements**

11. Pursuant to a credit facilities agreement dated August 4, 2021 and accepted by the Borrower on August 22, 2021, including Royal Bank of Canada Credit Agreement Standard Terms (Form 472), as amended on October 7, 2022 (the “**Credit Agreement**”), RBC extended the following credit facilities to the Borrower:

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**Facility #1** \$713,771.89 non-revolving term facility (“**Term Facility 004**”)

**Facility #2** \$10,000.00 revolving demand facility available by way of overdraft

**Facility #3** \$562,074.52 non-revolving term facility (“**Term Facility 001**”)

**Other** Credit card to a maximum of \$10,000.00

**Other** All Canada Small Business Financing Loans outstanding at any time  
and from time to time

12. Under section (a) of the General Covenants of the Credit Agreement, the Borrower covenanted to pay RBC all sums of money when due under the terms of the Credit Agreement.

13. Under section (c) of the General Covenants of the Credit Agreement, the Borrower covenanted to pay or make provision for payment of all material taxes due.

14. Under section (j) of the General Covenants of the Credit Agreement, the Borrower covenanted not to grant any mortgage or charge against its properties without the prior written consent of RBC.

15. Under the Events of Default section of the Standard Terms of the Credit Agreement, upon default, RBC is entitled to make demand for immediate repayment in full of any amounts outstanding under any term facility facilities, together with outstanding accrued interest.

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16. Pursuant to a credit facilities agreement dated March 3, 2020 and accepted by the Borrower on March 3, 2020, including the CSBFL Standard Terms (the “**CSBFL Loan Agreement**”), RBC extended a \$200,000.00 non-revolving term facility (the “**CSBFL Loan**”) to the Borrower.

17. Under section (a) of the General Covenants of the CSBFL Loan Agreement, the Borrower covenanted to pay RBC all sums of money when due under the terms of the CSBFL Loan Agreement.

18. Under the Events of Default section of the Standard Terms of the CSBFL Loan Agreement, RBC is entitled to make demand for immediate repayment in full of any amounts outstanding under the CSBFL Loan, together with outstanding accrued interest upon the Borrower’s failure to pay which constitutes an Event of Default.

19. RBC pleads and relies upon all of the terms of the Credit Agreement and CSBFL Loan Agreement.

### **The Security**

20. In support of the credit facilities, the Borrower executed a General Security Agreement dated February 14, 2019 (“**Borrower GSA**”) on the Bank’s Standard Form 924 in favour of RBC.

21. The Ravi Soups Guarantee (defined below) is supported by a General Security Agreement dated March 5, 2020 (“**Ravi Soups GSA**”) on the Bank’s Standard Form 924 in favour of RBC.

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22. The 186 Guarantee (defined below) is supported by a General Security Agreement dated February 14, 2019 (“**186 GSA**”) on the Bank’s Standard Form 924 in favour of RBC.

23. The Borrower GSA, Ravi Soups GSA and 186 GSA are collectively the “**GSA**”.

24. Pursuant to section 11(a) of the GSA, the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness (as defined in the GSA) constitutes a default under the GSAs.

25. Pursuant to section 11(e) of the GSA, if any Encumbrance (as defined in the GSA) becomes enforceable against the Collateral (as defined in the GSA), that constitutes a default under the GSA.

26. Pursuant to the "Remedies" section 13 of the GSA, upon default, RBC is entitled to appoint a receiver.

27. RBC pleads and relies upon all of the terms of the GSA.

28. In support of the CSBFL Loan, the Borrower executed a Chattel Mortgage Security Agreement (“**CMSA**”) on the Bank’s Standard Form 927 in favour of RBC.

29. Pursuant to section (a) of the Events of Default section of the CMSA, the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness (as defined in the CMSA) constitutes a default under the CMSA.



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30. Pursuant to the "Remedies" section 11 of the CMSA, upon default, RBC is entitled to appoint a receiver.

31. As further security for the credit facilities, the Borrower granted RBC a first-ranking Collateral Charge/Mortgage of land registered as Instrument No. AT5384071 on March 9, 2020 in the principal sum of \$572,000.00, together with Standard Charge Terms 20015, against the Coronet Road Property owned by the Borrower ("**Coronet Road Property Charge**").

32. As further security for the credit facilities, the Borrower also granted RBC a first-ranking Collateral Charge/Mortgage of land registered as Instrument No. AT5552812 on October 22, 2020 in the principal sum of \$720,000.00, together with Standard Charge Terms 20015, against the Markham Road Property owned by the Borrower ("**Markham Road Property Charge**").

33. Pursuant to the "Covenants" section of the Standard Charge Terms No. 20015, the Borrower agreed to pay to RBC "each and every amount, indebtedness, liability and obligation forming part of the Liabilities in the manner agreed to in respect of such amount, indebtedness, liability or obligation".

34. Pursuant to the "Covenants in Lieu of Statutory Covenants" section of the Standard Charge Terms No. 20015, the Borrower agreed to pay taxes and other charges in connection with the Real Properties.

35. Pursuant to the "Receivership" section of the Standard Charge Terms No. 20015, at any time and from time to time when there shall be default under the provisions

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of the Coronet Road Property Charge and/or the Markham Road Property Charge (collectively the "**Charged Premises**"), RBC may appoint a receiver of the Charged Premises and the rents and profits thereof.

36. RBC pleads and relies upon all of the terms of the Coronet Road Property Charge and the Markham Road Property Charge.

37. In support of, and as further security for the Borrower's obligations under the Credit Agreement and the CSBFL Loan Agreement, by written guarantees and postponements of claim on the Bank's Standard Form 812 dated February 28, 2020 and March 3, 2020, respectively, Tharmini guaranteed payment to RBC of all the debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to RBC, limited to the amounts of \$1,312,000.00 and \$50,000.00, respectively, together with interest from the date of demand at a rate equal to RBC's prime interest rate per annum in effect from time to time plus 5.00%, both before and after judgment (collectively, the "**Tharmini Guarantees**").

38. In support of, and as further security for the Borrower's obligations under the Credit Agreement, by written guarantee and postponement of claim on the Bank's Standard Form 812 dated March 5, 2020, Ravi Soups guaranteed payment to RBC of all the debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to RBC, limited to the amount of \$1,312,000.00, together with interest from the date of demand at a rate equal to RBC's prime interest rate per annum in effect from time to time plus 5.00%, both before and after judgment (the "**Ravi Soups Guarantee**").

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39. In support of, and as further security for the Borrower's obligations under the Credit Agreement, by written guarantee and postponement of claim on the Bank's Standard Form 812 dated February 28, 2020, 186 guaranteed payment to RBC of all the debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to RBC, limited to the amount of \$1,312,000.00, together with interest from the date of demand at a rate equal to RBC's prime interest rate per annum in effect from time to time plus 5.00%, both before and after judgment (the "**186 Guarantee**").

40. The Tharmini Guarantees, Ravi Soups Guarantee and 186 Guarantee are collectively the "**Guarantees**". The Guarantees provide that:

- (a) the Guarantors guarantee payment of any and all present and future debts and liabilities owing to RBC by the Borrower;
- (b) the Guarantees are a continuing and all accounts guarantee and covers all liabilities and shall apply to secure any ultimate balance due, or remaining unpaid by the Borrower to RBC;
- (c) the Guarantors' liability to make payment to RBC arises immediately upon receiving a written demand for payment from RBC;
- (d) a demand for payment is effectively made on the Guarantors by sending them an envelope containing a demand addressed to their place of address last known to RBC;

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- (e) once demand has been made, the Guarantors are liable to RBC for interest on the amount demanded at a rate of 5.00% per annum above RBC's prime interest rate, from and including the date of demand until payment;
- (f) the Guarantors are liable to RBC for all legal fees and costs that RBC incurs on a complete indemnity scale from and including the date of demand; and
- (g) RBC is not bound to exhaust recourse against the Borrower, or other persons or security, before being entitled to payment from the Guarantors.

41. RBC pleads and relies upon all of the terms of the Guarantees.

### **Default and Demand**

42. On or around August 22, 2023, the accounts of the Borrower were transferred to RBC's Special Loans and Advisory Services Group ("**SLAS**") due to the multiple breaches under the Credit Agreement and GSAs, including but not limited to:

- (a) failure to pay the monthly payments under Term Facility 004 and Term Facility 001;
- (b) failure to pay municipal property taxes as they came due. As at September 19, 2023, the municipal tax arrears under both the

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Coronet Road Property and the Markham Road Property totalled \$54,815.51 ("**Realty Tax Arrears**");

- (c) failure to obtain the prior written consent of RBC in connection with the Borrower granting second mortgages registered against title to the Real Properties; and
- (d) notice of sale proceedings commenced by the second mortgagee, Daljit Singh Banga, issued July 12, 2023 in connection with the Coronet Road Property for the sum of \$539,374.85 (the "**Coronet Road Property NOS**").

43. By email sent on August 22, 2023, RBC advised the Borrower and the Guarantors of the reason(s) for the transition of the accounts to SLAS.

44. On November 30, 2023, Toronto Standard Condominium Corporation No. 2799 registered a lien against title to the Markham Road Property as Instrument No. AT6469352. According to Instrument No. AT6469352, the Borrower owes unpaid common expenses in the amount of \$4,271.22 and continues to be in default of its obligation to contribute to the common expenses.

45. RBC is entitled to demand repayment of Term Facility 004 and Term Facility 001 pursuant to the General Covenants and Events of Default sections of the Credit Agreement.

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46. RBC is entitled to demand repayment of CSBFL Loan pursuant to the General Covenants and Events of Default sections of the CSBFL Loan Agreement.

47. As a result, by way of formal written demand letter sent on September 21, 2023, RBC made demand on the Borrower for the repayment of Term Facility 004, Term Facility 001 and CSBFL Loan. As part of the demand letter, RBC also gave notice of its intention to enforce its security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (the “**BIA Notice**”). The demand letter provides:

“We have been advised by the Bank that as at September 18, 2023, the Company is indebted to it in the following amounts:

1. in respect of a term loan facility (No. 44960053-001), in the amount of \$535,732.59, comprising principal in the amount of \$533,571.40 and accrued interest to and including September 18, 2023, in the amount of \$2,161.19. Interest continues to accrue on the aforesaid principal amount at the rate of 4.48% per annum. The per diem amount on the aforesaid principal amount is \$65.49;
2. in respect of a term loan facility (No. 44960053-004), in the amount of \$676,480.20, comprising principal in the amount of \$674,586.18 and accrued interest to and including September 18, 2023, in the amount of \$1,894.02. Interest continues to accrue on the aforesaid principal amount at the rate of 3.66% per annum. The per diem amount on the aforesaid principal amount is \$67.64; and
3. in respect of the non-revolving term facility (No. 44960053-009) established under a CSBFA Credit Agreement, in the amount of \$133,092.28, comprising principal in the amount of \$132,869.49 and accrued interest to and including September 18, 2023, in the amount of \$222.79. Interest continues to accrue on the aforesaid principal amount at the Bank's prime rate plus 3.00% per annum. The per diem amount on the aforesaid principal amount, given the Bank's current prime rate, is \$37.13.”

48. By way of demand letters sent on September 21, 2023, RBC also made demand on the Guarantors under the Guarantees.

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49. The demand and BIA Notice expired on October 2, 2023. The Borrower and the Guarantors failed to repay in full the indebtedness owing to RBC pursuant to the terms of the Credit Agreement, CSBFL Loan Agreement, the GSA, the CMSA, the Coronet Road Property Charge, the Markham Road Property Charge and the Guarantees all delivered to RBC, as applicable.

50. On January 12, 2024, Toronto Standard Condominium Corp. No. 2799 issued a notice of sale ("**Markham Road Property NOS**") in connection with unpaid common expenses for the Markham Road Property and registered on title as Instrument No. AT6469352 on November 30, 2023 a certificate of lien. The Markham Road Property NOS is for the sum of \$12,353.58.

51. As of February 1, 2024, or earlier, it appears that business operations from the Markham Road Property and the Coronet Road Property have ceased. A lockbox appears on the front door of the Coronet Road Property.

52. At the time of pleading, the indebtedness remains outstanding by the defendants.

53. Pursuant to the terms of the credit agreements and the security, the defendants are liable to pay RBC the amounts claimed, together with interest thereon, costs and expenses, including without limitation, legal and other professional fees incurred by RBC.

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### **Conclusion and Basis for Appointment of Receiver**

54. Section 13 of the GSA and section 42 of the Standard Charge Terms No. 20015 each provide for the appointment of a receiver upon default.

55. The Borrower has committed both monetary and non-monetary acts of default. RBC has provided the Borrower with more than sufficient time to remedy the defaults and the Borrower has failed and/or refused to do so.

56. Payment demands and the BIA Notice have expired and the indebtedness remains outstanding.

57. Enforcement proceedings, by way of the Coronet Road Property NOS and the Markham Road Property NOS, have been issued by the creditors of the Borrower.

58. The Realty Tax Arrears remain outstanding.

59. RBC pleads that the Borrower has been unable to fulfill its contractual obligations to RBC.

60. RBC is entitled to take any and all steps necessary to enforce its security and realize on same.

61. RBC accordingly pleads that it is entitled to the relief claimed herein.



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62. RBC considers it reasonable and prudent for it to begin enforcement of its security in an effort to recover the outstanding indebtedness.

63. BDO Canada Limited has consented to act as receiver.

64. RBC proposes that this action be tried at the City of Toronto, in the Province of Ontario.

February 13, 2024

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Lawyers for the Plaintiff

- 19 -

**Schedule "A"**

PIN 76748 – 0019 (LT)

Legal Description: UNIT 19, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN  
NO. 2748 AND ITS APPURTENANT INTEREST; CITY OF TORONTO

Municipal Address: Unit 17, 27 Coronet Road, Toronto, Ontario

Land Registry Office No. 80 at Toronto, Ontario

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PIN 76799 - 0001 (LT)

Legal Description: UNIT 1, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN  
NO. 2799 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET  
OUT IN SCHEDULE A AS IN AT5511149; CITY OF TORONTO

Municipal Address: Unit 101, 2855 Markham Road, Toronto, Ontario

Land Registry Office No. 80 at Toronto, Ontario

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PIN 76799 - 0002 (LT)

Legal Description: UNIT 2, LEVEL 1, TORONTO STANDARD CONDOMINIUM PLAN  
NO. 2799 AND ITS APPURTENANT INTEREST; SUBJECT TO EASEMENTS AS SET  
OUT IN SCHEDULE A AS IN AT5511149; CITY OF TORONTO

Municipal Address: Unit 102, 2855 Markham Road, Toronto, Ontario

Land Registry Office No. 80 at Toronto, Ontario

**B E T W E E N:**

**ROYAL BANK OF CANADA**  
Plaintiff

-and-

**1818216 Ontario Inc., et al**  
Defendants

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**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**

Proceeding commenced at Toronto

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**STATEMENT OF CLAIM**

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(File No. 240063)

**ROYAL BANK OF CANADA**  
Plaintiff

-and- **1818216 ONTARIO INC. et al.**  
Defendants

Court File No. CV-24-00714666-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT  
TORONTO

**MOTION RECORD**  
(Returnable March 6, 2024)

**FOGLER, RUBINOFF LLP**

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