

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF ASHCROFT URBAN DEVELOPMENTS INC., 2067166
ONTARIO INC., 2139770 ONTARIO INC., 2265132 ONTARIO INC., ASHCROFT
HOMES – LA PROMENADE INC., 2195186 ONTARIO INC., ASHCROFT HOMES
– CAPITAL HALL INC. AND 1019883 ONTARIO INC.

Applicants

MOTION RECORD

December 11, 2024

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TO: **THE SERVICE LIST**

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED*

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HOMES – LA PROMENADE INC., 2195186 ONTARIO INC., ASHCROFT HOMES
– CAPITAL HALL INC., AND 1019883 ONTARIO INC.

Applicants

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**ONTARIO
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Applicants

INDEX

Tab	Description
1.	Notice of Motion dated December 11, 2024
A.	Schedule “A” – Summary of Mortgagee, Debtor and Real Property
B.	Schedule “B” – Draft Interim Receivership Order
2.	Affidavit of Ishbel Buchan sworn December 11, 2024
A.	Park Place Commitment Letter
B.	Park Place Mortgage
C.	Park Place GSA
D.	Park Place ARL
E.	Park Place Guarantee
F.	Ravines Senior Commitment Letter
G.	Ravines Senior Mortgage
H.	Ravines Senior GSA
I.	Ravines Senior ARL
J.	Ravines Senior Guarantee
K.	Envie I Commitment Letter
L.	Envie I Mortgage
M.	Envie I GSA
N.	Envie I ARL

O.	Envie I Guarantee
P.	Park Place Tax Certificates
Q.	Park Place Borrower Demands
R.	Park Place Guarantor Demands
S.	Ravines Senior Tax Certificates
T.	Ravines Senior Borrower Demand
U.	Ravines Senior Guarantor Demands
V.	Envie I Tax Certificate and Water Arrears Certificate
W.	Envie I Borrower Demand
X.	Envie I Guarantor Demands
Y.	<i>Ottawa Citizen Article</i>
Z.	Compliance Order
AA.	KSV's Consent to Act as Interim Receiver
3.	Blackline of Draft Interim Receivership Order to Model Order

TAB 1

**ONTARIO
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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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**NOTICE OF MOTION
(Appointing Interim Receiver)**

ACM Advisors Ltd. will make a Motion on December 12, 2024 at 10:00 a.m., before a judge presiding over the Court or as soon after that time as the Motion can be heard.

PROPOSED METHOD OF HEARING: The Motion is to be heard (*choose appropriate option*)

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;

By video conference.

at the following location

Ottawa Courthouse, 161 Elgin Street, Ottawa, Ontario, via Zoom video conference.

1. ACM Advisors Ltd., makes this motion, which is supported by the mortgagees listed in Schedule “A” attached hereto (the “**Mortgagees**”), for an order substantially in the form attached hereto as Schedule “B”, including:

- (a) if necessary, abridging the time for service and filing of this notice of motion and motion record or, in the alternative, dispensing with same;
- (b) if necessary, lifting the stay of proceedings in these proceedings;
- (c) appointing KSV Restructuring Inc. (“**KSV**”) as interim receiver (in such capacity, the “**Interim Receiver**”) without security, over the property described in Schedule “A” of the proposed Order attached hereto and all of the property, assets, and undertaking (collectively, the “**Property**”) of the debtors listed in Schedule “A” hereto (the “**Debtors**”);
- (d) terminating the proceedings under the Companies Creditors’ Arrangement Act, RSC 1985 c. C-36 (the “**CCA**”) in respect of the Debtors upon the filing of a certificate of the Interim Receiver (the “**Effective Termination Time**”) and directing that, pending the Effective Termination Time, Grant Thornton Limited, in its capacity as court appointed monitor of the Applicants (the “**Monitor**”) take no further actions in respect of its appointment as Monitor pursuant to the order of this Court in these proceedings made on December 5, 2024, other than with the consent and at the direction of the Interim Receiver; and
- (e) such further and other relief as may be requested by the Mortgagees and as this Honourable Court considers just.

2. THE GROUNDS FOR THIS MOTION ARE:

- (a) The Mortgagees are comprised of mortgage funds, banks, and other lending institutions who granted stand-alone mortgage loans to the various discrete Debtors, each on an unconsolidated, individual basis. The various mortgage loans of each Mortgagee are described more particularly in Schedule "B" attached hereto.
- (b) Each of the Mortgagees opposes the relief sought by the Debtors as Applicants in these proceedings in part on the basis that the Mortgagees have lost all confidence in the Debtors and their ability to operate their business, including with respect to each specific Debtor's mortgaged property.
- (c) The Mortgagees require a transparent and efficient process to ensure the Property is managed safely and maintained, rents are collected and not co-mingled among the Debtors, and operational expenses are paid by the appropriate Debtor from its cash flow.
- (d) It is in the best interests of all parties that an interim receiver be appointed.
- (e) It is just, convenient, and necessary that an interim receiver be put in place to preserve the Property, including the related cash flow, while the Mortgagees evaluate their respective positions and determine how best to enforce their security in a manner that maximizes value for the lenders as the primary economic stakeholders in the Property.
- (f) KSV is qualified and prepared to act as receiver, if so appointed.
- (g) Section 11 of the CCAA, as amended.

- (h) Sections 101 and 106 of the *Courts of Justice Act*, RSO, c. C.43, as amended.
- (i) Section 47(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended.
- (j) Rules 1.04, 1.05, 3.02, 16.08, and 38 of the *Rules of Civil Procedure*, RRO 1990, c. C.43.
- (k) Such further and other grounds as counsel may advise and this Honourable Court may permit.

3. THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- (a) The affidavit of Ishbel Buchan sworn December 11, 2024;
- (b) The consent of KSV to act as interim receiver;
- (c) The pre-filing report of KSV, to be filed (the “**Pre-Filing Report**”); and
- (d) Such other materials as counsel may advise and this Honourable Court may permit.

December 11, 2024

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Lawyers for ACM Advisors Ltd.

Schedule "A"

Mortgagee	Debtor	Legal Description of Real Property
ACM Advisors Ltd.	2067166 Ontario Inc.	PART OF BLOCK 69 ON 4M-1047 BEING PARTS 1,2,3,4 AND 6 4R-21512, OTTAWA. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 1 TO 5 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC487047. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 9 TO 11 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC494285. TOGETHER WITH A RIGHT-OF-WAY OVER PARTS 2 AND 5 ON 4R-20298AS IN OC487047. TOGETHER WITH A RIGHT-OF-WAY OVER PART 9 ON 4R-20298 AS IN OC494285. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 6 ON 4R-21512 AS IN OC654077. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 4 ON 4R-21512 AS IN OC654077. SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 ON PLAN 4R-28152 AS IN OC1621378.; TOGETHER WITH AN EASEMENT OVER PART BLOCK 69 PLAN 4M1047 PART 5 4R21512 AS IN OC1966865, being PIN 03998-1732 (LT)
ACM Advisors Ltd.	2265132 Ontario Inc.	PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794. SUBJECT TO AN EASEMENT OVER PART 21 PLAN 4R25794 AS IN NS45154. SUBJECT TO AN EASEMENT OVER PARTS 8, 21 AND 46 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; SUBJECT TO AN EASEMENT AS IN OC1435034; TOGETHER WITH AN EASEMENT OVER ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794 AS IN OC1451771; CITY OF OTTAWA, being PIN 04052-0799 (LT)

ACM Advisors Ltd.	1384274 Ontario Inc.	ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794. SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1, 16, 17, 18, 23, 24, 27 AND 28 PLAN 4R25794 AS IN OC881843. SUBJECT TO AN EASEMENT OVER PARTS 3, 4, 5, 6, 7, 10, 11, 14, 15, 20, 26, 32, 33, 34, 35, 39, 40, 41 AND 54 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 12 PLAN 4M1327, PART 19 PLAN 4R25794 AS IN OC1451770; SUBJECT TO AN EASEMENT IN FAVOUR OF PART OF BLOCKS 10 AND 25 PLAN 4M1327, PARTS 2, 22, 25, 29, 30, 31, 36 AND 53 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 12, 13, 38, 47, 48 AND 49 PLAN 4R25794 AS IN OC1451771; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1560118; CITY OF OTTAWA, being PIN 04052-0801 (LT)
ACM Advisors Ltd.	2195186 Ontario Inc.	PART LOTS 7, 8, 9, 10, 11 AND PART LANE, AS CLOSED BY ORDER CR234928 PLAN 131037, PART 1 PLAN 4R29600; SUBJECT TO AN EASEMENT AS IN OC1804530; SUBJECT TO AN EASEMENT IN GROSS OVER PART 2 PLAN 4R33801 AS IN OC2393098; CITY OF OTTAWA, being PIN 04102-0340 (LT)
CMLS Financial Ltd.	Ashcroft Urban Developments Inc.	101 Queens Street, Ottawa and 110 Sparks Street, Ottawa [Complex legal description which is to be inserted into the proposed Order]
Equitable Bank	Ashcroft Homes - Capital Hall Inc.	105 Champagne Ave, Ottawa [Complex legal description which is to be inserted into the proposed Order]
Institutional Mortgage Capital Canada Inc.	Ashcroft Homes – La Promenade Inc.	PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PARTS 7, 8, PLAN 4R29684; TOGETHER WITH AN EASEMENT OVER PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PARTS 2, 4, PLAN 4R29684 IN FAVOUR OF PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PART 7, PLAN 4R29684 AS IN OC1822752; TOGETHER WITH AN EASEMENT OVER PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PARTS 2, 3, 4, 5, 6, PLAN 4R29684 IN FAVOUR OF PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PART 7, PLAN 4R29684 AS IN OC1822752; SUBJECT TO AN EASEMENT IN GROSS OVER PLAN 4R30928 AND PART 1 ON PLAN4R31325 AS IN OC2032997; CITY OF OTTAWA

Schedule "B"

Form of Interim Receivership Order

Attached.

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE)
JUSTICE MEW)
) THURSDAY, THE 12th
) DAY OF DECEMBER, 2024

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF ASHCROFT URBAN DEVELOPMENTS INC., 2067166
ONTARIO INC., 2139770 ONTARIO INC., 2265132 ONTARIO INC., ASHCROFT
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– CAPITAL HALL INC. AND 1019883 ONTARIO INC.

Applicants

**ORDER
(Appointing Interim Receiver)**

THIS MOTION made by ACM Advisors Ltd., and supported by each of the mortgagees listed in Schedule "A" (the "**Mortgagees**"), for an Order pursuant to section 47(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 KSV Restructuring Inc. ("**KSV**") as Interim Receiver (in such capacities, the "**Interim Receiver**") without security, of the property and lands listed on Schedule "A" hereto and all of the property, assets and undertaking (the "**Property**") of each of the debtors listed in Schedule "A" (the "**Debtors**"), was heard this day by judicial teleconference via Zoom at Toronto, Ontario.

ON READING the affidavit of Ishbel Buchan sworn December 11, 2024 and the Exhibits thereto, the affidavit of Robert Gartner sworn December 10, 2024 and the Exhibits thereto, the affidavit of [●] sworn December 11, 2024 and the Exhibits thereto, the affidavit of David Choo sworn December 4, 2024 and the Exhibits thereto, the affidavit of David Choo sworn December [11],

2024 and the Exhibits thereto, the pre-filing report dated as of December 11, 2024 of KSV as proposed Interim Receiver (the “**Pre-Filing Report**”) and on hearing the submissions of counsel for each of the Mortgagees, counsel for the Debtors and such other parties listed on the Counsel Slip, no one appearing although duly served as appears from the affidavit of service of Stephanie Fernandes sworn December 11, 2024 and on reading the consent of KSV to act as the Interim 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.

CCAA TERMINATION

2. THIS COURT ORDERS that, as of the Effective Termination Time (defined below) the CCAA proceedings as it relates to the Debtors are hereby terminated without any act or formality.

3. THIS COURT ORDERS that upon the filing of a certificate by the Interim Receiver in the form attached as Schedule “B” here to (the “**Effective Termination Time**”) confirming that the Transition (as defined in the Pre-Filing Report) has been completed, Grant Thornton Limited is hereby discharged from its duties as the Monitor (as defined in the initial order made in these proceedings on December 5, 2024 (the “**Initial Order**”)) and shall have no further duties, obligations or responsibilities as Monitor from and after the date thereof; provided that the Monitor is hereby directed that prior to the Effective Termination Time it shall take no further actions in respect of its appointment as Monitor other than with the consent and at the direction of the Interim Receiver.

4. THIS COURT ORDERS that, notwithstanding any provision of this Order and the termination of the within CCAA proceedings, nothing herein shall affect, vary, derogate from, limit or amend, and the Monitor shall continue to have the benefit of, all of the rights, approvals and protections in favour of the Monitor at law or pursuant to the CCAA or the Initial Order.

5. THIS COURT ORDERS that, for greater certainty, as of the Effective Termination Time, the Administration Charge (as defined in the Initial Order) shall be terminated.

6. THIS COURT ORDERS that effectively immediately, the Financial Advisor (as defined in the Initial Order) be and is hereby discharged.

APPOINTMENT

7. THIS COURT ORDERS that pursuant to section 47(1) of the BIA and section 101 of the CJA, KSV is hereby appointed Interim Receiver, without security, of the Property of the Debtors.

8. THIS COURT ORDERS that the estates of the Debtors will be jointly administered by the Interim Receiver for procedural purposes, provided, however, that nothing herein shall be deemed or constructed as directing a substantive consolidation of the Debtors or the Property, and provided further that the Interim Receiver shall, without limitation:

- a) Maintain segregated Debtor specific bank accounts (the “**Segregated Accounts**”);
- b) Funds in the Segregated Accounts shall be used to fund disbursements in connection with the associated Debtor including, without limitation, taxes, payroll, insurance, operational expenses associated with the Debtor, the associated Property and business operated by the Debtor;
- c) Deposit any funds borrowed pursuant to paragraph 31 below into the applicable Segregated Account and not use any such borrowed funds for any purpose other than fees, costs and expenses associated with such Debtor unless otherwise consented to by the applicable Mortgagee; and
- d) Keep segregated time and billing on a per Debtor basis in respect of its and its counsel’s respective fees and disbursements.

INTERIM RECEIVER’S POWERS

9. THIS COURT ORDERS that the Interim 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 Interim Receiver is hereby expressly empowered and authorized to do any of the following where the Interim 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, including without limitation the Debtors’ bank accounts related to the Property wherever located;
- b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to

safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- c) to manage, operate, and carry on the business of the Debtors, or any one or more of them, 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 or disclaim any contracts of the Debtors, or any one or more of them, in respect of the Property;
- 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 Interim Receiver's powers and duties, including without limitation those conferred by this Order;
- e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors, or any one or more of them, with respect to the Property or any part or parts thereof;
- f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors, or any one or more of them, with respect to the Property and to exercise all remedies of the Debtors, or any one or more of them, in collecting such monies, including, without limitation, to enforce any security held by the Debtors, or any one or more of them;
- g) to settle, extend or compromise any indebtedness owing to the Debtors, or any one or more of them, with respect to the Property;
- h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Interim Receiver's name or in the name and on behalf of the Debtors, or any one or more of them, for any purpose pursuant to this Order;
- i) to report to, meet with and discuss with such affected Persons (as defined below), as the Interim Receiver deems appropriate on all matters relating to the Property and the Interim Receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable;

- j) to consult with the Mortgagees and other creditors of the Debtors on all matters relating to the Property and the Interim Receivership, subject to such terms as to confidentiality as the Interim Receiver deems advisable;
- k) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- l) to apply for any permits, licences, approvals or permissions with respect to the Property as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Interim Receiver, in the name of the Debtors, or any one or more of them;
- m) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.
- n) and in each case where the Interim 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, or any one or more of them, and without interference from any other Person.

10. THIS COURT ORDERS that nothing in this Order in any way derogates from the obligations of the Interim Receiver to comply with all requirements under the *Retirement Homes Act, 2010*, S.O. 2010 c.11 (the "**Retirement Homes Act**") and O. Reg. 166/11 or limits the exercise of the regulatory authority of the Retirement Homes Regulatory Authority.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER

11. THIS COURT ORDERS that (i) the Debtors together with any of their affiliates, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel, shareholders, and all other persons acting on their 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 Interim 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 Interim Receiver, and shall deliver all such Property to the Interim Receiver upon the Interim Receiver's request.

12. THIS COURT ORDERS that all Persons shall forthwith advise the Interim Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, or any one or more of them, 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 Interim Receiver or permit the Interim Receiver to make, retain and take away copies thereof and grant to the Interim 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 Interim Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

13. 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 Interim Receiver for the purpose of allowing the Interim 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 Interim Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Interim Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Interim Receiver with all such assistance in gaining immediate access to the information in the Records as the Interim Receiver may in its discretion require including providing the Interim Receiver with instructions on the use of any computer or other system and providing the Interim Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

14. THIS COURT ORDERS the Interim Receiver shall ensure that it treats all documents and Records in accordance with the obligations contained in the *Retirement Homes Act* and other applicable legislation, including the *Personal Health Information Protection Act, 2004*, c.3 Sched. A.

15. THIS COURT ORDERS that all Persons, including without limitation, the Debtors and their affiliates, and each of them, shall be required to cooperate, and share information, with the Interim Receiver, in connection with all books and records, contracts, agreements, permits, licenses and insurance policies and other documents in respect of the Debtors, or any one or more of them, and the Property. In addition to the foregoing, general cooperation and information sharing requirements, the Debtors and their affiliates, or any of them, shall be required to do the following: (a) in respect of any and all such contracts, agreements, permits, licenses and insurance policies and other documents: (1) maintain them in good standing and provide immediate notice and copies to the Interim Receiver of any communications received from regulators, providers, lessors or franchisors in respect thereof; (2) provide immediate notice to the Interim Receiver of any material change and/or pending material change to the status quo in respect thereof; and (3) provide thirty (30) days' written notice to the Interim Receiver of any renewal date, termination date, election date or similar date in respect thereof; and (b) assist, and cooperate with, the Interim Receiver in obtaining any further permits and licenses that may be required in the Interim Receiver's discretion, acting reasonably, in consultation with the Mortgagees.

NO PROCEEDINGS AGAINST THE INTERIM RECEIVER

16. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Interim Receiver except with the written consent of the Interim Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

17. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors, or any one or more of them or the Interim Receiver, or their respective employees, advisors, counsel and other representatives acting in such capacities, or the Property shall be commenced or continued except with the written consent of the Interim Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors, or any one or more of them, or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

18. THIS COURT ORDERS that, subject to paragraph 20, all rights and remedies against the Debtors, or any one or more of them, the Interim Receiver, or their respective employees, advisors, counsel and other representatives acting in such capacities, or affecting the Property,

including, without limitation, licenses and permits, are hereby stayed and suspended except with the written consent of the Interim 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 Interim Receiver or the Debtors, or any one or more of them, to carry on any business which the Debtors, or any one or more of them, is not lawfully entitled to carry on, (ii) exempt the Interim Receiver or the Debtors, or any one or more of them, 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 INTERIM RECEIVER

19. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, or any one or more of them, in respect of the Property without written consent of the Interim Receiver or leave of this Court.

ENTITLEMENT OF MORTGAGE LENDERS

20. THIS COURT ORDERS that notwithstanding any other provision of the Order, nothing shall prevent or limit any Mortgagee, upon payment of any outstanding Property specific costs of the interim receivership and providing at least 5 business days’ notice to the Interim Receiver, from taking steps or exercising any rights under their security or at law, including without limitation, the appointment of a receiver and manager pursuant to Section 243(1) of the BIA and Section 101 of the CJA.

PROPERTY MANAGEMENT

21. THIS COURT ORDERS that if the Interim Receiver elects to retain the services of 1019883 Ontario Inc., Ashcroft Homes – Central Park Inc., Alavida Lifestyles Inc., or any other entity affiliated with the corporate group known as Ashcroft Homes Group that provides management or support services to any one or more of the Debtors (collectively, the “**Ashcroft Managers**”), it shall have the discretion to pay out of rents received on January 1, 2025, the Ashcroft Managers in respect of those services in accordance with past practice and as set out in the cash flow forecast appended as Exhibit [“2”] in the Monitor’s First Report filed December [10], 2024.

22. THIS COURT ORDERS that the Ashcroft Managers and the Debtors shall cooperate fully with the Interim Receiver and shall continue to provide property management and other services to the Interim Receiver in accordance with arrangements with the Debtors until such time as the Interim Receiver no longer requires their services. Neither the Ashcroft Managers nor the Debtors shall have any power or authority to make any discretionary decisions in respect of property management nor shall they have any power or authority to alter any contractual obligations and neither the Ashcroft Managers nor the Debtors shall have any powers in respect of banking arrangements and credit authorization in respect of the Property.

CONTINUATION OF SERVICES

23. THIS COURT ORDERS that all Persons, having oral or written agreements with the Debtors, or any one or more of them, in connection with or relating to the Property 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, or any one or more of them, in connection with or relating to the Property 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 Interim Receiver, and that the Interim Receiver shall be entitled to the continued use of the Debtors', or any one or more of their, 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 Interim Receiver in accordance with normal payment practices of the Debtors, or any one or more of their, or such other practices as may be agreed upon by the supplier or service provider and the Interim Receiver, or as may be ordered by this Court.

INTERIM RECEIVER TO HOLD FUNDS

24. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Interim 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 in connection with or relating to the Property, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited in the Segregated Account that has been opened and designed to the applicable Property and the monies standing to the credit of such Segregated Accounts from time to time,

net of any disbursements provided for herein, shall be held by the Interim Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

25. THIS COURT ORDERS that all employees of the Debtors, or any one or more of them, shall remain the employees of such Debtor until such time as the Interim Receiver, on behalf of the Debtors, or any one or more of them, may terminate the employment of such employees. The Interim 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 Interim 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*.

LIMITATION ON ENVIRONMENTAL LIABILITIES

26. THIS COURT ORDERS that nothing herein contained shall require the Interim 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 Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Interim Receiver shall not, as a result of this Order or anything done in pursuance of the Interim 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 INTERIM RECEIVER'S LIABILITY

27. THIS COURT ORDERS that the Interim 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 Interim Receiver by section 14.06 of the BIA or by any other applicable legislation.

INTERIM RECEIVER'S ACCOUNTS

28. THIS COURT ORDERS that the Interim Receiver and counsel to the Interim 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 Interim Receiver and counsel to the Interim Receiver shall be entitled to and are hereby granted a charge (the "**Interim 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 Interim 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. Notwithstanding the foregoing, the Interim Receiver's Charge in respect of any particular Property owned by a Debtor shall secure only such fees and disbursements of the Interim Receiver and its counsel that are allocated to such Debtor and Property in accordance with paragraph 8 above.

29. THIS COURT ORDERS that the Interim Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Interim Receiver and its legal counsel are hereby referred to a judge of the Ontario Superior Court of Justice.

30. THIS COURT ORDERS that prior to the passing of its accounts, the Interim 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 Interim 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 INTERIM RECEIVERSHIP

31. THIS COURT ORDERS that the Interim Receiver be at liberty and it is hereby empowered, in consultation with the Mortgagees of a Debtor, to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000 per Debtor (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 Interim Receiver by this Order, including

interim expenditures on a property specific basis. Only the Property of the specific Debtor in respect of which the Interim Receiver is required to borrow monies shall be and is hereby charged by way of a fixed and specific charge (the “**Interim 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, fees, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, on the specific property, but subordinate in priority to the Interim Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

32. THIS COURT ORDERS that neither the Interim Receiver’s Borrowings Charge nor any other security granted by the Interim Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

33. THIS COURT ORDERS that the Interim Receiver is at liberty and authorized to issue certificates in respect of any specific property substantially in the form annexed as Schedule “C” hereto (the “**Interim Receiver’s Certificates**”) for any amount borrowed by it pursuant to this Order.

34. THIS COURT ORDERS that the monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court and any and all Interim Receiver’s Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, in respect of the specific property so charged in accordance with paragraph 29 unless otherwise agreed to by the holders of any prior issued Interim Receiver’s Certificates.

SERVICE AND NOTICE

35. THIS COURT ORDERS that The Guide Concerning Commercial List E-Service (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 <https://www.ontariocourts.ca/sci/practice/practice-directions/toronto/eservice-commercial/>) 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.ksvadvisory.com/experience/case/Ashcroft>.

36. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Interim 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', or any one or more of their, creditors or other interested parties at their respective addresses as last shown on the records of the Debtors, or any one or more of them, 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.

37. THIS COURT ORDERS that during the pendency of the Canada Post strike, any obligation of the Interim Receiver to provide notice by ordinary mail shall be suspended provided that the Interim Receiver shall post all such notices on its website and shall, to the extent possible, send such notices by email.

COMEBACK MOTION

38. THIS COURT ORDERS that a comeback motion in this proceeding shall be heard on January 31, 2025.

GENERAL

39. THIS COURT ORDERS that the Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

40. THIS COURT ORDERS that nothing in this Order shall prevent the Interim Receiver from acting as a receiver or trustee in bankruptcy of the Debtors, or any one or more of them.

41. 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 Interim 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 Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Interim Receiver and its agents in carrying out the terms of this Order.

42. THIS COURT ORDERS that the Interim 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 Interim 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.

43. THIS COURT ORDERS that the Mortgagee shall have its costs of this Motion, up to and including entry and service of this Order, provided for by the terms of the Mortgagee's security or, if not so provided by the Mortgagee's security, then on a substantial indemnity basis to be paid by the Interim Receiver from the Debtors, or any one or more of their estates, with such priority and at such time as this Court may determine.

44. THIS COURT ORDERS that at any time after January 31, 2025 any Mortgagee may file with the Court and serve on all parties to these proceedings a certificate in the form attached as Schedule "D" (the "**Termination Certificate**") advising that such Mortgagee wishes to terminate these receivership proceedings in respect of the Property against which it holds security. Effective as of 12:01 a.m. (Prevailing Eastern Time) on the date of such filing (the "**Termination Time**") without further act or formality, the Interim Receiver shall be discharged as Receiver of the respective Property and Debtors, provided however, that notwithstanding its discharge herein (a) the Interim Receiver shall remain interim receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and (b) the Interim Receiver shall continue to have the benefit of the provisions of this Order and any other Orders made in this proceeding, including the Interim Receiver's Charge, the Interim Receiver's Borrowing Charge, all approvals, protections and stays of proceedings in favour of the Interim Receiver in its capacity as Receiver, including in connection with any action taken by the Interim Receiver following the Termination Time.

45. THIS COURT ORDERS that the respective Debtor(s) and the Interim Receiver will cooperate with such Mortgagee(s) to ensure an orderly transition from these proceedings to any Mortgagee-driven proceeding or other arrangement in respect of such Mortgagee(s) and the respective Debtor's Property.

46. 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 Interim 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.

47. THIS COURT ORDERS that this Order is effective from today's date and it is not required to be entered.

SCHEDULE "A" – LIST OF SUPPORTING MORTGAGEES, PROPERTY AND DEBTORS

DESCRIPTION OF THE REAL PROPERTY

Mortgagee	Debtor	Legal Description of Real Property
ACM Advisors Ltd.	2067166 Ontario Inc.	PART OF BLOCK 69 ON 4M-1047 BEING PARTS 1,2,3,4 AND 6 4R-21512, OTTAWA. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 1 TO 5 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC487047. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 9 TO 11 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC494285. TOGETHER WITH A RIGHT-OF-WAY OVER PARTS 2 AND 5 ON 4R-20298AS IN OC487047. TOGETHER WITH A RIGHT-OF-WAY OVER PART 9 ON 4R-20298 AS IN OC494285. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 6 ON 4R-21512 AS IN OC654077. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 4 ON 4R-21512 AS IN OC654077. SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 ON PLAN 4R-28152 AS IN OC1621378.; TOGETHER WITH AN EASEMENT OVER PART BLOCK 69 PLAN 4M1047 PART 5 4R21512 AS IN OC1966865, being PIN 03998-1732 (LT)
ACM Advisors Ltd.	2265132 Ontario Inc.	PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794. SUBJECT TO AN EASEMENT OVER PART 21 PLAN 4R25794 AS IN NS45154. SUBJECT TO AN EASEMENT OVER PARTS 8, 21 AND 46 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; SUBJECT TO AN EASEMENT AS IN OC1435034; TOGETHER WITH AN EASEMENT OVER ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794 AS IN OC1451771; CITY OF OTTAWA, being PIN 04052-0799 (LT)

ACM Advisors Ltd.	1384274 Ontario Inc.	ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794. SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1, 16, 17, 18, 23, 24, 27 AND 28 PLAN 4R25794 AS IN OC881843. SUBJECT TO AN EASEMENT OVER PARTS 3, 4, 5, 6, 7, 10, 11, 14, 15, 20, 26, 32, 33, 34, 35, 39, 40, 41 AND 54 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 12 PLAN 4M1327, PART 19 PLAN 4R25794 AS IN OC1451770; SUBJECT TO AN EASEMENT IN FAVOUR OF PART OF BLOCKS 10 AND 25 PLAN 4M1327, PARTS 2, 22, 25, 29, 30, 31, 36 AND 53 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 12, 13, 38, 47, 48 AND 49 PLAN 4R25794 AS IN OC1451771; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1560118; CITY OF OTTAWA, being PIN 04052-0801 (LT)
ACM Advisors Ltd.	2195186 Ontario Inc.	PART LOTS 7, 8, 9, 10, 11 AND PART LANE, AS CLOSED BY ORDER CR234928 PLAN 131037, PART 1 PLAN 4R29600; SUBJECT TO AN EASEMENT AS IN OC1804530; SUBJECT TO AN EASEMENT IN GROSS OVER PART 2 PLAN 4R33801 AS IN OC2393098; CITY OF OTTAWA, being PIN 04102-0340 (LT)
CMLS Financial Ltd.	Ashcroft Urban Developments Inc.	101 Queens Street, Ottawa and 110 Sparks Street, Ottawa [Complex legal description which is to be inserted into the proposed Order]
Equitable Bank	Ashcroft Homes - Capital Hall Inc.	105 Champagne Ave, Ottawa [Complex legal description which is to be inserted into the proposed Order]
Institutional Mortgage Capital Canada Inc.	Ashcroft Homes – La Promenade Inc.	PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PARTS 7, 8, PLAN 4R29684; TOGETHER WITH AN EASEMENT OVER PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PARTS 2, 4, PLAN 4R29684 IN FAVOUR OF PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PART 7, PLAN 4R29684 AS IN OC1822752; TOGETHER WITH AN EASEMENT OVER PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PARTS 2, 3, 4, 5, 6, PLAN 4R29684 IN FAVOUR OF PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PART 7, PLAN 4R29684 AS IN OC1822752; SUBJECT TO AN EASEMENT IN GROSS OVER PLAN 4R30928 AND PART 1 ON PLAN 4R31325 AS IN OC2032997; CITY OF OTTAWA

SCHEDULE "B"

Court File No. CV-24-00098058-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF ASHCROFT URBAN DEVELOPMENTS INC, 2067166
ONTARIO INC, 2139770 ONTARIO INC, 2265132 ONTARIO INC, ASHCROFT
HOMES – LA PROMENADE INC, 2195186 ONTARIO INC, ASHCROFT HOMES
– CAPITAL HALL INC AND 1019883 ONTARIO INC

Applicants

CCAA TERMINATION CERTIFICATE

This CCAA Termination Certificate is the certificate referred to in paragraph 3 of the Order of the Honourable Justice Mew dated December 12, 2024 in these proceedings, a copy of which is attached hereto. Capitalized terms not otherwise defined herein shall have the meaning given to them in the Order.

The undersigned, hereby gives notice that the Transition (as defined in the Pre-filing Report) has been completed to the satisfaction of the Interim Receiver.

Dated as of _____ [am/pm] this _____ day of December, 2024.

	<p>KSV RESTRUCTURING INC. solely in its capacity as interim receiver of the property, assets and undertaking of the Property, and not in its personal capacity</p> <hr/> <p>Name: Title:</p>
--	--

SCHEDULE "C"

INTERIM RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that KSV RESTRUCTURING INC., the Interim Receiver (the "**Interim Receiver**") of all of the properties, assets and undertaking of _____ (the "**Property**") appointed by Order of the Ontario Superior Court of Justice (the "**Court**") dated the ___ day of _____, 20__ (the "**Order**") made in Court file number CV-24-00098058-0000; has received as such Interim Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Interim 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 Interim 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 Interim 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 _____, 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 Interim 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 Interim 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 Interim 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__.

KSV RESTRUCTURING INC. solely in its capacity as interim receiver of the property, assets and undertaking of **[insert applicable debtor]** and not in its personal capacity

Per: _____

Name:

Title:

SCHEDULE "D"

Court File No. CV-24-00098058-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF ASHCROFT URBAN DEVELOPMENTS INC, 2067166
ONTARIO INC, 2139770 ONTARIO INC, 2265132 ONTARIO INC, ASHCROFT
HOMES – LA PROMENADE INC, 2195186 ONTARIO INC, ASHCROFT HOMES
– CAPITAL HALL INC AND 1019883 ONTARIO INC

Applicants

RECEIVERSHIP TERMINATION CERTIFICATE

This Receivership Termination Certificate is the certificate referred to in paragraph 44 of the Order of the Honourable Justice Mew dated December 12, 2024 in these proceedings, a copy of which is attached hereto. Capitalized terms not otherwise defined herein shall have the meaning given to them in the Order.

The Mortgagee, **[Insert Name]**, hereby gives notice that the Mortgagee wishes to terminate these receivership proceedings in respect of the following Debtor(s) and Property:

Debtor	Legal Description of Real Property

DATED the ____ day of _____, 20__.

[Mortgagee Name]

Per: _____

Name:

Title:

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36

AND IN THE MATTER OF ASHCROFT URBAN DEVELOPMENTS INC., 2067166 ONTARIO INC., 2139770 ONTARIO INC., 2265132 ONTARIO INC., ASHCROFT HOMES – LA PROMENADE INC., 2195186 ONTARIO INC., ASHCROFT HOMES – CAPITAL HALL INC. AND 1019883 ONTARIO INC.

Court File No: CV-24-00098058-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
OTTAWA

INTERIM RECEIVERSHIP ORDER

CASSELS BROCK & BLACKWELL LLP

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Lawyers for ACM Advisors Ltd.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ASHCROFT URBAN DEVELOPMENTS INC., 2067166 ONTARIO INC., 213 9770 ONTARIO INC., 2265132 ONTARIO INC., ASHCROFT HOMES – LA PROMENADE INC., 2195186 ONTARIO INC, ASHCROFT HOMES – CAPITAL HALL INC., AND 1019883 ONTARIO INC.

Court File No. CV-24-00098058-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
OTTAWA

NOTICE OF MOTION
(Appointing Interim Receiver)

Cassels Brock & Blackwell LLP

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Lawyers for ACM Advisors Ltd.

TAB 2

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF ASHCROFT URBAN DEVELOPMENTS INC., 2067166
ONTARIO INC., 2139770 ONTARIO INC., 2265132 ONTARIO INC., ASHCROFT
HOMES – LA PROMENADE INC., 2195186 ONTARIO INC., ASHCROFT HOMES
– CAPITAL HALL INC. AND 1019883 ONTARIO INC.

Applicants

**AFFIDAVIT OF ISHBEL BUCHAN
(Sworn December 11, 2024)**

I, Ishbel Buchan, of the City of Toronto in the Province of Ontario, SWEAR AND SAY
THAT:

1. I am an Executive Vice President - Investments at ACM Advisors Ltd. ("**ACM Advisors**").

I have over 35 years of experience in originating and managing commercial mortgage investments for institutional investors. I am licensed with the Financial Services Regulatory Authority of Ontario as a Mortgage Agent Level 2. I have personal knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information and, in all such cases, believe it to be true.

2. Capitalized terms used herein and not otherwise defined shall have the meaning defined in Affidavit of David Oswald Choo sworn December 3, 2024 ("**First Choo Affidavit**").

I. PURPOSE

3. I swear this affidavit in support of a motion to lift the stay, terminate the proceedings (the "**CCAA Proceedings**") under the *Companies Creditors' Arrangement Act* in respect of Ashcroft Urban Developments Inc., 2067166 Ontario Inc. ("**206**"), 2265132 Ontario Inc. ("**226**"), Ashcroft

Homes – La Promenade Inc., 2195186 Ontario Inc. (“**219**”) and Ashcroft Homes – Capital Hall Inc. and 1384274 Ontario Inc. (“**138**”) (collectively, the “**Debtors**”, and each, a “**Debtor**”, and 206, 226, 219 and 138 collectively, the “**ACM Debtors**”, and collectively with the remaining applicants in the CCAA Proceedings, the “**CCAA Applicants**”), and to seek the appointment of KSV Restructuring Inc. (“**KSV**”) as interim receiver over the property, assets and undertaking over the Debtors.

4. ACM is the first mortgagee in respect of the real properties owned by 206 (Park Place Senior), 226 (Ravines Senior) and 138 (Ravines Senior parking garage), and the second mortgagee in respect of the real properties owned by 219 (Envie I) (as described in more detail below). ACM is a perfected secured creditor of the ACM Debtors.

5. As of December 9, 2024, the ACM Debtors owe ACM the aggregate amount of \$70,870,578.40, which is made up of the following amounts:

- (a) Park Place Mortgage: \$19,237,983.60
- (b) Ravines Senior Mortgage: \$40,693,224.11
- (c) Envie I Mortgage: \$10,939,370.68,

in each case plus interest continuing to accrue from and after December 9, 2024 and fees and expenses, including legal costs and disbursements, before and after that date (collectively, the “**Indebtedness**”).

6. As described and defined below, the ACM Mortgages are in default. 219 has failed to pay the monthly mortgage payments under the Envie I Mortgage since July 2024. David Choo (“**Choo**”) has failed to satisfy those unpaid amounts under his guarantee of the 219 indebtedness, which is a continuing default under the Park Place Mortgage and Ravines Senior Mortgage. There

are also overdue outstanding municipal property taxes on each of the ACM Properties and the ACM Debtors have failed to comply with reporting requirements under their mortgages.

7. On July 19, 2024, a demand letter and notice of intention to enforce security under section 244 of the *Bankruptcy and Insolvency Act*, RSC, 1985, c. B-3, as amended ("**BIA**") was sent on behalf of ACM to 206 and its related guarantors.

8. On July 19, 2024, a demand letter and notice of intention to enforce security under section 244 of the *BIA* was sent on behalf of ACM to 226 and 138 and their related guarantors.

9. On September 27, 2024, a demand letter and notice of intention to enforce security under section 244 of the *BIA* was sent on behalf of ACM to 219 and its related guarantors.

10. The CCAA Proceedings will not enhance the value of ACM's collateral. Rather, the allocation of costs of the CCAA Proceedings to the ACM Properties is likely to reduce ACM's recovery, and delay the enforcement of its rights. ACM objects to the ACM Debtors or their affiliates remaining in control of the ACM Properties any longer as ACM has lost faith and confidence in the management of the ACM Debtors. Accordingly, ACM is seeking an Order to lift the stay of proceedings, terminate the CCAA Proceedings and appoint KSV as interim receiver of the Debtors' property.

II. BACKGROUND

11. ACM Advisors is a Canadian alternative asset manager that specializes in the creation, structuring and management of pooled Canadian commercial mortgage funds. ACM Commercial Mortgage Fund (the "**Lender**", together with ACM Advisors, "**ACM**") is a pooled commercial mortgage fund managed for institutional and private accredited investors.

12. The Debtors are members of the Ashcroft group of companies, which purchases, develops, operates and leases or sells residential communities in the Ottawa area for seniors, students, and general residential markets (collectively, "**Ashcroft**").

13. ACM advanced an aggregate of \$73,300,000 in mortgage loans in respect of the ACM Debtors' owned properties as follows and as described in more detail below:

- a. \$19,900,000 to 206 on December 21, 2022 (the "**Park Place Loan**") in respect of the land and premises where the Park Place Seniors Residence ("**Park Place**") is located at 120 Central Park Drive, Ottawa (the "**Park Place Property**"), which is a six storey, 99 suite seniors'-oriented apartment building, with surrounding grounds and parking facilities (including underground parking);
- b. \$42,200,000 to 226 and 138 on December 21, 2022 (the "**Ravines Senior Loan**") in respect of the land and premises where the Ravines Seniors Residence ("**Ravines Senior**") is located at 626 Prado Private, Ottawa (the "**Ravines Senior Property**"), which is a six storey, 125 unit retirement residence, with a parking facility; and
- c. \$11,200,000 to 219 on November 24, 2017 (the "**Envie I Loan**") in respect of the land and premises where the Envie I Student Residence ("**Envie I**") is located at 101 Champagne Rd, Ottawa (the "**Envie I Property**", together with the Park Place Property and the Ravines Senior Property, the "**ACM Properties**" or each an "**ACM Property**"), which is a 29 storey, 185 unit and 592 bed student apartment development with 1,850 square feet of ground floor retail space and various amenity space totaling approximately 228,288 gross square feet of above ground floor on a 0.32 acres site.

14. Below I describe the loans made by the Lender in respect of each of the properties.

Park Place Property

15. Pursuant to the terms of a commitment letter dated November 25, 2022, as amended by a waiver and amendment to the commitment letter dated December 13, 2022 ("**Park Place Commitment Letter**") and a charge dated December 21, 2022 ("**Park Place Mortgage**"), the Lender made the Park Place Loan to 206. Copies of the Park Place Commitment Letter and the Park Place Mortgage (together with its standard mortgage terms) are attached hereto as **Exhibits "A" and "B"**.

16. As security for the Park Place Loan, the Lender was granted, among other things, (i) a first-ranking mortgage against the Park Place Property; (ii) a general security agreement dated December 21, 2022 (the "**Park Place GSA**"); and (iii) a general assignment of rents and leases between 206 as assignor, and the Lender, as assignee dated December 21, 2022 ("**Park Place ARL**"). Copies of the Park Place GSA and the Park Place ARL are attached hereto as **Exhibits "C" and "D"**.

17. The indebtedness and obligations under the Park Place Commitment Letter are guaranteed by a covenant and postponement of claim dated December 21, 2022 by Alavida Lifestyles Inc. ("**Alavida**") and Choo (the "**Park Place Guarantee**"). Attached hereto as **Exhibits "E"**, is a copy of the Park Place Guarantee.

18. A search of title against the Park Place Property (marked as Exhibit E to the First Choo Affidavit) discloses the following registrations, among others:

- (a) the Park Place Mortgage in favour of the Lender; and
- (b) an assignment of rents and leases in favour of the Lender.

19. Institutional Mortgage Capital Canada Inc. (“**IMC**”) has a second ranking mortgage for the principal amount of \$11,500,000 (which is a blanket charge covering Park Place and Ravines Senior).

20. A search conducted against 206 under the Ontario personal property registration system (marked as Exhibit B to the First Choo Affidavit) discloses the following registrations:

- (a) Jim Peplinski Leasing Inc. on March 29, 2021, July 6, 2021, and August 25, 2021;
and
- (b) Computershare Trust Company of Canada as trustee and title holder for the Lender on December 19, 2021.

Ravines Senior Property

21. Pursuant to the terms of a commitment letter dated November 25, 2022, as amended by a waiver and amendment to the commitment letter dated December 13, 2022 (“**Ravines Senior Commitment Letter**”) and a charge dated December 21, 2022 (“**Ravines Senior Mortgage**”), the Lender made the Ravines Senior Loan to 226 and 138. Copies of the Ravines Senior Commitment Letter and Ravines Senior Mortgage are attached hereto as **Exhibits “F” and “G”**. The standard mortgage terms in respect of the Ravines Senior Mortgage are the same as the Park Place Mortgage attached hereto as Exhibit “B”.

22. As security for the Ravines Senior Loan, the Lender was granted, among other things, (i) a first-ranking mortgage against the Ravines Senior Property; (ii) a general security agreement dated December 21, 2022 (“**Ravines Senior GSA**”); and (iv) a general assignment of rents and leases between 226 and 138, as assignor and the Lender, as assignee dated December 21, 2022 (“**Ravines Senior ARL**”). Copies of the Ravines Senior GSA and Ravines Senior ARL are attached hereto as **Exhibits “H” and “I”**.

23. The indebtedness and obligations under the Ravines Senior Commitment Letter are guaranteed by a covenant and postponement of claim dated December 21, 2022 by Alavida and Choo (the "**Ravines Senior Guarantee**"). Attached hereto as **Exhibit "J"**, is a copy of the Ravines Senior Guarantee.

24. A search of title against the Ravines Senior Property (marked as Exhibit G to the First Choo Affidavit) discloses the following registrations, among others:

- (a) the Ravines Senior Mortgage in favour of the Lender; and
- (b) an assignment of rents and leases in favour of the Lender.

25. IMC has a second ranking mortgage for the principal amount of \$11,500,000 (being the blanket charge covering Park Place and Ravines Senior described above).

26. A search conducted against 226 under the Ontario personal property registration system (marked as Exhibit B to the First Choo Affidavit) discloses the following registrations:

- (a) Computershare Trust Company of Canada as trustee and title holder for the Lender on December 19, 2022; and
- (b) IMC on December 19, 2022.

27. A search conducted against 138 under the Ontario personal property registration system (marked as Exhibit B to the First Choo Affidavit) discloses the following registrations:

- (a) Computershare Trust Company of Canada as trustee and title holder for the Lender on December 19, 2022; and
- (b) IMC on December 19, 2022.

Envie I Property

28. Pursuant to the terms of a commitment letter dated November 2, 2017 ("**Envie I Commitment Letter**") and a charge dated November 24, 2017 ("**Envie I Mortgage**", together with the Park Place Mortgage and the Ravines Senior Mortgage, the "**ACM Mortgages**") the Lender made the Envie I Loan to 219. Copies of the Envie I Commitment Letter and Envie I Mortgage (together with its standard mortgage terms) are attached hereto as **Exhibits "K" and "L"**.

29. As security for the Envie I Loan, the Lender was granted, among other things, (i) a second-ranking mortgage against the Envie I Property; (ii) a general security agreement dated November 24, 2017 ("**Envie I GSA**"); and (iii) a general assignment of rents and leases ("**Envie I ARL**"). A copy of the Envie I GSA and Envie I ARL are attached hereto as **Exhibits "M" and "N"**.

30. The indebtedness and obligations under the Envie I Commitment Letter are guaranteed by a covenant and postponement of claim dated November 16, 2017 by Envie Enterprises Inc. ("**Envie Enterprises**") and Choo (the "**Envie I Guarantee**"). Attached hereto as **Exhibits "O"**, is a copy of the Envie I Guarantee.

31. A search of title against the Envie I Property (marked as Exhibit J to the First Choo Affidavit) discloses the following registrations, among others:

- (a) the Envie I Mortgage in favour of the Lender; and
- (b) an assignment of rents and leases in favour of the Lender.

32. Peoples Trust Company has a first ranking mortgage registered for the principal amount of \$55,634,035.

33. A search conducted against 219 under the Ontario personal property registration system (marked as Exhibit B to the First Choo Affidavit) discloses the following registrations:

- (a) Central 1 Credit Union on November 8, 2024;
- (b) Peoples Trust Company on November 7, 2017;
- (c) Computershare Trust Company of Canada as trustee and title holder for the Lender on November 20, 2017; and
- (d) Canadian Imperial Bank of Commerce on January 26, 2018.

III. DEFAULT, DEMAND AND FORBEARANCE

Park Place Property

34. The Park Place Loan is in default, because among other things, (a) Choo, as guarantor under the Envie I Guarantee, failed to pay certain amounts when due as contemplated under the Envie I Loan (as described in more detail below), (b) there are realty tax arrears owing for the 2023 and 2024 tax years in respect of the Park Place Property in the aggregate amount of \$419,293.93 as reflected in a City of Ottawa municipal tax certificates current as of December 9, 2024 and December 10, 2024, and (c) 206 has failed to comply with certain reporting requirements under the Park Place Loan. Attached hereto as **Exhibit "P"** are copies of the tax certificates.

35. For clarity, with respect to (a) above, pursuant to section 8(e) of the Park Place Commitment Letter and section 14(e) of the Park Place Mortgage, it is a default under the Park Place Loan for any guarantor of the Park Place Loan to be in default of its obligations to the Lender under any loan provided by the Lender. Accordingly, Choo's failure to make payments

when due under his guarantee of the Envie I Loan is a default under the Park Place Loan, which is continuing.

36. As a result of the defaults described above, on July 19, 2024, a demand letter and a notice of intention to enforce (“**NITE**”) under section 244 of the *BIA* was delivered on behalf of Computershare Trust Company of Canada as trustee and title holder for the Lender to 206, as borrower (the “**Park Place Borrower Demand**”) and all amounts became immediately due and owing under the Park Place Loan. On the same date, a demand letter and NITE was also delivered to Alavida and Choo, each as guarantors of the Park Place Loan (collectively, the “**Park Place Guarantor Demands**”, together with the Park Place Borrower Demand, the “**Park Place Demand**”). Attached hereto as **Exhibits “Q”** and “**R**” are copies of the Park Place Borrower Demand and the Park Place Guarantor Demands.

37. After the Park Place Demand was delivered, the Lender, 206, as borrower, and Alavida and Choo, each as guarantors negotiated a forbearance agreement. Contrary to paragraph 51 of the First Choo Affidavit, the parties did not enter into the forbearance. While 206, Alavida, and Choo have signed the forbearance agreement, ACM has not. In any event, the conditions to the effectiveness of the forbearance have not been satisfied such that there was never any forbearance in place.

38. As of the date of swearing this affidavit, no amounts have been paid by 206, Choo or Alavida in respect of the principal amounts due and owing under the Park Place Loan.

Ravines Senior Property

39. The Ravines Senior Loan is in default, because among other things, (a) Choo, as guarantor under the Envie I Guarantee, failed to pay the Lender certain amounts when due as contemplated under the Envie I Loan, (b) there are realty tax arrears were owing for the 2023 and

2024 tax years in respect of the Ravines Senior Property in the aggregate amount of \$375,343.47 as reflected in a City of Ottawa municipal tax certificate current as of December 9, 2024, and (c) 226 has failed to comply with certain reporting requirements under the Ravines Senior Loan. Attached hereto as **Exhibit “S”** is a copy of the tax certificate.

40. With respect to (a) above, the provisions in section 8(e) of the Ravines Senior Commitment Letter and section 14(e) of the Ravines Senior Mortgage apply in the same manner described in paragraph 35 above such that Choo’s failure to make payments when due under his guarantee of the Envie I Loan is a default under the Ravines Senior Loan, which is continuing.

41. As a result of the defaults described above, on July 19, 2024, a demand letter and a NITE under section 244 of the *BIA* was delivered on behalf of Computershare Trust Company of Canada as trustee and title holder for the Lender to 226 and 138, each as borrowers (the “**Ravines Senior Borrower Demand**”) and all amounts became immediately due and owing under the Park Place Loan. On the same date, a demand letter and NITE was also delivered to Alavida and Choo, each as guarantors of the Ravines Senior Loan (collectively, the “**Ravines Senior Guarantor Demands**”, together with the Ravines Senior Borrower Demand, the “**Ravines Senior Demand**”). Attached hereto as **Exhibits “T”** and “**U**” are copies of the Ravines Senior Borrower Demand and the Ravines Senior Guarantor Demands.

42. After the Ravines Senior Demand was delivered, the Lender, 226 and 138, together as borrower, and Alavida and Choo, each as guarantors negotiated a forbearance agreement. Contrary to paragraph 79 of the First Choo Affidavit, the parties did not enter into the forbearance. While 226 and 138, and Alavida and Choo executed the forbearance agreement, ACM has not. In any event, the conditions to the effectiveness of the forbearance have not been satisfied such that there was never any forbearance in place.

43. As of the date of swearing this affidavit, no amounts have been paid by 226, 138, Choo or Alavida in respect of the principal amounts due and owing under the Ravines Senior Loan.

Envie I Property

44. The Envie I Loan is in default because (a) 219 has failed to pay the required monthly payments under the Envie I Loan and Security Documents when due and owing on the first of each month for the months of July-December 2024, (b) there are realty tax arrears owing for the 2024 tax year in respect of the Envie I Property in the amount of \$168,825.37, and water arrears in the amount of \$150,858.01 as reflected in a City of Ottawa municipal tax certificates current as of December 9, 2024 and (c) 219 has failed to has failed to comply with certain reporting requirements under the Envie I Loan. Attached hereto as **Exhibit "V"** are copies of the tax certificate and the water arrears certificate.

45. Accordingly, all amounts became immediately due and owing, and, on September 27, 2024, a demand letter and a NITE under section 244 of the *BIA* were delivered on behalf of Computershare Trust Company of Canada as trustee and title holder for the Lender to 219 as borrower (the "**Envie I Borrower Demand**"). On the same date, a demand letter and NITE was also delivered to Envie Enterprises and Choo, each as guarantors of the Envie I Loan (collectively, the "**Envie I Guarantor Demands**", together with the Envie I Borrower Demand, the "**Envie I Demand**"). Attached hereto as **Exhibits "W"** and "**X"** are copies of the Envie I Borrower Demand and the Envie I Guarantor Demands.

46. After the Envie I Demand was delivered, the parties to the Envie I Loan engaged in negotiations regarding the terms of a forbearance agreement, but the terms were never agreed upon, and the forbearance never became effective.

47. As of the date of swearing this affidavit, no amounts have been paid by 219, Choo or Envie Enterprises in respect of the amounts due and owing under the Envie I Loan.

IV. DISTRESS IN THE COMMERCIAL REAL ESTATE MARKET

48. There is currently significant distress in the commercial real estate business in Ontario. Transaction sales volumes have been significantly down in 2024 as the market reacted to the outsized increases in interest rates over the past two years. In many cases, high borrowing costs and inflationary pressures have negatively affected occupancy rates, so rental property owners have not been able to rely on occupancy rate improvements to support their cash flow forecasts. These market dynamics suggest that rental unit portfolios may continue to face financial difficulties, particularly in regions like Ottawa, where demand growth has not materialized as expected and there are significant competing offerings for rental residences.

49. In this regard, ACM, and many other lenders I have spoken to, are dealing with multiple distressed assets. These lenders have in many instances, elected to make efforts to negotiate out-of-court arrangements with their commercial mortgage borrowers, similar to how ACM has unsuccessfully attempted to resolve matters with the Ashcroft. In addition to these informal restructuring processes, I understand from ACM's legal counsel, Cassels Brock & Blackwell LLP, and recent media accounts, including from *The Globe & Mail* and *Lexpert*, that there has been an elevated number of formal commercial real estate insolvencies in Canada in 2024.

50. Not surprisingly, the challenging macro-economic factors and market conditions described above have had a snowball effect where the relatively high number of distressed real assets has further led to depressed valuations and sales volumes. For example, Bobby Kofman of KSV, the proposed interim receiver, has advised me that in KSV's experience as the court-officer of dozens of real property projects across Canada, real property valuations are currently impaired, and

transactions are limited, except at distressed pricing, including for industrial, development, residential, multi-family and hospitality properties.

51. ACM is concerned that its secured indebtedness in relation to the Ashcroft projects will similarly be affected by the current state of the commercial real estate market in terms of property values and related sales velocity such that the properties may sell for significantly below estimated values and/or take much longer to sell than anticipated.

V. VALUATION

52. ACM's internal valuation estimates of the ACM Properties are significantly lower than the valuations suggested by the commentary in the First Choo Affidavit. For example, in the case of Park Place, Choo represents that there is \$24.6 million of net equity after the secured debt (as set out in the table at paragraph 143 of the First Choo Affidavit), while ACM's internal valuation estimates reflect that there may not be any equity in that property.

53. In that regard, ACM believes that the valuation commentary in the First Choo Affidavit in relation to the ACM Properties (as set out therein at paragraphs 47, 76, 107 and the table below paragraph 143) is misleading and has little to no relevance such that no weight should be given to it, including with respect to Choo's assertions regarding the equity value remaining in each project after paying the mortgagees.

54. Specifically, and in addition to considering ACM's internal valuation estimates, I am concerned there is no relevance to Choo's valuation commentary for the following reasons, among others:

- (a) The appraisals are aged. For example, the appraisal referred to in respect of Envie I is from 2017. I understand that once an appraisal is aged more than a few months, it is typically no longer relevant given various factors, including changing macro-

economics and market conditions. This is particularly relevant given the level of distress in the commercial real estate market (as described above). ACM believes that current market conditions could lead to realizable values that are 10%-20% less than its current valuation estimates;

- (b) The net operating income upon which the appraisals are based may be significantly higher than the actual net operating income of the projects. My reason for this belief is based on the following:
 - (i) Park Place and Envie I are running at significant operating losses (with Ravines Senior being effectively cash flow neutral) such that the cash flow from the properties is not able to service the regular mortgage payments;
 - (ii) Occupancy is either highly variable at certain properties or Ashcroft has provided ACM inaccurate reporting. Ashcroft reported to ACM that as of September 18, 2024 Envie I was 80% leased but when I toured Envie I on November 18, 2024, the property manager advised that the building was only 70%-73% leased. I also believe that occupancy at Envie I will continue to be a challenge as there are a material number of competing offerings within the same vicinity;
 - (iii) Occupancy at the ACM Properties has been challenged for the past 12 months or longer and Ashcroft has not been able to make significant improvements in that time-period. There is no reason to believe occupancy rates will imminently improve to support Ashcroft's cash flow forecasts (notwithstanding that the 13-week cash flow appended to the Proposed Monitor's pre-filing report makes this questionable assumption);

- (c) Recent events have led to Ashcroft and David Choo's developing negative reputations, particularly in the Ottawa senior residences market due to, among other things:
- (i) on June 21, 2024, the *Ottawa Citizen* published a highly critical news article describing, among other things, how Ashcroft at the Ravines retirement residences "is using a loophole to take advantage of vulnerable seniors who can't afford to pay hundreds, or thousands, of dollars more each month for accommodation."; and
 - (ii) on July 3, 2024, the Retirement Homes Regulatory Authority issued a compliance order to Alavida (the Ashcroft owned retirement residence manager that manages the Ashcroft seniors and retirement residences, including Park Place and Ravines Senior) citing contraventions under the *Retirement Homes Act* with respect to the Les Promenades retirement residence for, among other things, the following:
 - (1) failing to ensure that there is a written plan of care for each resident of the home that sets out the care services being provided;
 - (2) failing to ensure that the resident and/or the resident's substitute decision-maker is involved in the development and implementation of the resident's plan of care;
 - (3) failing to ensure that the resident's plan of care is based on an assessment of the resident and the needs and preferences of the resident; and

- (4) failing to protect residents of the home from abuse by anyone.

55. Copies of the *Ottawa Citizen* article and the compliance order are attached hereto as **Exhibits “Y”** and **“Z”**, respectively. These reputational issues are likely to make refinancing even more challenging considering current market conditions.

56. Compounding these concerns, property values and sales velocity may be worse than anticipated given that Park Place, Ravines Senior and Envie I are all operating businesses and there is a relatively small group of buyers reasonably capable of purchasing these assets.

57. All of the foregoing helps explain in part the reasons Ashcroft has had limited success in its refinancing efforts to date, and why it is critical that a receiver be appointed at this stage.

58. In any event, ACM remains one of two mortgagees who are the primary economic stakeholders on each of the Park Place Property, Ravines Senior Property and Envie I Property. ACM has an obligation to make strategic decisions on how to maximize recovery for its investors. As described below, ACM believes that appointing an interim receiver to protect, preserve and appropriately manage the properties, and to ultimately realize upon the assets for the benefit of ACM and other stakeholders, is in the best interests of ACM and its investors.

VI. LACK OF DISCLOSURE AND LOSS OF CONFIDENCE

59. Leading up to the commencement of the CCAA Proceedings, ACM has made efforts over the past several months to negotiate forbearances and engage in dialogue with Ashcroft in good faith to permit the CCAA Applicants time to remedy their defaults. During this period, the CCAA Applicants failed to provide ACM with requested information regarding the cash flows of the ACM Properties and certain other required reporting under ACM's various loan and security documents. The CCAA Applicants also requested multiple deadline extensions to satisfy the conditions to

effectiveness proposed in the negotiated forbearances which conditions were never satisfied. In many instances, these delays were blamed on other lenders not being available to discuss providing consents.

60. Based on the CCAA Applicants' court materials, I believe that during this months' long period, the CCAA Applicants were preparing for the CCAA Proceedings with the apparent intention of surprising their mortgagees two weeks before the December holidays. At no time did the CCAA Applicants discuss with ACM that they were considering commencing the CCAA Proceedings or attempt to engage with their creditors as a whole. Had there been timely communication and full transparency, it is possible that a plan supported by the mortgagees would have been developed.

61. Unfortunately, ACM learned about the CCAA Proceedings from another mortgagee approximately 24 hours after the initial hearing and did not receive any substantive communications from the Debtors until counsel for the Debtors contacted counsel for ACM on the afternoon of December 8, 2024, three days after the initial hearing.

62. Through the materials filed by the CCAA Applicants in the CCAA Proceedings, ACM also learned that the ACM Debtors were funding other, cash flow negative entities, which may prejudice ACM's recoveries.

63. For these reasons, I believe that the CCAA Applicants intentionally moved aggressively to undermine the interests of their creditors and to benefit Ashcroft and its management, including Choo, at the creditors' expense.

64. In these circumstances, and considering the concerns described above, including with respect to valuation and the reputation of Ashcroft and Choo, and the design of the process

contemplated by the CCAA Proceedings described below, ACM has lost confidence in Ashcroft's management.

VII. CCAA ISSUES

65. ACM is not in favour of the Debtors continuing the CCAA Proceedings. Each loan made by ACM to each of the specific ACM Debtors was made based on the value of the property charged as security for each loan. ACM made each loan on the understanding that each property was owned by a single-purpose entity.

66. ACM's position is that it should be entitled to enforce upon its mortgages and security on an individual, property-by-property basis.

67. ACM will not agree to any plan of the Debtors that:

- (a) does not provide ACM any payments of principal, and possibly interest, on its mortgages for an indeterminate period of time;
- (b) lacks the flexibility needed for each mortgagee to maximize value in accordance with its interests in an efficient manner;
- (c) contemplates sharing funds across the CCAA Applicants with no visibility or controls around each of the CCAA Applicants' operating costs or the remaining approximately 47 Ashcroft entities which are not applicants in the CCAA Proceedings – this is particularly concerning in light of the audited financial statements attached to the First Choo Affidavit which reflect that each of the ACM Debtors (other than 138) is a net lender to other Ashcroft entities, each in amounts greater than \$17 million;

- (d) is based on the Cash Flow Forecast,¹ that relies on speculative assumptions that include the CCAA Applicants being able to imminently stabilize occupancies because of recent marketing spending, and interest rates continuing to decrease;
- (e) provides no visibility into how the CCAA Proceedings will be funded beyond the initial 13-week period described in the Cash Flow Forecast. Choo is providing the interim funding (ostensibly to delay or avoid the potential for costly litigation under his personal guarantees of the CCAA Applicant's mortgages) while ACM does not have current information about his personal net worth; and
- (f) contemplates the CCAA Applicants pay on a weekly basis a total of approximately \$500,000 in professional fees within the first 13-weeks of the CCAA Proceedings;

68. Given current market conditions and the inability of the ACM Debtors to avoid insolvency proceedings in the context of the continuing defaults under the ACM Mortgages since July 2024 and earlier, ACM believes it could take significant time to refinance or sell the ACM Properties.

69. For these reasons, I believe that continuing the stay of proceedings in a debtor-led insolvency process creates significant risk, delay and subsequent prejudice to ACM, its investors, and other secured lenders. Instead, a creditor-led process would allow ACM to control how its mortgaged properties are managed, and improve ACM's ability to carry out its obligation to its investors to maximize recovery.

70. More specifically, ACM will be able to determine, among other things, whether the timing and process to monetize the ACM Properties is appropriate. On this basis, ACM opposes the CCAA Proceedings in respect of the Debtors.

¹ "**Cash Flow Forecast**" means the Cash Flow Forecast attached as Appendix 2 to the Pre-Filing Report of the Proposed Monitor dated December 4, 2024, as revised in the Monitor's First Report, to be filed.

VI. INTERIM RECEIVERSHIP

71. ACM is seeking the appointment of an interim receiver.

72. As of the date of swearing this affidavit, the Indebtedness remains outstanding.

73. Pursuant to section 26 of each of the Park Place Mortgage and the Ravines Seniors Mortgage, and section 7.03(c) of the Envie I Mortgage, ACM is entitled to seek the appointment of a court appointed receiver in the event of a default under the ACM Mortgages.

74. Section 26 of the Park Place Mortgage and the Ravines Senior Mortgage provides the following:

“(...) the Chargee may, at such time and from time to time and with or without entry into possession of the Property, 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 Property, 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 his 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.”

75. Section 7.03(c) of the Envie I Mortgage provides the following:

“Upon the occurrence of an Event of Default, the Chargee may in its discretion: (c) apply to a Court of competent jurisdiction for the appointment of a receiver or receiver and manager to take possession of all or such part or parts of the Charged Premises as the Chargee shall designate, with such duties, powers and obligations as the Court making the appointment shall confer; and the Chargor hereby consents to the appointment of such receiver or receiver and manager.”

76. ACM and other secured lenders require an efficient and cost-effective process to ensure the various projects are managed safely and preserved, rents are collected and not co-mingled amongst the CCAA Applicants, and operational expenses are paid by the appropriate CCAA Applicants from its cash flow.

77. It is just and convenient that a receiver be put in place, at least on a temporary basis, to preserve the ACM Properties and the interests of other secured lenders, and the cash flow derived therefrom, while the lenders evaluate their respective positions and determine how best to enforce their security in a value maximizing manner.

78. In the circumstances, considering Ashcroft's lack of transparency leading up to the commencement of the CCAA Proceedings, ACM's concerns with respect to valuation and the debtor-led process being proposed by the CCAA Applicants and ACM's loss of trust and confidence in Ashcroft's management, ACM submits that an interim receiver is necessary and appropriate to protect its interests and the interests of other stakeholders.

79. KSV has consented to and is qualified and prepared to act as interim receiver, if so appointed. I understand that KSV has extensive experience as a court officer in insolvency proceedings involving real property. A copy of KSV's consent to act as interim receiver is attached hereto as **Exhibit "AA"**.

VII. CONCLUSION

80. I swear this affidavit in support of the termination of the within CCAA Proceedings and the appointment of KSV as interim receiver, and for no other or improper purpose.

SWORN BEFORE ME

by video conference on this 11th day of December 2024. The affiant and I both were located the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely

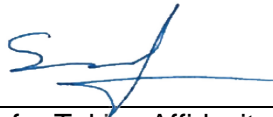


Commissioner for Taking Affidavits
(or as may be)
Commissioner Name: Stephanie Savannah
Fernandes
Law Society of Ontario Number: 85819M



Ishbel Buchan

This is Exhibit "A" referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M



ACM Advisors Ltd.
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T 604 682 4865
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November 25, 2022

2067166 ONTARIO INC.
c/o CMLS Financial
1101 - 200 Elgin Street
Ottawa, ON K2P 1L5

ATTENTION: ANDREW ARNFIELD & STEVE MCEWEN


RE: FIRST MORTGAGE FINANCING OF 120 CENTRAL PARK DRIVE, OTTAWA, ONTARIO

We are pleased to advise that based on our preliminary review of the information and documents supplied to us with respect to your request for mortgage financing, we are prepared to submit this conditional offer of mortgage financing on the terms and conditions as outlined herein (the “**Commitment**”). These terms and conditions are based on our preliminary analysis of the financing and project information provided by you, and are subject to change based on our further analysis and underwriting. Please keep the contents of this Commitment confidential.

This Commitment is conditional upon the Lender obtaining its appropriate credit approvals (the “**Lender’s Approval Condition**”) and will remain conditional until such time as the Portfolio Manager, on behalf of the Lender, waives such condition in writing.

1. PRIMARY TERMS

“ Borrower ”	2067166 Ontario Inc.
“ Guarantor ”	Alavida Lifestyles Inc. and David Choo shall jointly and severally provide a full guarantee for all indebtedness and obligations under the Loan.
“ Borrowing Entities ”	Borrower and Guarantor, individually or collectively as applicable.
“ Property ”	120 Central Park Drive, Ottawa, Ontario which is a 6-storey senior residence building containing 99 independent living suites, and legally described as Part of Block 69 on 4M-1047 being parts 1, 2, 3, 4 and 6 4R-21512, Ottawa, PIN: 03998-1732 (LT).
“ Loan ”	A loan in the Loan Amount to be secured in first priority (“ Charge Priority ”) on the Property.
“ Purpose of Loan ”	To provide refinancing of the Borrower’s existing indebtedness secured by the Property.
“ Loan Amount ”	The lesser of: (a) Twenty-One Million Dollars (\$21,000,000); and (b) The amount sufficient to achieve the DSCR Requirement (defined below).
“ Maturity Date ”	Third (3 rd) anniversary of the Interest Adjustment Date (defined below).
“ Amortization ”	Twenty-five (25) years.



“Interest Rate”	Two Hundred and Seventy (270) basis points (“ Spread ”) above the term equivalent interpolation between the “ Early Bond ” (3.00% & 01-OCT-2025) and “ Late Bond ” (0.25% & 01-MAR-2026), however such rate not to be below the “ Floor Rate ” of six and forty-five one hundredth of one percent (6.45%).
“Processing Fee”*	Forty basis points (40 bps) of the Loan Amount. The Lender acknowledges receipt for partial payment in the amount of Twenty-five Thousand Dollars (\$25,000), balance of the Processing Fee shall be payable upon acceptance of this Commitment.
“Commitment Deposit”*	One percent (1.0%) of the Loan Amount.
<i>* The Processing Fee and Commitment Deposit to be made payable to ACM Commercial Mortgage Fund</i>	
“Outside Funding Date”	Target funding date of December 15, 2022 but not later than December 22, 2022.
“Commitment Acceptance Expiry”	November 30, 2022.

2. LENDER

ACM Commercial Mortgage Fund (the “**Lender**”). Computershare Trust Company of Canada (“**Computershare**”) will act as trustee and title holder for the Lender.

3. PORTFOLIO MANAGER

ACM Advisors Ltd. (the “**Portfolio Manager**”) is the representative of ACM Commercial Mortgage Fund for the purposes of this Commitment and the acts of the Lender as contemplated by the Commitment.

4. ADVANCE OF LOAN

The Loan Amount shall be made available in not more than two (2) advances on the following schedule:

- (a) Nineteen Million Nine Hundred Thousand Dollars (\$19,900,000) (the “**Initial Advance**”) is to be made on a date determined by the Lender (the “**Date of Initial Advance**”) after the requirements in Schedule “A” – Conditions Precedent to the Initial Advance have been satisfied, which shall not, in any event be later than the Outside Funding Date; and
- (b) The balance of One Million and One Hundred Thousand Dollars (\$1,100,000) (the “**Subsequent Advance**”) is to be made on a date determined by the Lender (the “**Date of Subsequent Advance**”) after the requirements in Schedule “A” – Conditions Precedent to the Subsequent Advance have been satisfied, which shall not, in any event be later than the first (1st) anniversary of the IAD (defined below).

The funding date of each advance outlined above will constitute a “**Date of Advance**” under this Commitment.

The Borrower authorizes and directs the Lender to pay any advance under the Loan to the Lender’s Solicitors in trust on the Date of Advance. The conditions governing the Lender’s obligation to make advances are solely and exclusively for the benefit of the Lender and any or all of such conditions may be waived in whole or in part by the Lender at any time in its sole discretion. No advance shall constitute a waiver of any of the Borrower’s obligations to the Lender nor obligate the Lender to make further advances.

Should a material adverse change occur in the information supplied or in the financial stability of any of the Borrowing Entities or the Property prior to the Date of Initial Advance, the Lender shall be entitled to terminate its obligations under the terms of this Commitment. In such event, this Commitment will become null and void and of no further effect without recourse by either party against each other, and the Commitment Deposit shall be dealt with pursuant to the "Costs, Fees and Expenses" section herein which shall survive such termination. Notwithstanding the foregoing, the Lender may, at its sole option from time to time, elect to extend the Outside Funding Date to a date that it may determine, subject to its receipt of an extension fee in an amount to be determined by the Lender in its sole discretion.

5. REPAYMENT

Subject to earlier acceleration as provided in this Commitment, the Loan will be repaid in the monthly instalments stipulated by the Lender based on the Loan Amount, Interest Rate and Amortization, commencing on the first day of the month following each "**Interest Adjustment Date**", or "**IAD**", (being the first day of the month following the Date of Advance unless such Date of Advance is the first of the month, in which case the Interest Adjustment Date shall be the Date of Advance) and continuing on the first day of each month until the Maturity Date, whereupon the outstanding balance of principal and interest under the Loan, and any outstanding expenses, will be paid in full. The Borrower shall remit each monthly payment to the Lender by way of preauthorized debits to the Lender or as the Lender may otherwise direct.

If the Loan is not repaid on the Maturity Date, the Lender may, at its sole option, amend the terms of the Loan in accordance with the "Overhold Period" provision as set out in Schedule "F".

6. PREPAYMENT

The Loan is closed during the entire term contemplated. The Borrower shall have no privilege of prepaying the whole or part prior to the Maturity Date except as may be outlined in Schedule "B".

7. SECURITY

The Loan shall be secured by the following security and documentation, in form and content satisfactory to the Lender and its solicitors and registered, as required, in its appropriate Charge Priority (hereinafter collectively referred to as the "**Security**"), which shall be cross-defaulted and cross-collateralized with the security under a first mortgage loan to be provided by the Lender with respect to a property municipally known as 636 Prado Private, Ottawa, Ontario and as legally described under PIN 04052-0799 (LT), together with the shared use parking facility in respect of the lands described under PIN: 04052-0801 (LT) (collectively, "**Ravines**"):

- (a) Registered first mortgage securing a principal amount of \$63,200,000 and first-ranking assignment of rents creating a fixed charge over the Property and any adjacent lands and buildings that are used or are integral for the use of the Property including but not limited to any parking facilities;
- (b) First-ranking general security agreement from the Borrower creating a fixed security interest and charge over all present and after acquired personal property (including, without limitation, accounts, equipment, appliances and fixtures) owned by the Borrower and located at or used in connection with the Property;
- (c) Guarantee of the indebtedness and obligations of the Borrower executed by the party described as the Guarantor, or by each of the parties described as the Guarantor if more than one, on a joint and several basis;
- (d) Assignment of all material contracts and licenses affecting the operation of the Property;

- (e) Assignment of Insurance by the Borrower;
- (f) Environmental Warranty and Indemnity Agreement from the Borrowing Entities on a joint and several basis;
- (g) Subordination and Standstill Agreement with Institutional Mortgage Capital (“IMC”), in form and content satisfactory to the Lender; and
- (h) All resolutions, certificates, opinions and such other documentation and security as deemed appropriate by the Lender’s Solicitors.

8. EVENTS OF DEFAULT

For the purposes of this Commitment, the Security shall include or be deemed to include, without limitation, the following events as an “**Event of Default**”, whether voluntary or involuntary or effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or other rule or regulation of any administrative or governmental body:

- (a) the Borrower fails to pay any regular payment of principal and/or interest under the Loan when due and payable;
- (b) the Borrower fails to pay any other monies owing hereunder or under the Security when payable, and such failure continues for a period of fifteen (15) days;
- (c) default is made in the performance or observance of any terms and conditions contained in this Commitment or in any of the Security and such default is not remedied within thirty (30) days of notice of such default by the Lender;
- (d) there is a default under any of the Security which is not remedied within the applicable cure period;
- (e) there is a default by any of the Borrowing Entities under any loan provided by the Lender or any fund managed by the Portfolio Manager;
- (f) any of the Borrowing Entities sells, transfers or otherwise disposes of any interest in the Property without the prior written consent of the Lender and a mortgage assumption agreement;
- (g) a lien or construction lien is registered against the Property and is not removed within fifteen (15) days of such registration (save and except in the case where any of the Borrowing Entities has made a deposit of 125% of the claimed amount to a trust account satisfactory to the Lender);
- (h) there is a sale and/or change of control of any of the Borrowing Entities without the prior written consent of the Lender;
- (i) any representation or warranty contained in this Commitment, the Security or any other documents or certificates furnished to the Lender in connection herewith or pursuant hereto shall prove at any time to be materially incorrect, as of the date made;
- (j) a resolution is passed or an order is made for the liquidation or winding-up of any of the Borrowing Entities;
- (k) any of the Borrowing Entities makes a proposal or general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, or a bankruptcy petition is filed or presented against it, or any of the Borrowing Entities is subject to any proceeding under any other provision of the Bankruptcy and Insolvency Act or any other Act for the benefit of creditors and the Borrowing Entities are not disputing it in good faith; and
- (l) a receiver, receiver-manager or receiver and manager of any of the Borrowing Entities, or of any material part of its properties, assets or undertakings, is appointed.

If any Event of Default shall have occurred and be continuing then the Lender may declare all amounts outstanding under the Loan, including all interest and fees, if any, and all other amounts payable under this Commitment and Security to be immediately due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower.

9. SCHEDULES FORM PART OF COMMITMENT

All terms and conditions of the schedules attached hereto shall be included and form part of this Commitment.

Schedule "A" – Conditions Precedent

Schedule "B" – Prepayment Option(s)

Schedule "C" – Loan Reporting Requirements

Schedule "D" – Insurance Requirement

Schedule "E" – Borrowing Entities' Covenants, Representations and Warranties

Schedule "F" – Standard Terms and Conditions

To the extent that any provision of the above schedules conflicts with a provision of this letter portion of this Commitment, the provisions in this letter portion shall prevail.

10. LENDER'S SOLICITORS AND LEGAL DOCUMENTATION

The Security, legal opinions, together with all other documents relating to the Loan shall be prepared and reviewed by the law firm of Cassels Brock & Blackwell LLP, located at Suite 2100, Scotia Plaza, 40 King Street West, Toronto, ON, M5H 3C2; Tel: (416) 860-5218; Attention: Ardy Mohajer; Email: amohajer@cassels.com (the "Lender's Solicitors").

The Borrower shall deliver to the Lender or the Lender's Solicitors, within three (3) days after receipt of the waiver of the Lender's Approval Condition, the following documents:

- (a) the required leases, survey, insurance policies and/or certificate of insurance;
- (b) evidence that the tax accounts have been duly paid; and
- (c) any other documents required hereunder and requested by the Lender and/or the Lender's Solicitors.

11. COSTS, FEES AND EXPENSES

The Borrower agrees to be responsible for all costs and expenses incurred by the Lender from time to time in connection with the Loan, regardless of whether any portion of the Loan is advanced or if the Loan is not advanced, including without limitation all of the Lender's reasonable costs and expenses, legal fees and disbursements of the Lender's Solicitors, registration fee, title insurance premium, together with cost of all third parties reports (including engineering, appraisal, inspection, architectural, credit information, insurance review and preparation of survey).

Notwithstanding the above, the Borrower will not be responsible for the Lender's legal fees until the Lender has waived the Lender's Approval Condition, unless the Borrower provides written confirmation to the Lender that it will indemnify the Lender and the Portfolio Manager for such costs.

The Borrower agrees to pay the Lender on such date an amount stipulated by the Lender from time to time and acknowledges with the Lender that:

- (a) Processing Fee - The Processing Fee is deemed to be fully earned and non-refundable after the Portfolio Manager has delivered to the Borrowing Entities a waiver of the Lender's Approval Condition without material amendments to the terms and conditions outlined herein. The Processing Fee will be promptly returned if the Portfolio Manager, on behalf of the Lender, is unable or unwilling to waive the Lender's Approval Condition or has waived the Lender's Approval Condition with material changes to the financial terms and conditions outlined herein that are not accepted by the Borrowing Entities and as such, this Commitment becomes null and void. Notwithstanding the above, the Lender shall be entitled, at its sole option, to retain part of the processing fee for the Lender's reasonable costs and an Underwriting Expense (as set out in Schedule "F") associated with the initial underwriting of the Loan.
- (b) Commitment Deposit - The Borrower shall remit the Commitment Deposit by way of a cheque or wire transfer within the timeline outlined in the waiver of the Lender's Approval Condition. The Commitment Deposit held by the Lender shall be refunded, without interest, to the Borrower along with the Initial Advance. In the event the Loan is not advanced due to the non-satisfaction of the requirements in Schedule "A", the Lender shall be entitled, at its sole option, to cancel its obligations under this Commitment and to retain the Commitment Deposit as liquidated damages and a transaction fee, and any agreement constituted by the acceptance of this Commitment shall be null and void and of no further effect, without any further recourse, claim, remedy or action by either party against the other.
- (c) Loan Administration - During the term of the Loan subsequent to an advance under the Loan, the Borrower may from time to time request the Lender to provide or execute documents pertaining to the Property or the Loan. The Borrower acknowledges that the request of such documentation incurs time and expense for the Lender and Portfolio Manager and as such, the Borrower agrees to indemnify the Lender for fees and expenses (including but not limited to Lender's legal fees and expenses) relating to the review and execution of such documentation, as applicable acting reasonably, and the Borrower agrees to provide compensation to the Lender as outlined in Schedule "F".
- (d) Yield Maintenance on Default - In the event that the Loan or any portion thereof becomes due or repayable prior to the Maturity Date as a result of a breach or default of the terms of the Commitment or of the Security, the Borrower shall pay the Yield Maintenance set out in Schedule "F" in addition to any other amounts outstanding under the Loan.

All such amounts are payable forthwith, failing which at the sole discretion of the Lender such amounts may be added to the principal balance of the Loan and shall bear interest at the Interest Rate.

12. GENERAL PROVISIONS

Each of the Borrowing Entities acknowledges and agrees with the Lender that:

- (a) Applicable Law - The terms and conditions of this Commitment and all other documents relating to the execution of the transactions provided for by this Commitment shall be governed by and interpreted in accordance with the laws of the Province in which the Property is situated and applicable federal laws.
- (b) Waiver, Non-Merger and Conflict - The terms and conditions contained in this Commitment are inserted for the exclusive benefit of the Lender and may be waived in whole or in part by the Lender at any time. This Commitment shall not merge with the Security or the advance of the Loan, but shall remain in full force and effect. In the event of inconsistency or conflict between the provisions hereof and of the Security, the terms of the Commitment shall prevail. Silence on a matter addressed

in one document which is not addressed in the other, shall not constitute an inconsistency in respect of that matter.

- (c) Amendment - The terms or requirements of this Commitment or any Security may not be waived or varied orally, or by any course of conduct of any officer, employee or agent of the Lender. Any amendment to this Commitment must be in writing and signed by the Borrower and a duly authorized officer of the Portfolio Manager on behalf of the Lender; provided, however, that the Lender may unilaterally extend the date for return of this Commitment or receipt of any documentation upon written notice to the Borrower.
- (d) No Assignment - This Commitment and the monies payable pursuant thereto are not assignable in any manner by the Borrower.
- (e) Time - Time shall be of the essence of this Commitment in all respects.
- (f) Definitions - All capitalized terms which are used herein and not otherwise defined herein shall have the meanings set forth in the schedules attached.
- (g) Enurement - This Commitment shall be binding upon the Borrowing Entities and their successors and shall enure to the benefit of the Lender and its successors and assigns.
- (h) Unenforceability - If any provision, clause or paragraph of this Commitment shall be held to be unenforceable, such provision, clause or paragraph shall be deleted here from without impairing the enforceability of the remainder hereof.

13. ACCEPTANCE

If you are in agreement with the terms as outlined above and would like the Portfolio Manager to proceed with the Lender's formal approval process, please return the following by courier or electronic means no later than 4:00 p.m. Eastern time on the Commitment Acceptance Expiry, failing which this Commitment shall, at the Lender's option, be deemed to have expired:

- (a) signed copy of this Commitment;
- (b) completed and signed 'Borrowing Entities Information Package';
- (c) completed and signed 'Environmental, Social and Governance ("ESG") Questionnaire'; and
- (d) balance of the Processing Fee.

Yours truly,

ACM Advisors Ltd.

on behalf of ACM Commercial Mortgage Fund

Per: 
Olivia Kahng
Vice President – Investments

Per: 
Chad Mallow
President & Chief Executive Officer



ACCEPTANCE

We understand that the terms and conditions presented herein are subject to the Lender's Approval Condition and that a waiver letter will be provided if such condition is to be waived. Each of the signatories below consents and authorizes the Portfolio Manager to obtain credit reports and conduct reference checks.

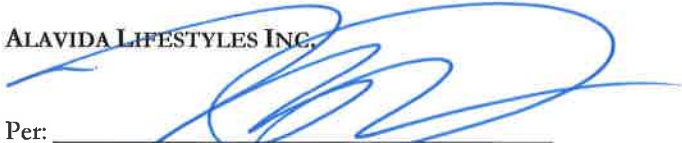
Accepted this 29 day of November, 2022.

2067166 ONTARIO INC.

Per: 

Name: FANNY DIFILIPPO
Title: CFO

ALAVIDA LIFESTYLES INC.

Per: 

Name: FANNY DIFILIPPO
Title: CFO

Per: _____

Name:
Title:

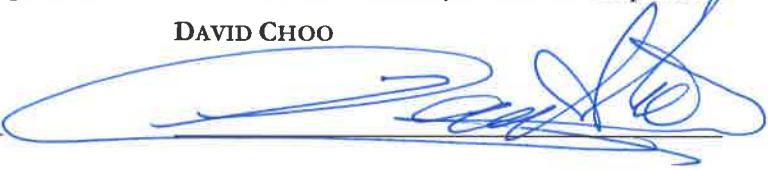
I / We have authority to bind the Corporation

Per: _____

Name:
Title:

I / We have authority to bind the Corporation

DAVID CHOO



Witness: _____

SCHEDULE "A" - CONDITIONS PRECEDENT

The disbursement of proceeds under the Loan shall be subject to the receipt and review of the following documents and information by, and in the form and content satisfactory to, Lender, its solicitors and the Portfolio Manager:

CONDITIONS PRECEDENT TO INITIAL ADVANCE

1. The following recently completed third party reports along with transmittal letters authorizing the Lender and Portfolio Manager to rely upon such reports as if the Lender and Portfolio Manager had retained such consultant:
 - (a) Appraisal setting out the current fair market value of the Property, prepared by a Lender approved professional appraiser (the "**Appraisal**");
 - (b) Building condition assessment report of the Property, prepared by a Lender approved professional engineer (the "**BCA**"); and
 - (c) Environmental site assessment of the Property, prepared by a Lender approved professional engineer (the "**ESA**"),
2. Information relating to the Property:
 - (a) Year-to-date operating statement for the month ended November 30, 2022 and annual operating statements of the Property from the previous three (3) years;
 - (b) Monthly Property occupancy figures from January to November 30, 2022 and historical monthly Property occupancy figures from the previous three (3) years;
 - (c) An up-to-date rent roll of the Property certified by a senior financial officer of the Borrower;
 - (d) A copy of the current operating licenses as issued under the Ministry of Health and Long-Term Care governed under the Long-Term Care Homes Act, 2007;
 - (e) A copy of all material contracts and licenses relating to the operation of the Property;
 - (f) A copy of the Queensway Carleton Hospital ("**QCH**") lease and all commercial leases or offers to lease affecting the Property (including all renewals and amendments thereto) duly executed and legally binding and on a fully net basis, as applicable, together with a copy of the standard residential rental agreement, and copies of all signed and executed residential leases;
 - (g) Schedule of accounts receivable for the Property with respect to rental payments;
 - (h) A copy of the Property tax bills from the previous three (3) years;
 - (i) As at the Date of Advance, the Property's leases are providing for total annual Property net operating income of not less than 1.10 times the total sum of the annual mortgage payment under the Loan (the "**DSCR Requirement**");
 - (j) Estoppel certificate from QCH, in a form to be provided and/or approved by the Portfolio Manager;
 - (k) A copy of all executed agreements in connection to parking, reciprocal, cost-sharing, access, management or any other agreements pertaining to or affecting the operation of the Property, as applicable; and

- (l) Satisfactory inspection of the Property by the Lender or its representative;
3. Insurance pursuant to the provisions outlined in the Schedule "D" - Insurance Requirement;
4. A title insurance policy issued by First Canadian Title Insurance, in the form and under the terms of the Portfolio Manager's existing master policy agreement, that insures the interest of the Lender in the Loan Amount;
5. Other financing information:
 - (a) Full details of the existing financing on the Property, as applicable;
 - (b) A copy of the signed second mortgage commitment letter with IMC; and
 - (c) Concurrent funding by the Lender of a loan secured by a first mortgage against Ravines;
6. Information about the Borrowing Entities:
 - (a) Annual audited or externally prepared review engagement financial statements of (corporate) Borrowing Entities from the previous three (3) years along with a current detailed list of all assets owned and debt outstanding thereon;
 - (b) Up-to-date certified net worth statement(s) of (personal) Borrowing Entities, including a current detailed list of all assets owned and debt outstanding thereon;
 - (c) Tax returns filed and Notices of Assessment received from the Canada Revenue Agency for the (personal) Borrowing Entities for the three (3) prior calendar years;
 - (d) A certified organization chart for each of the (corporate) Borrowing Entities; and
 - (e) A copy of the shareholder/ownership/partnership agreement for the Borrower or trust declaration, trust agreement or similar document if the Borrower is a trustee and nominee;
7. Legal conditions:
 - (a) Evidence that all utilities, taxes, other levies and charges affecting the Property (except for the utilities supplied to the tenants by the supplier) shall have been paid prior to advance of the Loan, failing which all arrears/interest/penalties shall be paid from the proceeds of Loan;
 - (b) Evidence that the Property is in compliance with all applicable legislation and regulatory standards and in particular but without limitation, those relating to zoning unless such is covered by a title insurance policy detailed above;
 - (c) Satisfactory results of the Lender's due diligence based on the information provided under the heading "Identification and Verification" and compliance with the requirement of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* and regulations thereunder;
 - (d) The Security and any other documents relating to the Loan deemed necessary by the Lender and its solicitor, shall be executed and delivered to the Lender's Solicitors at least three (3) days prior to the Date of Initial Advance, and all required securities are registered and perfected, as the case may be, and all approvals required by the Lender or its solicitors shall have been given;
 - (e) A favourable opinion of the Lender's Solicitors on the state of title of the Property and zoning, unless such is covered by the title insurance policy detailed above, and all other matters with respect to the Loan;

- (f) A favourable opinion of the Borrowing Entities' solicitors relating to the due incorporation of each of the (corporate) Borrowing Entities, and as to the corporate status, power and authority, due execution of this Commitment and the Security, all of which constitute legal and binding obligations of the (corporate) Borrowing Entities enforceable in accordance with their terms;
- (g) A certificate of each of the Borrowing Entities confirming the truth and survival of the representations and warranties contained herein; and
- (h) Confirmation to the satisfaction of the Lender that the Borrower is in compliance with each of the terms and conditions of this Commitment.

CONDITIONS PRECEDENT TO SUBSEQUENT ADVANCE

1. There is no event of default under the Loan and the Security, beyond applicable cure periods;
2. The Borrower shall provide the Lender with (i) at least fifteen (15) days' prior written notice and (ii) a Lender's administration fee of One Thousand Dollars (\$1,000), which shall be deducted from the amount of the Subsequent Advance. The Borrower will be responsible for all of the Lender's reasonable out-of-pocket expenses including, but not limited to legal costs associated with the Subsequent Advance;
3. The Lender receives satisfactory evidence of the QCH lease renewal for a minimum lease term of one (1) year;
4. The net operating income is not less than 1.15 times the combined principal and interest payable under the Loan (inclusive of the Subsequent Advance);
5. Confirmation that there has been no material adverse change to the Property and Borrowing Entities;
6. Evidence that the Property is in compliance with all applicable legislation and regulatory standards and in particular but without limitation, those relating to zoning unless such is covered by title insurance policy detailed above; and
7. Delivery of any information and/or documentation requested by the Lender and its solicitors.

SCHEDULE "B" - PREPAYMENT OPTION(S)

Provided that the Loan is not in default, the Borrower may prepay all or a portion of the entire amount outstanding under the Loan at any time prior to the Maturity Date, only if all amounts which are due and payable under the Loan have been paid, and the Borrower provides at least thirty (30) days' prior written notice of such repayment and also pays to the Lender the Yield Maintenance set out in Schedule "F".

All amounts so prepaid shall be in addition to and not in lieu of the instalments payable under the "**Repayment**" heading. The Lender's administration and legal costs associated with such prepayment are to be borne by the Borrower.



SCHEDULE "C" - LOAN REPORTING REQUIREMENTS

During the term of the Loan, the Borrower will provide, or cause to provide, to the Lender such financial and supporting information as may be required by the Lender and include the following:

- (a) annual income and expense statement for the Property within ninety (90) days after fiscal year end;
- (b) annual rent roll for the Property within ninety (90) days after fiscal year end, certified by a senior financial officer of the Borrower;
- (c) schedule of accounts receivable for the Property with respect to rental payments;
- (d) copies of current operating licences annually;
- (e) copies of any material contracts relating to the operation of the Property that have been added or amended;
- (f) notification and copies of any changes to the tenants or tenancies of the Property;
- (g) annual appraisal reports for the Property, as available;
- (h) annual budget of the Property for the forthcoming fiscal year;
- (i) annual capital expenditure statement for the Property, as available;
- (j) annual audited or externally prepared review engagement financial statements of each of the corporate Borrowing Entities within one hundred twenty (120) days after fiscal year end, together with a current detailed list of assets owned and debt outstanding thereon;
- (k) annual certified statement of net worth from personal Borrowing Entities within one hundred twenty (120) days of calendar year end, together with a current detailed list of assets owned and debt outstanding thereon;
- (l) annually a Certificate of Status or equivalent document confirming the continued existence of the Borrower as a corporation;
- (m) receipted tax bills evidencing full payment of all taxes levied against the Property within thirty (30) days of such taxes being due. If the Borrower is enrolled in a monthly municipal tax instalment payment plan then the Borrower will provide evidence that all property tax accounts are current and fully paid with statements evidencing such to be provided during the months of February and August of each year; and
- (n) evidence of insurance policy renewal or satisfactory replacement annually within thirty (30) days prior to expiry. The Lender may, in its discretion, require its insurance consultant to conduct an insurance review at the Borrower's expense.

In addition, the Borrowing Entities shall supply to the Lender from time to time, on its request (such request not to be unreasonably made), any financial information pertaining to the Borrowing Entities and Property including, without limitation, financial statements prepared as aforesaid.

All requested information shall be delivered to the Lender electronically at: loanreporting@acma.ca.

SCHEDULE "D" - INSURANCE REQUIREMENT

During the term of the Loan, the Borrower shall obtain and maintain the following insurance coverage with respect to all insurable property situate in, upon and under the Property as follows:

- (a) Property Insurance: All Risks coverage for 100% of the reconstruction cost, including blanket bylaws, earthquake, flood and sewer backup, subject to replacement cost (any same site requirement within the policy to be removed) and the property coverage shall include stated amount coinsurance. The amount of coverage shall be for the full replacement cost of the Property including debris removal, and without deduction for foundations or footings. The policy shall also include inflation protection. The Lender shall be shown as Mortgagee and Loss Payee in its Charge Priority, subject to the IBC Standard Mortgage Clause;
- (b) Boiler and Machinery Insurance: Equipment breakdown insurance on a Comprehensive form with coverage on all electrical and mechanical equipment, air conditioning and refrigeration equipment, as well as all pressure vessels; such policy shall contain a rider with the standard mortgage clause approved by the Canadian Boiler and Machinery Underwriters' Association, with proceeds payable to the Lender as mortgage creditor in its Charge Priority;
- (c) Deductibles and Self-Insured Retentions: The insurance certificate shall indicate all deductibles and self-insured retentions, including that for the basic building, earthquake, flood, sewer backup, boiler, liability, excess and umbrella coverage;
- (d) Liability Insurance: Commercial general liability insurance in an amount of not less than Five Million Dollars (\$5,000,000) per occurrence and will list the Lender as an additional insured with regard to the operations of the Borrower. The policy shall include limited pollution coverage (if applicable);
- (e) Malpractice Insurance: In addition to commercial general liability insurance as described herein, evidence of medical malpractice insurance with all liability policies including the Lender as additional insured with regard to the operations of the Borrower;
- (f) Rental Insurance: A rental income insurance policy for an amount equal to at least One Hundred Percent (100%) of the gross annual potential revenue (base rent plus additional rent) with a twenty four (24) month indemnity period estimated at \$5,405,000 annually; and
- (g) Such other forms and amounts of insurance as the Lender or their insurance consultant may require from time to time in their discretion.

The provisions relating to cancellation of the said policies, including the mortgage clause, shall provide that a notice of not less than thirty (30) days must in such event be given to the Lender.

The Borrower shall provide to the Lender such evidence as may reasonably request by the Lender, all of the above insurance coverage is in place and forwarded to the Lender's insurance consultant for verification and approval, prior to any advance of the Loan being made. All costs for such verification and approval shall be borne by the Borrower.


The Borrower hereby assigns, transfers and sets over all insurance policies (the "**Policies**") to the Lender and grants a security interest in the Policies to the Lender together with all right, title and interest in and to the Policies and also together with all proceeds and other amounts payable in respect of the Policies or at any time derived by the Policies or any part or parts thereof. The Borrower further authorizes and directs the issuers from time to time of the Policies to pay to the Lender or as the Assignee may in writing direct, all proceeds and other amounts payable under or pursuant to the Policies.

SCHEDULE "E" - BORROWING ENTITIES' COVENANTS, REPRESENTATIONS AND WARRANTIES

The Borrower covenants and agrees with the Lender that during the term of the Loan it will abide by all the following covenants:

- (a) Subordinate Financing – The Borrower shall not secure any subordinate financing on the Property other than a blanket second mortgage financing in favour of IMC securing a principal amount that shall cumulatively be no greater than Eleven Million and Five Hundred Thousand Dollars (\$11,500,000) secured against both the Property and Ravines (the “**Second Mortgage**”).
- (b) Change of Use – The Borrower shall make no changes in the use of the Property, and any material alterations by the Borrower in excess of Three Hundred and Fifty Thousand Dollars (\$350,000) shall require the prior written approval by the Lender.
- (c) Insurance – The Borrower shall maintain insurance coverage as outlined in Schedule “D” - Insurance Requirement.
- (d) Authorizations – The Borrower authorizes the Lender, or its representatives to make inquiries and obtain information relating to the Property and the Borrower, from appropriate taxation, municipal, utilities and other authorities, and also conduct inspection of the Property, for the purpose of loan administration. These authorizations shall remain in effect until the Loan has been fully repaid.
- (e) Property Management – The Property shall be managed by the Borrower, a company affiliated with the Borrower or a professional arm’s length manager approved by the Lender. For the purposes hereof, “affiliated” shall have the same meaning as given thereto in the *Canada Business Corporations Act*. The Lender reserves the right to give the Borrower written notice requiring that the management of the Property be improved to the Lender’s reasonable satisfaction, failing which the Lender may correct the situation to its satisfaction at the Borrower’s expense, including terminating the current property manager and retaining on the Borrower’s behalf a replacement property manager satisfactory to the Lender. A management fee, not to exceed prevailing market rates, may be paid to the manager of the Property. The Lender shall have the right to request that the property manager deliver an acknowledgement that upon notice by the Lender of a default under the Loan beyond any applicable cure periods, the Lender may require the termination of the property management agreement without notice and without payment of any fee or penalty.
- (f) Tenant(s) – For any tenant whose rents exceeds ten percent (10%) of the gross revenue of the Property, the Borrower shall provide the Lender with copies of all amendments and new binding offers to lease and leases together with all information relating thereto, which are entered into during the term of the Loan. The Lender shall have no liability with respect to any rent owing to or by a tenant. Any security interest granted by a tenant in favour of the Borrower will be deemed assigned and transferred to and in favour of the Lender.

Each of the Borrowing Entities warrants and represent that all representations and warranties contained in this Commitment shall remain true and accurate as of the Date of Advance, including:

- (a) Power and Capacity – Each of the Borrowing Entities has full power and capacity to enter into this Commitment and to complete the transaction contemplated herein.
 - (b) Title(s) – The Borrower is the legal owner and the only beneficial owner of the Property with good and marketable title thereto. The title of the Property and personal property owned by the Borrower used for the operation of the Property, if any, shall be free and clear of all security interest, charges, liens, mortgages, claim or other financial encumbrance, with the exception of the Security and the security for the Second Mortgage loan, to the complete satisfaction of the Lender’s Solicitors.
- 

- (c) Compliance – The Property complies and will continue to comply in all material respects with all applicable building, zoning, planning, development, environmental, occupation and use requirements.
- (d) Disclosure – All information pertaining to the current use and viability of the Property and the financial condition of each of the Borrowing Entities and Property has been fully disclosed to the Lender. There is no legal action instituted, threatened or pending against the Borrowing Entities pertaining to the Property or against the Property itself, and none of the Borrowing Entities have received notice of any work orders, deficiency notices or notices of violation pertaining to the Property. The building has been built in accordance with plans and specifications in a good and workmanlike manner and does not, and never has, contained UFFI, PCB's or asbestos in any form.
- (e) Environmental Matters – To the best of the Borrower's knowledge and belief after due enquiry, the Property and its existing uses comply with all laws, regulations, orders and approvals of all governmental authorities having jurisdiction with respect to environmental matters applicable to the ownership, use, maintenance and operation of the Property (collectively, the “Environmental Laws”) and, without limiting the generality of the foregoing:
- (i) the Property has never been used as a land fill site or to store hazardous substances (except as set out in (ii) below) either above or below ground, in storage tanks or otherwise;
 - (ii) all hazardous substances used in connection with the business conducted at the Property have at all times been received, handled, used, stored, treated, shipped and disposed of in strict compliance with all Environmental Laws;
 - (iii) no hazardous substances have been released into the environment or deposited, discharged, placed or disposed of at, on or near the Property in violation of Environmental Laws as a result of the conduct of business on the Property; and
 - (iv) no notices of any violation of any matters referred to above relating to the Property or its use have been received by the Borrower and with respect to the Borrower or, so far as it is aware, with respect to any other person, there are no directions, writs, injunctions, orders or judgments outstanding, no lawsuits, claims, proceedings or investigations pending or threatened, relating to the ownership, use, maintenance or operation of the Property nor is there any basis for such lawsuits, claims, proceedings or investigations being instituted or filed.

For the purposes of this Commitment, a hazardous substance includes but is not limited to contaminants, pollutants, dangerous substances, gasoline, oil, liquid wastes, industrial wastes, whole liquid wastes, toxic substances, hazardous wastes, hazardous materials and hazardous substances, as defined in or pursuant to any applicable Environmental Law.

The Borrowing Entities shall indemnify and save harmless the Lender from any loss or liability whatsoever arising from any violation whatsoever of any law, regulation, ordinance, judgement, approval or decision in connection with hazardous materials or environmental risks.

- (f) Tenant(s) – Except as set out or explained by the Borrower in the certified rent roll, each tenant has accepted and occupied its respective leased space in the Property pursuant to an arm's length fully executed net lease, unless expressly disclosed to the Lender, and for commercial tenants, are open for business. Each tenant has paid and is paying rent as required under its respective lease, is not claiming any deduction or set-off from the rent payable, and has not prepaid more than one (1) month's rent.
- (g) No Construction – The Loan proceeds are not being used to fund any construction on the Property. The Property is not subject to any construction liens and there is no possibility of a construction lien arising with respect to the original construction of the building situate upon the Property. The

foregoing does not extend to any work or services performed by or on behalf of any tenant of the Property, unless the Borrower has received notice of such work pursuant to the provisions of the applicable construction, mechanics' or builders' lien legislation.

- (h) Employment Contributions – The Borrower is not in arrears in employee source deductions, employer pension contributions and/or statutory remittances (collectively the “**Employment Contributions**”) and there are no claims, actions or proceeding brought forward by a third party in connection with the *Wage Earner Protection Program Act* and corresponding amendments to the *Bankruptcy and Insolvency Act* and the *Companies' Creditors Arrangement Act*, as amended or in connection with Employment Contributions.



SCHEDULE "F" - STANDARD TERMS AND CONDITIONS

INTEREST

If the Interest Rate is not defined as a percentage as outlined in the letter portion of this Commitment or based on a Prime Rate, the Interest Rate will be fixed at the Spread above the "**Reference Rate**" (the rate of interest per annum equal to the interpolated bid-side yield, as provided via live pricing quotes from Bloomberg, offered on the Early Bond and the Late Bond, both non-callable Government of Canada bonds) on the "**Rate Setting Date**", which shall be at 12:01 p.m. Eastern time three (3) business days prior to the Date of Initial Advance.

Interest on the Loan shall be calculated and payable as follows:

- (a) if the Date of Advance and the Interest Adjustment Date are different, calculated on a daily basis from the Date of Advance to but excluding the Interest Adjustment Date and payable on the Interest Adjustment Date with such payment to be deducted from the Loan proceeds at the time of the advance;
- (b) calculated semi-annually not in advance, from and including the Interest Adjustment Date for the term of the Loan and payable monthly in the manner described herein.

If the Interest Rate is based on the Prime Rate, interest on the Loan shall be compounded calculated and payable monthly not in advance and may fluctuate concurrent with each change to the "**Prime Rate**", which means the prime lending rate of interest as designated and recorded by the Royal Bank of Canada from time to time for the purposes of determining rates of interest charged on loans in Canada in Canadian dollars.

Notwithstanding the foregoing, the Interest Rate shall not be less than the Floor Rate.

OVERHOLD PERIOD

Provided that there are no arrears in principal or interest under the Loan, the Lender may, at its sole option, unilaterally extend the Loan for a period of one (1) month from the Maturity Date (the "**Overhold Period**"), and may, at its sole option, unilaterally amend the Interest Rate to be the greater of ten percent (10.0%) or a rate equivalent to the Prime Rate plus five percent (5.0%), to be calculated, compounded and payable interest only on a monthly basis. If an extension is granted, and at the Lender's option, a processing fee of the greater of one-tenth of one percent (0.1%) of the Loan Amount and Five Thousand Dollars (\$5,000) may be added to the outstanding principal balance. The monies owed may be paid in full on the Maturity Date or at any time during the Overhold Period without notice, bonus or penalty. In the event that repayment of the Loan has not been made in full on the Maturity Date or by the end of the Overhold Period, the Lender may, at its option, exercise any remedies available to it under the Loan and the Security.

YIELD MAINTENANCE

"**Yield Maintenance**" is defined as the amount which is the greater of:

- (a) an additional three (3) months interest on the amount prepaid, calculated at the interest rate under the Loan; and
- (b) the positive number, if any, obtained by subtracting the amount prepaid from the present value of all monthly payments of principal and interest, including the principal and interest due on the Maturity Date, which would have been made under the Loan in respect of the amount prepaid on and after the date of prepayment, had such prepayment not been made, such present value to be based on the Discount Rate (as hereinafter defined). For the purpose of this part, the "**Discount Rate**" shall mean the yield to a purchaser of a non-callable Government of Canada bond selected by the

Portfolio Manager with a term to maturity approximately equal to the remaining period of the term for such Loan had the Loan not been prepaid, calculated by the Portfolio Manager as of 12:01 p.m. Eastern time on the business day immediately prior to the date of prepayment, expressed as a rate per annum, compounded semi-annually.

RESERVE FUND FOR REALTY TAXES

The Security shall provide that the Borrower remits to the Lender on the first (1st) day of each month during the term of the Loan, in addition to the regular monthly mortgage payment as set out in this Commitment, a monthly instalment for realty taxes in an amount to be determined by the Lender from time to time, sufficient for the Lender to pay in full the realty taxes, levies, assessments, improvement charges and other taxes affecting the Property on the due date(s). The sums thereby accumulated shall form part of the security of the Lender for the Loan and shall not bear any interest in favour of the Borrower.

Notwithstanding the foregoing, the Lender hereby conditionally waives the forgoing requirement on an on-going basis provided that there has been no material default under the Loan and no non-compliance with the reporting requirements evidencing full payment of realty taxes when due. The Borrower acknowledges and agrees that any non-compliance of any of the conditions set out in this paragraph shall constitute this waiver to be null and void, such event shall permit the Lender, at its option, to reinstate the monthly instalment for realty taxes.

IDENTIFICATION AND VERIFICATION

The Borrowing Entities and other entities are required to produce information and identification acceptable to the Lender, Portfolio Manager and its solicitors for the purpose of compliance with the provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* and regulations thereunder prior to any funds being advanced. The Borrower's solicitors are required to certify at the time the Security is signed that all persons signing as or on behalf of the Borrowing Entities have been identified and verified as prescribed by the aforementioned legislation.

DISCHARGE OF SECURITY

It shall be a condition of the discharge of the Security that the Lender has been provided with evidence, satisfactory to it, that each of the Borrowing Entities are current on all HST, QST and/or GST payments required to be paid to Canada Revenue Agency and in the payment of all other funds received or withdrawn by any of the Borrowing Entities for remittance to any governmental agency.

PRIVACY

In the course of providing this Commitment and the resulting Loan, and for the purposes of administrating, reporting, selling or assigning in whole or in part (including, without limitation, in connection with any syndication), and enforcement of the Loan, the Portfolio Manager will collect all personal and/or corporate information about the Borrowing Entities, which may include contact information (mailing address, e-mail address, telephone number and fax number), information relating to personal and/or corporate financial status, (existing debts, personal net worth or credit history), date of birth, place of employment, social insurance number, information from financial institutions and references that there are relationships with the Borrowing Entities, credit bureaus, as well as documents pertaining to the Property (collectively, the "Information"). To fulfil these purposes or as required by law, the Portfolio Manager may share and disclose any or all of the Information to its affiliates, agents, representatives, counsels, other lenders and its external auditors where permitted by law and subject to the party accepting the privacy provisions as set out

herein so long as the Information is not otherwise publicly available. The Information will be physically stored at the Portfolio Manager's office and electronically on the Portfolio Manager's secure servers, and at all times, be handled in accordance with applicable privacy laws.

Each of the Borrowing Entities consents to the Portfolio Manager's inclusion of information relating to the Loan and the Property in its marketing materials including but not limited to the name of the Borrower; property information including its location and property type; the loan information may include its size and priority type; and photographic images of the Property.

LOAN ADMINISTRATION COSTS & UNDERWRITING EXPENSE

The following costs are payable within fifteen (15) calendar days upon receipt of notice, failing which the Lender shall be entitled to add such amount to the principal balance of the Loan and shall bear interest at the Interest Rate:

Execution of Documents	\$250 per request (up to 2 documents) and \$50 per additional document thereafter
Mortgage Statement or Discharge Statement	\$50 per request (not charged for annual audit confirmations)
Discharge Processing Fee	\$500
Non-Disturbance Agreement (existing or new tenants) or Postponement/Priority Agreement	\$500 per request
Underwriting Expense	The greater of 50% of the Processing Fee and \$5,000
Late payments or non-sufficient funds for monthly mortgage payment	\$250 per incident

INTERPRETATIONS


The headings and sections used in this Commitment are inserted for convenience of reference only and shall not affect the construction or interpretation of this Commitment.

This Commitment shall be construed with all changes in number and gender required by the circumstances.

If any of the Borrowing Entities is comprised of more than one person or corporation, each of the covenants, agreements and obligations herein shall deemed to be jointly and severally unless otherwise specifically stated herein.

"Person" includes any individual, partnership, joint venture, trust, unincorporated organization or any other association, corporation and government or any department or agency thereof.

This is Exhibit “**B**” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

Properties

PIN 03998 - 1732 LT *Interest/Estate* Fee Simple

Description PART OF BLOCK 69 ON 4M-1047 BEING PARTS 1,2,3,4 AND 6 4R-21512, OTTAWA.SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 1 TO 5 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC487047. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 9 TO 11 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC494285.TOGETHER WITH A RIGHT-OF-WAY OVER PARTS 2 AND 5 ON 4R-20298 AS IN OC487047.TOGETHER WITH A RIGHT-OF-WAY OVER PART 9 ON 4R-20298 AS IN OC494285. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 6 ON 4R-21512 AS IN OC654077.SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 4 ON 4R-21512 AS IN OC654077. SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 ON PLAN 4R-28152 AS IN OC1621378.; TOGETHER WITH AN EASEMENT OVER PART BLOCK 69 PLAN 4M1047 PART 5 4R21512 AS IN OC1966865

Address 120 CENTRAL PARK DRIVE
OTTAWA

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 2067166 ONTARIO INC.
Address for Service 18 Antares Drive
Ottawa, ON K2E 1A6

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.

Chargee(s)*Capacity**Share*

Name COMPUTERSHARE TRUST COMPANY OF CANADA
Address for Service c/o ACM Advisors Ltd.
Suite 210, 1140 Homer Street
Vancouver, BC V6B 2X6

Provisions

Principal \$63,200,000.00 *Currency* CDN

Calculation Period semi-annually, not in advance

Balance Due Date 2026/01/01

Interest Rate See Schedule

Payments

Interest Adjustment Date 2023 01 01

Payment Date 1st day of each and every month

First Payment Date 2023 02 01

Last Payment Date 2026 01 01

Standard Charge Terms 200033

Insurance Amount Full insurable value

Guarantor See Schedule

Additional Provisions

See Schedules

Signed By

Ardavan Mohajer-Ashjai 40 King Street West, Suite 2100 acting for Signed 2022 12 21
Toronto Chargor(s)
M5H 3C2

Tel 416-869-5300

Fax 416-360-8877

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

Submitted By

CASELS BROCK & BLACKWELL LLP 40 King Street West, Suite 2100 2022 12 21
Toronto
M5H 3C2
Tel 416-869-5300
Fax 416-360-8877

Fees/Taxes/Payment

Statutory Registration Fee \$69.00
Total Paid \$69.00

File Number

Chargee Client File Number : 54655-4 (AM/LR/TV)

ADDITIONAL PROVISIONS

1. STANDARD CHARGE TERMS

The terms contained in this schedule are in addition to the terms contained in the Standard Charge Terms. In the event of any conflict between the terms contained in this schedule and those contained in the Standard Charge Terms, the Chargee may elect which provision shall apply and prevail, to the extent of the conflict.

2. DEFINITIONS

In this schedule, the following definitions apply:

- (a) **Additional Security** means all security documents (other than this Charge) delivered by the Chargor to the Chargee to secure the Loan.
- (b) **Applicable Laws** means, in respect of any person, property, transaction or event, all applicable federal, provincial or municipal laws, statutes, regulations, rules, by-laws, policies and guidelines, orders, permits, licences, authorizations, approvals and all applicable common law or equitable principles in force and effect during the currency of this Charge;
- (c) **Balance Due Date** means the first day of January, 2026;
- (d) **Charge** means this Charge/Mortgage of Land made pursuant to the *Land Registration Reform Act* and any amendments thereto and including the Standard Charge;
- (e) **Chargee** shall mean Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund, and its successors and assigns;
- (f) **Chargor** shall mean 2067166 Ontario Inc. and its successors and permitted assigns;
- (g) **Commitment Letter** means the commitment letter issued by ACM Advisors Ltd. dated November 25, 2022 and accepted by the Chargor and Covenantors, as it may be further amended from time to time;
- (h) **Costs** shall include but not be limited to all of the fees, costs, charges, losses, damages and expenses incurred by the Chargee as a direct or indirect consequence of granting the loan secured by this Charge including, without limitation, all expenses incurred in the construction, preservation, maintenance, repair, insuring and realization of the security contained herein, and all legal costs incurred by the Chargee as between a solicitor and his own client;
- (i) **Covenantor or Covenantors** shall mean Alavida Lifestyles Inc. and David Oswald Choo;
- (j) **Environmental Laws** means all present and future Applicable Laws, standards and requirements relating to environmental or occupational health and safety matters, including those relating to the presence, release, reporting, licensing, permitting, investigation, disposal, storage, use, remediation and clean-up or any other aspect of a Hazardous Substance;
- (k) **Environmental Proceeding** means any investigation, action, proceeding, conviction, fine, judgment, notice, order, claim, directive, permit, license, approval, agreement or Lien of any nature or kind arising under or relating to Environmental Laws;
- (l) **Hazardous Substance** means any substance or material that is prohibited, controlled, otherwise regulated by any governmental authority or is otherwise hazardous in fact, including without limitation contaminants, pollutants, asbestos, lead, urea formaldehyde foam insulation, polychlorinated by-phenyls or hydrocarbon products, any materials containing same or derivatives thereof, explosives, radioactive substances, petroleum and associated products, underground storage tanks, dangerous or toxic substances or materials, controlled products, and hazardous wastes;

- (m) **Interest** means all interest owing from time to time under the Charge or Additional Security, calculated at the Interest Rate and compounded semi-annually and payable not in advance on the first business day of each and every month that the Principal Sum remains unpaid;
- (n) **Interest Adjustment Date** means the first day of January, 2023;
- (o) **Interest Rate** means the rate calculated in accordance with the Commitment Letter;
- (p) **Land Registry Office** means the Land Registry Office for the Land Titles Division of Ottawa/Carleton (No. 4);
- (q) **Lands** means the lands and premises more particularly described in Schedule "A";
- (r) **Leases** and **Lease** means, respectively, all and any present and future leases and agreements to lease of the whole or any portion of the Lands or of the whole or any part of the building(s) thereon, and all and any present or future licences whereby the Chargor (or any authorized representative of the Chargor) gives any other person the right to use or occupy the whole or any part of the Charged Premises, in each case for the time being in effect, and all revisions, alterations, modifications, amendments, extensions, renewals, replacements or substitutions thereof or therefor which may hereafter be effected or entered into, but does not include registered easements or rights in the nature of an easement;
- (s) **Lender** means ACM Commercial Mortgage Fund, and its successors and permitted assigns;
- (t) **Loan** means the credit facility set out in the Commitment Letter from the Lender to the Chargor secured, *inter alia*, by this Charge;
- (u) **Monthly Payments** means the blended payments of principal and interest calculated in accordance with the Commitment Letter and made on the first day of each month;
- (v) **Obligors** means collectively the Chargor and the Covenantors;
- (w) **Principal Amount** means the principal amount of \$63,200,000.00 in lawful money of Canada as it may be increased or decreased prior to registration of a discharge of this Charge;
- (x) **Property or Charged Property** means the lands described in the Charge to which this Schedule is attached and all buildings, fixtures and improvements now or hereafter brought or erected thereon;
- (y) **Ravines Property** means the property municipally known as 636 Prado Private, Ottawa, ON;
- (z) **Receiver** means a receiver or receiver-manager of the Property;
- (aa) **Second Mortgage** has the meaning ascribed in Section 16;
- (bb) **Standard Charge Terms** means the set of Standard Charge Terms filed as No. 200033; and
- (cc) **Yield Maintenance** has the definition ascribed thereto in the Commitment Letter.

3. CHARGE

Upon the request of the Chargee, the Chargor hereby gives this Charge and charges the Property as security for full payment to the Chargee of the Principal Amount, Interest and all other amounts payable hereunder and as security for the observance and performance of all of the obligations of the Chargor to the Chargee pursuant to this Charge or otherwise.

4. CANCELLATION OF ADVANCE

If all or a portion of the Principal Amount is advanced into the Chargee's solicitor's trust account as the result of verbal or written request or concurrence of the Chargor or their solicitor and are

not subsequently disbursed for any reason, then the Chargor shall pay to the Chargee interest accrued on the amounts so advanced to the Chargee's solicitor at the rate provided in the Charge. If, pending disbursement of the advance, the Chargee's solicitors place the monies in an interest bearing deposit, any interest accruing from such deposit will be credited to the Chargor after payment has been made to the Chargee of the interest required by this paragraph.

5. MONTHLY PAYMENTS

Interest on the Principal Amount from time to time advanced prior to the Interest Adjustment Date, computed from the respective dates of such advances to the Interest Adjustment Date, shall, at the option of the Chargee, be deducted from the advances or paid by the Chargor at such time or times as the Chargee may require and such Interest may be so deducted or paid in advance; after the Interest Adjustment Date, the Principal Amount with Interest computed from the Interest Adjustment Date on the Principal Amount outstanding from time to time, shall become due and be paid in Monthly Payments as provided by this Charge and the balance, if any, of the Principal Amount and Interest shall become due and payable on the Balance Due Date. The Monthly Payments, when received, shall be applied firstly to outstanding Costs, secondly to outstanding Interest and the balance, if any, in reduction of the outstanding Principal Amount.

6. PREPAYMENT

The Chargor, when not in default under the Commitment Letter, this Charge or any Additional Security, shall have the privilege of prepaying the whole or a portion of the Principal Amount on any payment date prior to the Balance Due Date without penalty, only if all amounts which are due and payable under the Loan have been paid, and the Chargor provides at least thirty (30) days' prior written notice of such repayment and also pays to the Chargee Yield Maintenance.

7. PAYMENTS BY CHARGEES

The Chargee may pay all premiums of insurance and all taxes, rates, levies, charges, assessments, utility and heating charges which shall from time to time fall due and be unpaid in respect of the Property and all costs, charges, legal fees (as between solicitor and his own client) and expenses as deemed necessary by the Chargee to preserve the Property and/or to realize upon the Chargee's security and all such payments shall be deemed Costs hereunder.

8. COSTS

Costs shall be forthwith due and payable by the Chargor to the Chargee and shall bear Interest until fully paid.

9. INSURANCE PROVISIONS

During the term of the Loan, the Chargor shall obtain and maintain the following insurance coverage with respect to all insurable property situate in, upon and under the Property as follows:

- (a) Property Insurance: All Risks coverage for 100% of the reconstruction cost, including blanket bylaws, earthquake, flood and sewer backup, subject to replacement cost (any same site requirement within the policy to be removed) and the property coverage shall include stated amount coinsurance. The amount of coverage shall be for the full replacement cost of the Property including debris removal, and without deduction for foundations or footings. The policy shall also include inflation protection. The Chargee shall be shown as Mortgagee and Loss Payee in its Charge Priority, subject to the IBC Standard Mortgage Clause;
- (b) Boiler and Machinery Insurance: Equipment breakdown insurance on a Comprehensive form with coverage on all electrical and mechanical equipment, air conditioning and refrigeration equipment, as well as all pressure vessels; such policy shall contain a rider with the standard mortgage clause approved by the Canadian Boiler and Machinery Underwriters' Association, with proceeds payable to the Chargee as mortgage creditor in its Charge Priority;
- (c) Deductibles and Self-Insured Retentions: The insurance certificate shall indicate all deductibles and self-insured retentions, including that for the basic building, earthquake, flood, sewer backup, boiler, liability, excess and umbrella coverage;
- (d) Liability Insurance: Commercial general liability insurance in an amount of not less than Five Million Dollars (\$5,000,000) per occurrence and will list the Chargee as an additional insured with regard to the operations of the Chargor. The policy shall include limited pollution coverage (if applicable);

- (e) Malpractice Insurance: In addition to commercial general liability insurance as described herein, evidence of medical malpractice insurance with all liability policies including the Chargee as additional insured with regard to the operations of the Chargor;
- (f) Rental Insurance: A rental income insurance policy for an amount equal to at least One Hundred Percent (100%) of the gross annual potential revenue (base rent plus additional rent) with a twenty-four (24) month indemnity period estimated at \$5,405,000 annually; and
- (g) Such other forms and amounts of insurance as the Chargee or their insurance consultant may require from time to time in their discretion.

The provisions relating to cancellation of the said policies, including the mortgage clause, shall provide that a notice of not less than thirty (30) days must in such event be given to the Chargee.

The Chargor shall provide to the Chargee such evidence as may reasonably request by the Chargee, all of the above insurance coverage is in place and forwarded to the Chargee's insurance consultant for verification and approval, prior to any advance of the Loan being made or otherwise on request by the Chargee. All costs for such verification and approval shall be borne by the Chargor.

The Chargor hereby assigns, transfers and sets over all insurance policies (the "**Policies**") to the Chargee and grants a security interest in the Policies to the Chargee together with all right, title and interest in and to the Policies and also together with all proceeds and other amounts payable in respect of the Policies or at any time derived by the Policies or any part or parts thereof. The Chargor further authorizes and directs the issuers from time to time of the Policies to pay to the Chargee or as the Assignee may in writing direct, all proceeds and other amounts payable under or pursuant to the Policies.

The Chargee shall be entitled to require coverage of such other risks and perils as the Chargee may from time to time consider advisable or desirable and in respect of which insurance coverage is available.

10. ENVIRONMENTAL

Representations:

The Chargor hereby represents, warrants, covenants and agrees with the Chargee that the Property and all businesses and operations conducted thereon comply with all Environmental Laws. The Property has not been used for or designated as a waste disposal site and, except as disclosed in the environmental audit obtained by the Chargee prior to the advance of funds under this Charge (the "**Environmental Audit**"), contains no Hazardous Substances and there is no existing or threatened Environmental Proceeding against or affecting the Property. Copies of all existing environmental assessments, audits, tests and reports relating to the Property have been delivered to the Chargee. To the best of the Chargor's knowledge and belief, there are no pending or proposed changes to Environmental Laws or to any Environmental Proceedings which would render illegal or materially restrict or change the present use and operation of the Property. Except as disclosed in the Environmental Audit, neither of the Chargor nor, to the best of the Chargor's knowledge and belief after due inquiry and investigation, any other person or organization: (i) has used or permitted the use of the Property to generate, manufacture, refine, treat, transport, store, handle, dispose, transfer, produce or process Hazardous Substances; (ii) has been subject to any Environmental Proceeding related to the Property; (iii) has caused or permitted the release or discharge of any Hazardous Substance on or in the vicinity of the Property; (iv) has received or otherwise has knowledge of any Environmental Proceedings or of any facts which could give rise to any Environmental Proceeding related to the Property; (v) has undertaken any remediation or clean-up of any Hazardous Substance on or in the vicinity of the Property; or (vi) has defaulted in reporting any occurrence or circumstance to any governmental authority in relation to the Property which is or was required to be reported pursuant to any Environmental Laws.

Covenants:

The Chargor shall: (i) ensure that the Property and the Chargor comply with all Environmental Laws at all times; (ii) not permit any Hazardous Substance to be located, manufactured, stored, spilled, discharged or disposed of at, on or under the Property (except in the ordinary course of business of the Chargor or any tenant and in compliance with all Environmental Laws) nor permit any other activity on or in respect of the Property that might result in any Environmental Proceeding affecting the Property, Chargor or Chargee; (iii) notify the Chargee promptly of any threatened or actual Environmental Proceedings; (iv) remediate and cure in a timely manner any non-compliance by the Property or the Chargor with Environmental Laws, including removal of any Hazardous Substances from the Property; (v) maintain all environmental and operating documents and records including all permits, licenses, certificates, approvals, orders and

agreements relating to the Property as required by Environmental Laws; (vi) provide the Chargee promptly upon request with such information, documents, records, permits, licences, certificates, approvals, orders, agreements, environmental audits, reports, assessments and inspections and take such other steps (all at the Charger's expense) as may be required by the Chargee to confirm and/or ensure compliance by the Property and the Chargor with Environmental Laws, and (vii) execute all consents, authorizations and directions necessary to permit any inspection of the Property by any governmental authority and to permit the release to the Chargee or its representatives, of any information relating to the Property and the Chargor.

Inspections:

The Chargee or its agent may, at any time, before and after default, and for any purpose deemed necessary by the Chargee, enter upon the Property to inspect the Property and buildings thereon. Without in any way limiting the generality of the foregoing, the Chargee may enter upon the Property to conduct any environmental testing, site assessment, investigation or study deemed necessary by the Chargee and the reasonable cost of such testing, assessment, investigation or study, as the case may be, shall bear interest at the rate set out in this Charge from the date of disbursement until paid and all such sums together with interest as aforesaid shall be a charge upon the Property. The exercise of any of the powers enumerated in this clause shall not result in the Chargee, or its agents being deemed to be in possession, management, or control of the Property and buildings.

11. PROPERTY MANAGEMENT

The Property shall be managed by the Chargor, a company affiliated with the Chargor, or a professional arm's length manager approved by the Chargee. For the purposes hereof, "affiliated" shall have the same meaning as given thereto in the *Canada Business Corporations Act*. The Chargee reserves the right to give the Chargor written notice requiring that the management of the Property be improved to the Chargee's reasonable satisfaction, failing which the Chargee may correct the situation to its satisfaction at the Chargor's expense, including terminating the current property manager and retaining on the Chargor's behalf a replacement property manager satisfactory to the Chargee. A management fee, not to exceed prevailing market rates, may be paid to the manager of the Property. The Chargee shall have the right to request that the property manager deliver an acknowledgement that upon notice by the Chargee of a default under the Loan beyond any applicable cure periods, the Chargee may require the termination of the property management agreement without notice and without payment of any fee or penalty.

12. SURVIVAL OF COMMITMENT LETTER

Neither the execution and delivery of this Charge or any security documents which are contemplated by the Commitment Letter nor the advance of any portion of the Principal Amount shall, in any way, merge or extinguish the Commitment Letter or the terms and conditions contained in the Commitment Letter. The Commitment Letter and all of its provisions shall continue in full force and effect until the Principal Amount has been repaid in full; provided that in case of any inconsistency or conflict between any provision or provisions of the Commitment Letter or any provision or provisions of the Charge or any other security documents granted pursuant to the Commitment Letter, the Chargee may elect which instrument or provision shall prevail.

Notwithstanding the above, the Chargor and the Chargee covenant and agree that with respect to the Interest Rate payable hereunder and the terms of repayment of the Principal Amount and Interest, the provisions of the Commitment Letter shall prevail.

13. MAJOR ALTERATIONS

Subject to Section 25(b), any major changes, additions and/or alterations contemplated to the Property, including major changes in use of the Property, must receive the Chargee's written consent prior to the commencement of the changes, additions and/or alterations. If the Chargor changes and/or alters the Property without the prior written consent of the Chargee being obtained, then the Chargee may, at its sole option, declare forthwith due and payable the entire balance of the unpaid principal together with the accrued interest due thereon. The Chargor will provide reasonable notice to the Chargee of any anticipated or impending transaction which would require the consent of the Chargee under this Section together with such reasonable information as the Chargee may require to determine whether or not to grant its consent thereto.

14. EVENTS OF DEFAULT

The Chargor shall be in default under this Charge if any one or more of the following events of default (an “**Event of Default**”) occurs at any time or times prior to registration of a complete discharge of this Charge and whether such occurrence is voluntary or involuntary or effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or other rule or regulation of any administrative or governmental body:

- (a) the Chargor fails to pay any regular payment of principal and/or interest under the Loan when due and payable;
- (b) the Chargor fails to pay any other monies owing hereunder or under the Additional Security when payable, and such failure continues for a period of fifteen (15) days;
- (c) default is made in the performance or observance of any terms and conditions contained in the Commitment Letter or in any of the Additional Security and such default is not remedied within thirty (30) days of notice of such default by the Chargee;
- (d) there is a default under any of the Additional Security which is not remedied within the applicable cure period;
- (e) there is a default by any of the Obligors under any loan provided by the Chargee or any fund managed by the Portfolio Manager (which is defined under Section 39 hereof);
- (f) any of the Obligors sells, transfers or otherwise disposes of any interest in the Property without the prior written consent of the Chargee and a mortgage assumption agreement;
- (g) a lien or construction lien is registered against the Property and is not removed within fifteen (15) days of such registration (save and except in the case where any of the Obligors has made a deposit of 125% of the claimed amount to a trust account satisfactory to the Chargee);
- (h) there is a sale and/or change of control of any of the Obligors without the prior written consent of the Chargee;
- (i) any representation or warranty contained in the Commitment Letter, the Security or any other documents or certificates furnished to the Chargee in connection herewith or pursuant hereto shall prove at any time to be materially incorrect, as of the date made;
- (j) a resolution is passed or an order is made for the liquidation or winding-up of any of the Obligors;
- (k) any of the Obligors makes a proposal or general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, or a bankruptcy petition is filed or presented against it, or any of the Obligors is subject to any proceeding under any other provision of the Bankruptcy and Insolvency Act or any other Act for the benefit of creditors and the Obligors are not disputing it in good faith; and
- (l) a receiver, receiver-manager or receiver and manager of any of the Obligors, or of any material part of its properties, assets or undertakings, is appointed.

If any Event of Default shall have occurred and be continuing then the Chargee may declare all amounts outstanding under the Loan, including all interest and fees, if any, and all other amounts payable under the Commitment Letter and Additional Security to be immediately due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Chargor.

15. DUE ON SALE OR CHANGE OF CONTROL

If:

- (a) the Chargor directly or indirectly sells, conveys, transfers or otherwise disposes of its interest in the Property or any part thereof or agrees to do so;
- (b) there is a change in the direct or indirect effective voting control of the Chargor or any of the voting shares/units of the Chargor are transferred, unless the Chargor is a publicly traded entity (as hereinafter defined); or
- (c) the Chargor amalgamates or merges;

without the prior written consent of the Chargee being obtained, then the Chargee may, at its option, declare forthwith due and payable the entire balance of the unpaid principal together with Costs, Interest, and any other amounts owing under the Loan. The decision to accelerate the

Loan shall be at the sole option of the Chargee. Consent to one such transaction shall not be deemed to be a waiver of the right to require consent to future or successive transactions.

The Chargor will provide reasonable notice to the Chargee of any anticipated or impending transaction which would require the consent of the Chargee under this Section together with such reasonable information as the Chargee may require to determine whether or not to grant its consent thereto.

Paragraph 14 of the Standard Charge Terms is hereby deleted in its entirety and replaced with the following:

"The Chargor covenants and agrees with the Chargee that in the event of the Chargor selling, conveying, transferring or entering into an agreement for sale or transfer of title of the Property hereby mortgaged to a purchaser or transferee not approved of in writing by the Chargee, all monies hereby secured with accrued interest thereon shall be forthwith due and payable at the option of the Chargee."

16. SUBSEQUENT ENCUMBRANCES

The Chargor shall not, without the Chargee's prior written approval, which may be withheld in its sole discretion, further charge or otherwise encumber the Property or any interest therein.

Notwithstanding the foregoing, the Chargor shall be permitted to provide a blanket second mortgage financing in favour of Institutional Mortgage Capital Canada Inc. securing a principal amount that shall cumulatively be no greater than Eleven Million and Five Hundred Thousand Dollars (\$11,500,000) secured against both the Property and the Ravines Property (the "**Second Mortgage**").

17. RIGHT TO DISTRAIN

The Chargee may distrain for arrears of any portion of the Principal Amount, Interest or any other amounts due and unpaid hereunder. The Chargor waives all rights to claim exemption and confirms that there is no limit in the amount for which the Chargee may distrain.

18. CHARGE NOT A CHARGE IN POSSESSION

It is agreed that the Chargee, in exercising any of its rights under this Charge, shall be deemed not to be a chargee in possession or a chargee in possession of the Property.

19. SPECIFIC ASSIGNMENT OF LEASES

As further security for this Charge, the Chargor covenants and agrees to grant to the Chargee upon thirty (30) days prior written notice from the Chargee to the Chargor, a specific assignment of any Lease or Leases of part or all of the Property comprising the security of this Charge.

20. ADDITIONAL SECURITY

In the event that the Chargee, in addition to the Property, holds or shall hold, in the future, further security on account of the Principal Amount, it is agreed that no single or partial exercise of any of the Chargee's powers under this Charge or the Additional Security shall preclude other and further exercise of any other right, power or remedy pursuant to this Charge or Additional Security. The Chargee shall at all times have the right to proceed against all, any or any portion of this Charge or Additional Security in such order and in such a manner as the Chargee shall, in the Chargee's sole and unfettered discretion, deem fit without waiving any rights which the Chargee might have and the exercise of any such powers or remedies from time to time shall in no way affect the liability of the Chargor under the Charge or Additional Security.

21. FINANCIAL STATEMENTS

During the term of the Loan, the Chargor will provide, or cause to provide, to the Chargee such financial and supporting information as may be required by the Chargee and include the following:

- (a) annual income and expense statement for the Property within ninety (90) days after fiscal year end;
- (b) annual rent roll for the Property within ninety (90) days after fiscal year end, certified by a senior financial officer of the Chargor;
- (c) schedule of accounts receivable for the Property with respect to rental payments;

- (d) copies of current operating licences annually;
- (e) copies of any material contracts relating to the operation of the Property that have been added or amended;
- (f) notification and copies of any changes to the tenants or tenancies of the Property;
- (g) annual appraisal reports for the Property, as available;
- (h) annual budget of the Property for the forthcoming fiscal year;
- (i) annual capital expenditure statement for the Property, as available;
- (j) annual audited or externally prepared review engagement financial statements of each of the corporate Obligors within one hundred twenty (120) days after fiscal year end, together with a current detailed list of assets owned and debt outstanding thereon;
- (k) annual certified statement of net worth from personal Obligors within one hundred twenty (120) days of calendar year end, together with a current detailed list of assets owned and debt outstanding thereon;
- (l) annually a Certificate of Status or equivalent document confirming the continued existence of the Chargor as a corporation;
- (m) receipted tax bills evidencing full payment of all taxes levied against the Property within thirty (30) days of such taxes being due. If the Chargor is enrolled in a monthly municipal tax instalment payment plan then the Chargor will provide evidence that all property tax accounts are current and fully paid with statements evidencing such to be provided during the months of February and August of each year; and
- (n) evidence of insurance policy renewal or satisfactory replacement annually within thirty (30) days prior to expiry. The Chargee may, in its discretion, require its insurance consultant to conduct an insurance review at the Chargor's expense.

In addition, the Obligors shall supply to the Chargee from time to time, on its request (such request not to be unreasonably made), any financial information pertaining to the Obligors and Property including, without limitation, financial statements prepared as aforesaid.

All requested information shall be delivered to the Chargee electronically at: loanreporting@acma.ca.

22. SALE BY CHARGOR

No sale or other dealing by the Chargor with the Property or any part thereof shall in any way change or affect the liability of the Chargor hereunder, or in any way alter the rights of the Chargee as against the Property, the Chargor or any other person or persons liable for payment of the Principal Amount, Interest and Costs.

23. PAYMENTS

Any payment made by the Chargor to the Chargee which is received by the Chargee on a non-business day of the Chargee or after 12:00 noon ET on any business day of the Chargee shall be deemed to have been received by the Chargee on the next business day of the Chargee.

24. TAXES

The Chargor is required to remit to the Chargee on the first (1st) day of each month during the term of the Loan, in addition to the regular monthly mortgage payment as set out in the Commitment Letter, a monthly instalment for realty taxes in an amount to be determined by the Chargee from time to time, sufficient for the Chargee to pay in full the realty taxes, levies, assessments, improvement charges and other taxes affecting the Property on the due date(s). The sums thereby accumulated shall form part of the security of the Chargee for the Loan and shall not bear any interest in favour of the Chargor.

Notwithstanding the foregoing, the Chargee hereby conditionally waives the foregoing requirement on an on-going basis provided that there has been no material default under the Loan and no non-compliance with the reporting requirements evidencing full payment of realty taxes when due. The Chargor acknowledges and agrees that any non-compliance of any of the conditions set out

in this paragraph shall constitute this waiver to be null and void, such event shall permit the Chargee, at its option, to reinstate the monthly instalment for realty taxes.

25. COVENANTS, REPRESENTATIONS AND WARRANTIES

The Chargor covenants and agrees with the Chargee that during the term of the Loan it will abide by all the following covenants:

- (a) Subordinate Financing – The Chargor shall not secure any subordinate financing on the Property other than the Second Mortgage.
- (b) Change of Use – The Chargor shall make no changes in the use of the Property, and any material alterations by the Chargor in excess of Three Hundred and Fifty Thousand Dollars (\$350,000) shall require the prior written approval by the Chargee.
- (c) Insurance – The Chargor shall maintain insurance coverage as outlined herein and in the Commitment Letter
- (d) Authorizations – The Chargor authorizes the Chargee, or its representatives to make inquiries and obtain information relating to the Property and the Chargor, from appropriate taxation, municipal, utilities and other authorities, and also conduct inspection of the Property, for the purpose of loan administration. These authorizations shall remain in effect until the Loan has been fully repaid.
- (e) Tenant(s) – For any tenant whose rents exceeds ten percent (10%) of the gross revenue of the Property, the Chargor shall provide the Chargee with copies of all amendments and new binding offers to lease and Leases together with all information relating thereto, which are entered into during the term of the Loan. The Chargee shall have no liability with respect to any rent owing to or by a tenant. Any security interest granted by a tenant in favour of the Chargor will be deemed assigned and transferred to and in favour of the Chargee.

Each of the Obligors warrants and represent that all representations and warranties contained in this Commitment shall remain true and accurate as of the Date of Advance, including:

- (a) Power and Capacity – Each of the Obligors has full power and capacity to enter into the Commitment Letter and to complete the transaction contemplated herein.
- (b) Title(s) – The Chargor is the legal owner and the only beneficial owner of the Property with good and marketable title thereto. The title of the Property and personal property owned by the Chargor used for the operation of the Property, if any, shall be free and clear of all security interest, charges, liens, mortgages, claim or other financial encumbrance, with the exception of the Security and the security for the Second Mortgage loan, to the complete satisfaction of the Chargee's Solicitors.
- (c) Compliance – The Property complies and will continue to comply in all material respects with all applicable building, zoning, planning, development, environmental, occupation and use requirements.
- (d) Disclosure – All information pertaining to the current use and viability of the Property and the financial condition of each of the Obligors and Property has been fully disclosed to the Chargee. There is no legal action instituted, threatened or pending against the Obligors pertaining to the Property or against the Property itself, and none of the Obligors have received notice of any work orders, deficiency notices or notices of violation pertaining to the Property. The building has been built in accordance with plans and specifications in a good and workmanlike manner and does not, and never has, contained UFFI, PCB's or asbestos in any form.
- (e) Tenant(s) – Except as set out or explained by the Chargor in the certified rent roll, each tenant has accepted and occupied its respective leased space in the Property pursuant to an arm's length fully executed net lease, unless expressly disclosed to the Chargee, and for commercial tenants, are open for business. Each tenant has paid and is paying rent as required under its respective lease, is not claiming any deduction or set-off from the rent payable and has not prepaid more than one (1) month's rent.
- (f) No Construction – The Loan proceeds are not being used to fund any construction on the Property. The Property is not subject to any construction liens and there is no possibility of a construction lien arising with respect to the original construction of the building situate upon the Property. The foregoing does not extend to any work or services performed by or on behalf of any tenant of the Property, unless the Chargor has received notice of such

work pursuant to the provisions of the applicable construction, mechanics' or builders' lien legislation.

- (g) Employment Contributions – The Chargor is not in arrears in employee source deductions, employer pension contributions and/or statutory remittances (collectively the “**Employment Contributions**”) and there are no claims, actions or proceeding brought forward by a third party in connection with the *Wage Earner Protection Program Act* and corresponding amendments to the *Bankruptcy and Insolvency Act* and the *Companies' Creditors Arrangement Act*, as amended or in connection with Employment Contributions.

26. RECEIVER

Notwithstanding anything herein contained, it is declared and agreed that any time and from time to time when there shall be default under the provisions of these presents, the Chargee may, at such time and from time to time and with or without entry into possession of the Property, 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 Property, 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 his 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 Property 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 to:
- (i) collect the rents and profits from tenancies whether created before or after these presents;
 - (ii) rent any portion of the Property which may become vacant on such terms and conditions as he considers advisable and enter into and execute leases, accept surrenders and terminate lease;
 - (iii) complete the construction of any building or buildings or other erections or improvements on the Property 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;
 - (iv) manage, operate, repair, alter or extend the Property or any part thereof.

The Chargor undertakes to ratify and confirm whatever any such receiver may do in the Property.

- (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 Property.
- (d) Every such receiver shall be deemed the agent or attorney of the Chargor and, in any event, the agent of the Chargee and the Chargee shall not be responsible for his acts or omissions except if as a result of gross negligence or willful misconduct.
- (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 Property.
- (f) No such receiver shall be liable to the Chargor to account for monies other than monies actually received by him in respect of the Property, or any part thereof, and out of such monies so received every such receiver shall, in the following order, pay:

- (i) his remuneration aforesaid;
- (ii) all costs and expenses of every nature and kind incurred by him in connection with the exercise of his powers and authority hereby conferred;
- (iii) interest, principal and other money which may, from time to time, be or become charged upon the Property in priority to these presents, including taxes;
- (iv) to the Chargee all interest, principal and other monies due hereunder 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 Property and shall bear interest from the date of demand at the same rate as applies to the principal hereby secured.

- (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 him 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 or gross negligence.
- (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 these presents 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 herein provided for and such dealing shall be deemed, as regards such person, to be valid and effectual.
- (j) The rights and powers conferred herein in respect of the receiver are supplemental to and not in substitution of any other rights and powers which the Chargee may have.

27. COVENANT

In consideration of the making by the Chargee to the Chargor of the loan hereby secured, the Covenantor hereby covenants:

- (a) to be jointly and severally liable with the Chargor and as between each Covenantor as principal debtor, and not as surety, for the due payment of all amounts owing under this Charge (the "**Indebtedness**") at the times and in the manner herein provided; and it is the express intention of the parties hereto that the Covenantor is and shall be liable to the Chargee in the same manner and to the same extent as if the Covenantor have executed this Charge as Chargor;
- (b) that if the Indebtedness is not recoverable under paragraph (a) for any reason whatsoever, the Covenantor unconditionally guarantees the full performance and discharge of all of the obligations to be fulfilled by the Chargor pursuant to the provisions of this Charge at the times and in the manner provided in this Charge;
- (c) that if the Indebtedness is not recoverable under paragraphs (a) and (b) for any reason whatsoever, the Covenantor agrees to indemnify and save harmless the Chargee against and from all losses, damages, costs, charges and expenses which the Chargee may sustain, incur, or be or become liable for by reason of:
 - (i) the failure, for any reason whatsoever, of the Chargor to pay the Indebtedness, or
 - (ii) the Chargor's failure, for any reason whatsoever, to do and perform any other act, matter or thing, required to be done or performed pursuant to this Charge, or

- (iii) the Chargor's failure to refrain from any act, matter or thing required not to be done or performed by it pursuant to this Charge, or
 - (iv) any act, action or proceeding of or by the Chargee for or in connection with the recovery of the Indebtedness or the obtaining of performance by the Chargor or the Covenantor of any other act, matter or thing pursuant to this Charge or restraining the Chargor from any act, matter or thing required not to be done or performed pursuant to this Charge;
- (d) that the Chargee may at any time and from time to time and without notice to the Covenantor, or obtaining any consent of the Covenantor, make any compromise, settlement, extension, renewal or variation in the terms of this Charge, including any variation or increase of the interest rate or any renewal or extension of this Charge between the Chargor or any successor and the Chargee, or take surrender of this Charge or any collateral security or a part thereof, and that no such thing done by the Chargee, nor any carelessness or neglect by the Chargee in asserting its rights, nor the Chargee's loss of any right by operation of law, nor the loss or destruction of any security, nor the lack of validity or enforceability of this Charge or any collateral security or any portion thereof shall in any way release or diminish the liability of the Covenantor under this Charge as long as any Indebtedness remains unpaid or the Chargee has not been reimbursed for all such losses, damages, costs, charges and expenses as aforesaid;
- (e) that the Chargee shall not be obliged to proceed against the Chargor or to enforce or exhaust any security before proceeding to enforce the obligations of the Covenantor and that enforcement of such obligations may take place before, after or contemporaneously with the enforcement of any debt or obligation of the Chargor or the enforcement of any security for any such debt or obligation;
- (f) that nothing but payment and satisfaction in full of the Indebtedness and the due performance and observation of all covenants, agreements and provisos in this Charge and any other security to be given to the Chargee shall release the Covenantor of this covenant;
- (g) this covenant shall be assignable by the Chargee and that assignment of this Charge shall constitute assignment of this covenant and that this covenant shall not be deemed to have been waived, released, discharged, impaired or affected by reason of the assignment and/or reassignment of this Charge at any time;
- (h) to hereby waive all notices of default, non-performance, non-payment and non-observance on the part of the Chargor of the terms, covenants and provisos contained in this Charge;
- (i) that this Charge would not have been entered into by the Chargee without this covenant;
- (j) that the liability of each Covenantor under this covenant shall not be impaired or discharged by reason of the Chargee taking further or other security for payment of the Indebtedness or by any transfer of the Property or any approval thereof by the Chargee or any assumption of this Charge by any transferee of the Property, or by the Chargee at any time releasing any security or partial security hereunder, or by any extension or renewal of the term of this Charge, or the release or partial release of any covenantor or guarantor of this Charge whether by the Chargee or by operation of law, or by any other act or thing whereby, as guarantor, the Covenantor would or might be released in whole or in part;
- (k) that any payment by the Covenantor of any monies under this covenant shall not in any event be taken to affect the liability of the Chargor for payment thereof, but such liability shall remain unimpaired and enforceable by the Covenantor against the Chargor and the Covenantor shall, to the extent of any such payments made by it, in addition to all other remedies, be subrogated as against the Chargor to all the rights, privileges and powers to which the Chargee was entitled prior to payment by the Covenantor, provided, nevertheless, that the Covenantor shall not be entitled in any event to rank for payment against the Property or any collateral security in competition with the Chargee and shall not, unless and until the whole of the Indebtedness has been paid, be entitled to any rights or remedies whatsoever in subrogation to the Chargee;

- (l) to hereby waive any right of set-off the Covenantor may have in respect of any payment to be made under this covenant; and

28. OVERHOLD PERIOD

Provided that there are no arrears in the Principal Amount, Interest, or any other amount owing under the Loan, the Chargee may, at its sole option, unilaterally extend the Loan for a period of one (1) month from the Balance Due Date (the "**Overhold Period**"), and may, at its sole option, unilaterally amend the Interest Rate to be the greater of ten percent (10.0%) or a rate equivalent to the Prime Rate plus five percent (5.0%), to be calculated, compounded and payable interest only on a monthly basis subject to and in accordance with the Commitment Letter. If an extension is granted, and at the Chargee's option, a processing fee of the greater of one-tenth of one percent (0.1%) of the Loan amount and Five Thousand Dollars (\$5,000) may be added to the outstanding Principal Amount. The monies owed may be paid in full on the Balance Due Date or at any time during the Overhold Period without notice, bonus or penalty. In the event that repayment of the Loan has not been made in full on the Balance Due Date or by the end of the Overhold Period, the Chargee may, at its option, exercise any remedies available to it under the Loan and the Security.

29. CONSENT TO DISCLOSURE

In the event the Chargee sells the Loan or securitizes it into the secondary market, the Chargor and each additional Covenantor consent to the release by the Chargee of all information and materials in the Chargee's possession concerning the Chargor, each additional Covenantor and/or the Property to such party or parties (including the public in any offering memorandum) as may be necessary or desirable to facilitate such sale or securitization. In addition, the Chargor and each additional Covenantor agrees that the Chargee may share any information concerning the Chargor or any additional Covenantor, as the case may be, with (a) any assignee or proposed assignee (collectively, the "**assignee**") of this Commitment or the Loan, (b) third parties who provide services to the Chargee or the assignee in connection with the Loan, (c) any insurer of the Loan, (d) credit rating and consumer reporting agencies, (e) parties involved in the detection, prevention and suppression of illegal activities and matters involving the public interest, and (f) organizations with which the Chargee has strategic alliances who may use such information to provide the Chargor or any additional Covenantor with information on certain financial products which may be of interest to them. If the Chargor or any additional Covenantor decides it does not wish its personal information shared with any party referred to in subsection (f) of this Section, it may so advise the Chargee in writing at any time and the information will not be so shared.

30. CREDIT MANAGEMENT/STAND ALONE REPORTING

The Chargor acknowledges that it is important to insulate the revenue stream from the Property in order to avoid claims by other projects, commitments or liabilities of the Chargor. If this is not possible, the Chargor agrees to provide the Chargee with a reasonable degree of revenue segregation through separate reporting. In this regard the Chargee will monitor the financial aspects of the Property, depending upon its financial status.

The Chargor covenants and agrees to provide the Chargee with standalone property reporting, isolating the Property's financial and operating information from that of other properties owned by the Chargor. The Chargor further covenants and agrees to provide the Chargee with separate financial statements for the Property. In the event of a default by the Chargor under the Charge, or if the Chargor seeks relief under the *Companies' Creditors Arrangement Act* or other debtor relief legislation, the Chargee shall, if possible, be entitled to establish a separate project bank account for the Property.

As security for the aforesaid, an assignment of revenue (general assignment of rents) shall be registered both against title to the Property as well as under the applicable personal property registration system. The assignment of revenue shall take effect automatically, at the Chargee's option, if there is a default under the Charge. In addition, a general security agreement (or equivalent), shall be provided to the Chargee.

31. CRIMINAL RATE OF INTEREST

Notwithstanding the provisions of this Charge or in any agreement, instrument or other document held by the Chargee in connection with the Charge, in no event shall aggregate "interest" (as that term is defined in Section 347 of the *Criminal Code (Canada)*) exceed the effective annual rate of interest on the "credit advanced" (as defined therein) lawfully permitted under the Section. The effective annual rate of interest shall be determined in accordance with generally accepted

actuarial practices over the term of the Charge, and in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries selected by the Chargee shall be conclusive for the purposes of such determination.

32. YIELD MAINTENANCE FOLLOWING DEFAULT

In the event that the Loan or any portion thereof becomes due or repayable prior to the Balance Due Date as a result of a breach or default of the terms of the Commitment Letter, this Charge, or the Additional Security, the Chargor shall pay Yield Maintenance in addition to any other amounts outstanding under the Loan.

33. ZONING APPROVAL

It is further understood that it is a condition of the Charge and the disbursement of the funds that the land and building comprising the Property and the use complies with all federal, provincial and municipal provisions and governmental and regulatory authorities and there shall be no work orders or notices of deficiencies whatsoever against the Property.

34. WAIVER

The Chargee's failure to insist upon strict performance of any obligation or covenant of the Chargor as set out in the Commitment Letter or to exercise any option or right herein shall not be a waiver for the future of such obligations or covenant, but the same shall remain in effect and the Chargee shall have the right to insist upon strict performance by the Chargor of any and all of the terms of the Commitment Letter and the mortgage documentation.

35. CHARGE REGISTRATION

Neither preparation nor registration of any of the documents contemplated shall bind the Chargee to advance funds until all conditions of the Commitment Letter have been satisfied by the Chargor.

36. VALIDITY OF PROVISIONS

If any provision of this Charge is held to any extent invalid or unenforceable, the remainder of this Charge shall not be affected and shall remain valid and enforceable.

37. TIME OF THE ESSENCE

Time shall be of the essence in all matters relating to this Charge.

38. INTERPRETATION AND HEADINGS

Wherever in this Charge the singular or masculine is used, the same shall be construed as meaning the plural or the feminine or the neuter where the context or the parties hereto so require. The headings do not form part of this Charge and have been inserted for convenience of reference only.

39. CROSS COLLATERALIZATION PROVISIONS

The Chargor and Chargee acknowledge and agree that ACM Advisors Ltd., as Portfolio Manager of the Lender (the "**Portfolio Manager**"), has entered into a Commitment Letter with 2265132 Ontario Inc. ("**226**") and 1384274 Ontario Inc. ("**138**") and together with 226, the "**Additional Borrowers**") in respect of a mortgage loan to the Additional Borrowers securing the aggregate principal sum of \$63,200,000.00 (the "**Cross Collateralization Loan**") and the Chargor and the Chargee acknowledge, covenant and agree that the Loan secured by this Charge (the "**Park Place Loan**") and the Cross Collateralization Loan shall be cross collateralized such that this Charge and the Additional Security delivered in respect of and pursuant to the Park Place Loan, and the security delivered in respect of and pursuant to the Cross Collateralization Loan (the "**Cross Collateral Security**") shall stand as security for the indebtedness and obligations owing under both the Park Place Loan and the Cross Collateralization Loan.

40. CROSS DEFAULT PROVISIONS

The Chargor and Chargee acknowledge, covenant and agree that default under the Park Place Loan or under the Cross Collateralization Loan, and the respective security delivered thereunder, shall at the option of the Chargee, constitute a default under either or both the Park Place Loan and the Cross Collateralization Loan, and the Chargee shall be entitled to exercise in its sole

discretion whatever remedies it may be entitled to at law or in equity under either or both the Park Place Loan and the Cross Collateralization Loan.

SCHEDULE "A"

(Property)

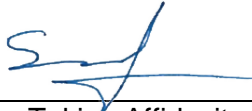
Municipal Address: 120 Central Park Drive, Ottawa, Ontario

Legal Description: PART OF BLOCK 69 ON 4M-1047 BEING PARTS 1,2,3,4 AND 6 4R-21512, OTTAWA. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 1 TO 5 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC487047. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 9 TO 11 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC494285. TOGETHER WITH A RIGHT-OF-WAY OVER PARTS 2 AND 5 ON 4R-20298 AS IN OC487047. TOGETHER WITH A RIGHT-OF-WAY OVER PART 9 ON 4R-20298 AS IN OC494285. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 6 ON 4R-21512 AS IN OC654077. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 4 ON 4R-21512 AS IN OC654077. SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 ON PLAN 4R-28152 AS IN OC1621378.; TOGETHER WITH AN EASEMENT OVER PART BLOCK 69 PLAN 4M1047 PART 5 4R21512 AS IN OC1966865

PIN: 03998-1732 LT

Registry Office: Land Titles Division of Ottawa/Carleton (No. 4)

This is Exhibit “C” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', is written above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

GENERAL SECURITY AGREEMENT

THIS SECURITY AGREEMENT made as of the 21 day of December, 2022

1. SECURITY INTEREST

- (a) For value received, 2067166 Ontario Inc. (the "**Debtor**"), hereby grants to Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the "**Lender**"), by way of assignment and transfer, a security interest (the "**Security Interest**") in the undertaking of the Debtor and in all Goods (including all parts, accessories, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Accounts, Intangibles, Money and Securities now owned or hereafter owned or acquired by or on behalf of the Debtor relating to the Property described in Schedule "A" annexed hereto (including such as may be returned to or repossessed by the Debtor) and in all Proceeds and renewals thereof, accretions thereto and substitutions therefor (hereinafter collectively called "**Collateral**"), including without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of the Debtor:
- (i) all present and future equipment of the Debtor, including all machinery, appliances, fixtures, plant, tools, furniture, vehicles of any kind or description, all spare parts, accessories installed in or affixed or attached to any of the foregoing, and all drawings, specifications, plans and manuals relating thereto ("**Equipment**");
 - (ii) all present and future inventory of the Debtor, including all raw materials, materials used or consumed in the business or profession of the Debtor, work-in-progress, finished goods, goods used for packing, materials used in the business of the Debtor not intended for sale, and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service ("**Inventory**");
 - (iii) all book accounts and book debts and generally all accounts, 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 the Debtor ("**Accounts**");
 - (iv) 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;
 - (v) all present and future intangible personal property of the Debtor, including all contract rights, licences, goodwill, patents, trade marks, copyrights and other industrial property, and all other choses in action of the Debtor of every kind, whether due at the present time or hereafter to become due or owing ("**Intangibles**");
 - (vi) all monies other than trust monies lawfully belonging to others;
 - (vii) all present and future securities held by the Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of the Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; and including an uncertificated security within the meaning of Part VI (Investment Securities) of the Business Corporations Act, 1990, (Ontario) and

all substitutions therefor and dividends and income derived therefrom ("Securities");

(viii) all Personal Property now in or in the future located at the premises of the Debtor described in Schedule "A" annexed or described in any schedule hereafter annexed or in any subsequent security agreement related to the Indebtedness of the Debtor and belonging to the Debtor.

(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 the Debtor shall stand possessed of such term.

(c) The terms "Goods", "Chattel Paper", "Documents of Title", "Equipment", "Consumer Goods", "Accounts", "Money", "Instruments", "Intangibles", "Securities", "Proceeds", "Inventory", "Personal Property", and "Accession" whenever used herein shall be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (Ontario), as amended from time to time (herein referred to as the "**P.P.S.A.**"). Provided always that the term "Goods" when used herein shall not include "consumer goods" of the Debtor as that term is defined in the P.P.S.A. Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof". The term "Proceeds", whenever used herein and interpreted as above shall, by way of example, include trade-ins, equipment, cash, bank accounts, notes, chattel paper, goods, contract rights, accounts and any other personal property or obligation received when such collateral or proceeds are sold, exchanged, collected or otherwise disposed of.

2. **INDEBTEDNESS SECURED**

The Security Interest granted hereby secures payment and satisfaction of any and all obligations, indebtedness and liability of the Debtor to the Lender arising out of a certain mortgage delivered by the Debtor to the Lender for the principal sum of SIXTY-THREE MILLION TWO HUNDRED THOUSAND DOLLARS (\$63,200,000.00) and given in accordance with a mortgage commitment letter dated November 25, 2022, as it may be amended from time to time (the "**Commitment Letter**"), which indebtedness shall be fully satisfied upon payment in full of the said mortgage (hereinafter collectively called the "**Indebtedness**").

3. **REPRESENTATIONS AND WARRANTIES OF DEBTOR**

The 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 both legally and beneficially by the Debtor free of all interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "B" or hereafter approved in writing by the Lender, prior to their creation or assumption;

(b) Each Account, 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 the Debtor to the Lender from time to time as owing by each Account Debtor or by all Account Debtors is owing except for normal cash discounts where applicable, and the Debtor will use its best efforts to insure that no Account Debtor will have any defence, set off, claim or counterclaim against the Debtor which can be asserted against the Lender, whether in any proceeding to enforce Collateral or otherwise; and

(c) The location specified in Schedule "A" as to business operations, the location of Collateral and records is accurate and complete.

4. **COVENANTS OF THE DEBTOR**

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

- (a) To defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to keep the Collateral free from all Encumbrances, except for the Security Interest and those shown on Schedule "B" or hereafter approved in writing by the Lender, prior to their creation or assumption and not to sell, exchange, transfer, assign, lease, otherwise dispose of Collateral or any interest therein without the prior written consent of the Lender; provided always that, until default the Debtor may, in the ordinary course of the Debtor's business, sell or lease Inventory and, subject to Clause 6 hereof, use monies available to the Debtor;
- (b) To notify the Lender promptly of:
 - (i) any change in the information contained herein or in the Schedules hereto relating to the Debtor, the Debtor's business or Collateral;
 - (ii) the details of any significant acquisition of Collateral;
 - (iii) the details of any claims or litigation affecting Collateral;
 - (iv) any material loss or damage to Collateral;
 - (v) any material default by any Account Debtor in payment or other performance of his obligations with respect to Collateral; and
 - (vi) the return to or repossession by the 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 further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by the Lender of or with respect to Collateral in order to give effect to these presents and to pay all reasonable costs for searches and filings in connection therewith;
- (e) To pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Collateral as and when the same become due and payable;
- (f) To insure the Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as the Lender shall reasonably direct with loss payable to the Lender and the Debtor, as insureds, as their respective interest may appear, and to pay all premiums therefor;
- (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 the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at the Lender's request so as to indicate the Security Interest;
- (i) To deliver to the Lender 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 the Debtor regarding the Debtor's business;
 - (iv) all policies and certificates of insurance relating to Collateral; and
 - (v) such information concerning Collateral, the Debtor and business and affairs as the Lender may reasonably request;
- (j) To have the premises at which the Debtor carries on business or where Collateral is located professionally managed at all times.

5. **USE AND VERIFICATION OF COLLATERAL**

Subject to compliance with the Debtor's covenants herein and Clause 6 hereof, the Debtor may, until default, possess, operate, use, enjoy and deal with Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Lender shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Lender may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Lender may reasonably request in connection therewith and for such purpose to grant to the Lender or its agents access, upon forty-eight (48) hours' notice, to all places where Collateral may be located and to the premises described in Schedule "A".

6. **COLLECTION OF DEBTS**

Before or after default under this Security Agreement, if the Lender believes that its security is impaired, the Lender 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 the Lender. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors, whether on or before or after default under this Security Agreement, shall be received and held by the Debtor in trust for the Lender and shall be turned over to the Lender upon request if the Lender believes that its security is impaired.

7. **DISPOSITION OF MONIES**

Subject to any applicable requirements of the P.P.S.A., all monies collected or received by the Lender 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 the Lender deems best or, at the option of the Lender, may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of the Lender hereunder, and any surplus shall be accounted for as required by law.

8. **EVENTS OF DEFAULT**

The happening of any of the following events or conditions shall constitute default hereunder (hereinafter 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 the Debtor to observe or perform any obligation, covenant, term, provision, or condition contained in this Security Agreement or any other document or agreement between the Debtor and the Lender relating to the Indebtedness including the Commitment Letter;
- (b) The bankruptcy or insolvency of the Debtor; the filing against the Debtor of a petition in bankruptcy unless the making of an authorized assignment for the benefit of creditors by the Debtor; the appointment of a receiver or trustee for the Debtor or for any assets of the Debtor or the institution by or against the Debtor of any other type of insolvency proceeding under the Bankruptcy Act or otherwise;

- (c) Abandonment of any premises at which the Debtor carries on business or where Collateral is located by the Debtor for a period in excess of eight (8) consecutive days and which the Debtor has not rectified within ten (10) days.

9. **REMEDIES**

- (a) Upon default, the Lender may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Lender 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 stead. Any such Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor and not the Lender and the Lender shall not be in any way responsible for any misconduct, negligence, or non-feasance on the part of any such Receiver, his servants, agents or employees. Subject to the provisions of the instruments appointing him, any such Receiver shall have the 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 the 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 the Debtor, enter upon, use and occupy all premises owned or occupied by the Debtor, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on the Debtor's business or otherwise, as such Receiver shall, in his discretion, determine. Except as may be otherwise directed by the Lender, all monies received from time to time by such Receiver in carrying out his appointment shall be received in trust for and paid over to the Lender. Every such Receiver may, in the discretion of the Lender, be vested with all or any of the rights and powers of the Lender.
- (b) Upon default, the Lender may, either directly or indirectly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing subclause (a).
- (c) The Lender 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, the Lender 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 the Lender may deem reasonable.
- (d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between the Debtor and the Lender and in addition to any other rights the Lender may have at law or in equity, the Lender shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. provided always, that the Lender 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, the Lender shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in the Lender's possession and shall not be liable or accountable for failure to do so.
- (e) The Debtor acknowledges that the Lender or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and the Debtor agrees upon request from the Lender or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed if practicable.
- (f) The Debtor agrees to pay all costs, charges and expenses reasonably incurred by the Lender or any Receiver appointed by it, whether directly or indirectly for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in

operating the Debtor's accounts, in preparing or enforcing this Security Agreement, taking 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 monies owing as a result of any borrowing by the Lender 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) The Lender will give the Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made, as may be required by the P.P.S.A.
- (h) Upon failure of the Debtor to have its premises professionally managed in accordance with Clause 4(j) hereof, the Lender may, but shall not be obligated to appoint such professional manager or managers, as it may deem necessary in its sole discretion, to manage such premises at the sole expense of the Debtor.

10. **MISCELLANEOUS**

- (a) The Debtor hereby authorizes the Lender to file such financing 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) as the Lender may deem appropriate to perfect and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest, and the Debtor hereby irrevocably constitutes and appoints the Lender the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever it may be deemed necessary or expedient.
- (b) Upon the Debtor's failure to perform any of its duties hereunder, the Lender may, but shall not be obligated to, perform any or all such duties, and the Debtor shall pay to the Lender, forthwith upon written demand therefor, an amount equal to the expense incurred by the Lender in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate per annum set forth in the said mortgage.
- (c) The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as the Lender may see fit without prejudice to the liability of the Debtor or the Lender's right to hold and realize the Security Interest. Furthermore, the Lender may demand, collect and sue on Collateral in either the Debtor's or the Lender's name on any and all cheques, commercial paper, and any other Instrument pertaining to or constituting Collateral.
- (d) No delay or omission by the Lender in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, the Lender may remedy any default by the Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Debtor. All rights and remedies of the Lender granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- (e) The Debtor waives protest of any Instrument constituting Collateral at any time held by the Lender on which the Debtor is in any way liable and, subject to Clause 9(g) hereof, notice of any other action taken by the Lender.
- (f) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

- (g) 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.
- (h) Subject to the requirements of Clauses 9(g) and 10(e) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon that other, such notice, direction, demand or request shall be in writing and shall be sufficiently given only if delivered to the party for whom it is intended at the principal address of such party herein set forth or as changed pursuant hereto or if sent by prepaid registered mail addressed to the party for whom it is intended at the principal address of such party herein set forth or as changed pursuant hereto. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purpose hereof.
- (i) This Security Agreement and the security afforded hereby shall remain in full force and effect until all Indebtedness contracted for or created, shall be paid in full.
- (j) 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.
- (k) 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.
- (l) 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.
- (m) Nothing herein contained shall in any way obligate the Lender to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.
- (n) The Security Interest created hereby is intended to attach when this Security Agreement is signed by the Debtor and delivered to the Lender.

11. **COPY OF AGREEMENT AND ATTACHMENT**

The Debtor hereby acknowledges receipt of a copy of this Security Agreement and that the parties do not intend any postponement of the attachment of the Security Interest to the Collateral.

12. **COUNTERPART**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall be deemed to constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF the Debtor has executed this Security Agreement under the hand of its authorized signing officers on the day and year first written above.

2067166 ONTARIO INC.

Per: 

Name: David Oswald Choo

Title: President

I have authority to bind the corporation.

SCHEDULE "A"

Description of Land

Municipal Address: 120 Central Park Drive, Ottawa, Ontario

Legal Description: PART OF BLOCK 69 ON 4M-1047 BEING PARTS 1,2,3,4 AND 6 4R-21512, OTTAWA.SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 1 TO 5 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC487047. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 9 TO 11 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC494285.TOGETHER WITH A RIGHT-OF-WAY OVER PARTS 2 AND 5 ON 4R-20298 AS IN OC487047.TOGETHER WITH A RIGHT-OF-WAY OVER PART 9 ON 4R-20298 AS IN OC494285. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 6 ON 4R-21512 AS IN OC654077.SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 4 ON 4R-21512 AS IN OC654077. SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 ON PLAN 4R-28152 AS IN OC1621378.; TOGETHER WITH AN EASEMENT OVER PART BLOCK 69 PLAN 4M1047 PART 5 4R21512 AS IN OC1966865

PIN: 03998-1732 LT

Registry Office: Land Titles Division of Ottawa/Carleton (No. 4)

SCHEDULE "B"

Permitted Encumbrances

1. a second charge/mortgage in favour of Institutional Mortgage Capital securing a principal sum that shall cumulatively be of no greater than ELEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$11,500,000.00) against the Property and 636 Prado Private, Ottawa, Ontario, and all additional collateral security including any personal property security related thereto.

This is Exhibit “D” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', is written above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

Properties

PIN 03998 - 1732 LT

Description PART OF BLOCK 69 ON 4M-1047 BEING PARTS 1,2,3,4 AND 6 4R-21512, OTTAWA.SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 1 TO 5 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC487047. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 9 TO 11 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC494285.TOGETHER WITH A RIGHT-OF-WAY OVER PARTS 2 AND 5 ON 4R-20298 AS IN OC487047.TOGETHER WITH A RIGHT-OF-WAY OVER PART 9 ON 4R-20298 AS IN OC494285. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 6 ON 4R-21512 AS IN OC654077.SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 4 ON 4R-21512 AS IN OC654077. SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 ON PLAN 4R-28152 AS IN OC1621378.; TOGETHER WITH AN EASEMENT OVER PART BLOCK 69 PLAN 4M1047 PART 5 4R21512 AS IN OC1966865

Address 120 CENTRAL PARK DRIVE
OTTAWA

Applicant(s)

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

Name 2067166 ONTARIO INC.

Address for Service 18 Antares Drive
Ottawa, ON K2E 1A6

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.

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

Name COMPUTERSHARE TRUST COMPANY OF CANADA

Address for Service c/o ACM Advisors Ltd.
Suite 210, 1140 Homer Street
Vancouver, BC V6B 2X6

Statements

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

This notice may be deleted by the Land Registrar when the registered instrument, OC2564938 registered on 2022/12/21 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Ardavan Mohajer-Ashjai 40 King Street West, Suite 210 acting for Signed 2022 12 21
Toronto Applicant(s)
M5H 3C2

Tel 416-869-5300

Fax 416-360-8877

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

Ardavan Mohajer-Ashjai 40 King Street West, Suite 210 acting for Signed 2022 12 21
Toronto Party To(s)
M5H 3C2

Tel 416-869-5300

Fax 416-360-8877

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

Submitted By

CASSELS BROCK & BLACKWELL LLP 40 King Street West, Suite 210 2022 12 21
Toronto
M5H 3C2

Tel 416-869-5300

Fax 416-360-8877

Fees/Taxes/Payment

Statutory Registration Fee

\$69.00

Fees/Taxes/Payment

Total Paid \$69.00

File Number

Party To Client File Number : 54655-4 (AM/LR/TV)

GENERAL ASSIGNMENT OF RENTS AND LEASES

THIS ASSIGNMENT made as of the 21 day of December, 2022

B E T W E E N:

2067166 ONTARIO INC.

(hereinafter called the "**Assignor**")

OF THE FIRST PART

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA

(hereinafter called the "**Assignee**")

OF THE SECOND PART

WHEREAS:

i) The Assignor is the registered owner of the lands and premises situate, lying and being in the City of Ottawa, Province of Ontario, the boundaries of which are more particularly described in Schedule "A" annexed hereto and municipally known by the parties as 120 Central Park Drive, Ottawa, Ontario (the "**Property**");

ii) The Assignor has charged and mortgaged the Property to the Assignee to secure the repayment of the principal sum of SIXTY-THREE MILLION TWO HUNDRED THOUSAND DOLLARS (\$63,200,000.00) and interest thereon at the interest rate therein expressed pursuant to a Charge in that principal amount issued by the Assignor to the Assignee dated the same date as this Assignment, registered on the same date as this instrument, being the immediately preceding instrument number in the Land Registry Office for the Land Titles Division of Ottawa/Carleton (No. 4) (the "**Charge**");

iii) The Property is or will be leased by the Assignor, or its property manager, from time to time to one or more tenants.

iv) The Assignor has agreed as a condition precedent to the Assignee advancing the principal sum secured by the Charge to execute and deliver this Assignment for the purpose of collaterally securing the performance and observance of the Assignor's promise to pay and other obligations under the Charge.

1. NOW THEREFORE this Assignment witnesses that in consideration of the premises and other good and valuable consideration paid by the Assignee to the Assignor (the receipt and sufficiency whereof is hereby acknowledged) the Assignor hereby assigns, grants, transfers and sets over to the Assignee:

- (a) any existing and future leases of, and agreements to lease of, the whole or any portion of the Property;
- (b) every existing and future tenancy, agreement as to use or occupation, and licence in respect of the whole or any part of the Property, whether or not in writing;
- (c) every existing and future guarantee of all or any of the obligations of any existing or future tenant, subtenant, occupier or licensee of the whole or any portion of the Property;
- (d) a security interest in each lease or agreement to lease of the whole or any part of the Property; and
- (e) all rents and other monies and benefits and advantages to be derived by the Assignor (collectively the "**Rents**") from every existing and future lease of, agreement to lease of, agreement as to use or occupation and licence in respect of the whole or any part of the Property.

Every existing and future lease of, agreement to lease of, agreement as to use or occupation and licence in respect of the whole or any part of the Property shall hereinafter be referred to as

the "**Leases**". The within assignment of Leases and Rents in favour of the Assignee is given as security for the payment of the principal sum, interest and other monies payable by the Assignor to the Assignee pursuant to the Charge and for the performance of all of the covenants of the chargors pursuant to the Charge. The within assignment and grant includes all the Assignor's right to demand, sue for, collect and receive all Rents, and otherwise to enforce (either in the name of the Assignor or the Assignee) the Assignor's rights under any Lease consequent on any default by the tenant thereunder whether such rights arise under such Lease or by statute or at law or in equity, including without limitation the Assignor's rights to distrain.

2. THE ASSIGNEE acknowledges that this Assignment is being executed and delivered as a continuing and additional security for the performance and observance of the Assignor's promise to pay and other obligations pursuant to the Charge and neither the execution and delivery of the Assignment nor anything done pursuant thereto shall in any way impair and diminish the obligation of the Assignor as landlord of the Leases.

3. NO PROVISION contained in this Assignment shall be deemed to have the effect of making the Assignee responsible for the collection of any Rents, or any part thereof or for the performance or observance of any of the covenants, terms, conditions or other obligations imposed upon either party to any of the Leases.

4. THE ASSIGNEE shall not by virtue of this Assignment be deemed to be a mortgagee in possession of the Property and upon the payment of the principal sum, interest and other monies secured by the Charge, this Assignment shall terminate and the Assignee shall execute and deliver at the expense of the Assignor a reassignment of the Leases to the Assignor. It is further agreed that a full and complete discharge (but not a partial discharge) of the Charge from title to the Property shall operate as a full and complete release of the Assignee's interest and rights hereunder.

5. IT IS UNDERSTOOD and agreed that the Assignee shall be liable to account for only such monies as may actually come into its hands by virtue of this Assignment less proper collection and management charges and that such monies when so received by the Assignee shall be applied pro rata on account of the principal sum, interest and other monies secured by the Charge.

6. ALTHOUGH IT IS the intention of the parties that this Assignment shall be a present assignment, effective immediately upon execution, it is expressly understood and agreed that the Assignee shall not exercise any of the rights or powers herein conferred upon it until an event of default (as defined in the Charge) shall occur under the terms and provisions of the Charge. Upon such event of default occurring: (i) the Assignee shall be entitled, upon written notice to the tenants of the Property, to collect and receive all Rents under the Leases and (ii) this Assignment shall constitute an irrevocable direction and authorization of the Assignor to such tenants to pay such amounts to the Assignee or as the Assignee shall direct otherwise in writing without proof of any event of default by the Assignor. Without limiting the generality of the foregoing, such tenants are hereby irrevocably authorized and directed to rely upon and comply with, and to be fully protected in so doing, any notice or demand by the Assignee for the payment to the Assignee of any rent, or for the performance of any other obligation of the tenants under the Leases and the tenants shall not be required to or be under any duty to inquire as to whether any event of default under the Charge has actually occurred or is then existing. Until an Event of Default occurs, the Assignor can continue to collect rents and deal with the Leases in the ordinary course of business.

7. THE ASSIGNOR covenants and agrees that:

- (a) there is no outstanding encumbrance or assignment of the Leases in priority to this Assignment or the rents payable or receivable thereunder;
- (b) it shall at all times perform and observe all of the Landlord's obligations contained in the Leases;
- (c) it now has full power and absolute authority to assign its interest in the Leases and Rents and all benefits and advantages to be derived therefrom to the Assignee according to the intention of this Assignment; and
- (d) it shall forthwith on demand enter into, execute and deliver to the Assignee, at the Assignor's expense, such further assignments and assurances of the Leases and Rents as the Assignee shall reasonably require subject to reasonable review.

8. THE ASSIGNOR further covenants and agrees that it will not without the prior written consent of the Assignee:
- (a) (i) cancel or take any action to cancel any Lease; (ii) accept the surrender of any Lease; (iii) alter or amend or consent to or permit the altering, or amending of any term or provision of any Lease so as to decrease the Tenant's financial obligations or increase the responsibility of the Landlord thereunder; (iv) consent to or permit the assigning or subleasing of any Lease except in circumstances where the Landlord's consent cannot be unreasonably withheld or where no consent is required;
 - (b) collect or attempt to collect or permit either the payment or the prepayment of rent for a period greater than one (1) month or in any manner and at any time other than that stipulated in the Leases;
9. THE ASSIGNOR warrants and represents that, except as otherwise disclosed to the Assignee in writing:
- (a) each Lease is a valid and subsisting lease constituting the entire and only agreement between the Assignor and its tenant thereunder pertaining to the premises demised;
 - (b) the said tenants are occupying the premises described in each Lease and paying the full rent stipulated therein;
 - (c) no notice has been received from any Tenant indicating an intention to assign or sublet or indicating an intention to surrender the term or otherwise part with possession of the premises demised to it other than as specifically provided for herein; and
 - (d) no notice has been received by the Assignor from any tenant alleging default by the Assignor in the performance of its obligations as landlord pursuant to any Lease which notice has not been complied with by the Assignor to such tenant's reasonable satisfaction.
10. THE ASSIGNOR agrees that any and all rights of the Assignee pursuant to this Assignment may be exercised by any trustee or receiver appointed at the instance of or for the benefit of the Assignee. The Assignor further agrees that the Assignee is authorized (but is not obligated) in the name of the Assignor to take at any time any proceeding which in the opinion of the Assignee or its solicitors may be expedient or necessary for the purpose of enforcing any of the rights of the Assignor under the Leases and further to compromise or submit to arbitration any dispute which has arisen or may arise in respect of any Lease and any settlement arrived at shall be binding upon the Assignor. The Assignee is further authorized (but is not obligated) in the name and for the account of the Assignor to perform and observe any of the Assignor's obligations, as landlord, under the Leases, or any of them, and without limiting the generality of the foregoing, any amount paid by the Assignee in respect thereof as well as any other expense incurred by the Assignee shall be added pro rata to the monies secured by the Charge and shall bear interest at the interest rate stipulated therein.
11. THE TERM "**Leases**" shall extend to and include (i) the Leases as they may be extended or renewed or replaced; (ii) any amending agreement whether written or oral; and (iii) any guarantee whether included in the Leases or otherwise.
12. THE TERM "**tenants**" means and includes (i) the person, firm or corporation named as tenant or lessee in a Lease; and (ii) any person, firm or corporation who has guaranteed (whether as a primary debtor, surety or otherwise) the performance and observance of a tenant's covenants and other obligations pursuant to a Lease.
13. THE TERM "**Landlord**" means the Assignor, its successors and assigns and includes the person, firm or corporation named as landlord or lessor in a Lease.
14. THE TERM "**Rent**" or "**Rents**" shall extend to and include all monies that the Assignor is entitled to receive under the terms of the Leases including without limitation insurance proceeds, arbitration awards and the proceeds arising from any guarantee or other security held by the Assignor.
15. THE RIGHTS, remedies and security given to the Assignee hereunder are cumulative and are not in substitution for any rights, remedies or security to which the Assignee may be entitled, either under the Charge or under any other security or at law.

16. THE ASSIGNOR acknowledges receiving a true copy of this Assignment.

17. THIS ASSIGNMENT shall be binding upon and enure to the benefit of and shall be enforceable by the respective successors and assigns of the parties hereto and all words and phrases shall be taken to include the singular or plural or masculine, feminine or neuter gender as the circumstances shall require.

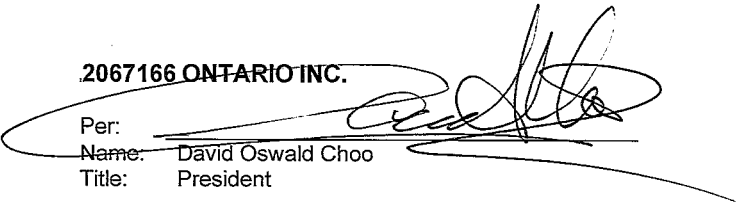
18. THE ASSIGNOR covenants that upon the registration of a complete discharge of the Charge this Assignment shall be deemed to be null and void and of no further effect.

19. This ASSIGNMENT may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall be deemed to constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF the Assignor has executed this Assignment by the hands of its duly authorized officer in that behalf on the day and year first written above.

2067166 ONTARIO INC.

Per: 
Name: David Oswald Choo
Title: President

I have authority to bind the corporation.

SCHEDULE "A"

(the Property)

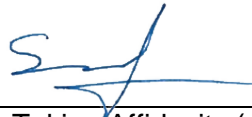
Municipal Address: 120 Central Park Drive, Ottawa, Ontario

Legal Description: PART OF BLOCK 69 ON 4M-1047 BEING PARTS 1,2,3,4 AND 6 4R-21512, OTTAWA.SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 1 TO 5 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC487047. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 9 TO 11 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC494285. TOGETHER WITH A RIGHT-OF-WAY OVER PARTS 2 AND 5 ON 4R-20298 AS IN OC487047. TOGETHER WITH A RIGHT-OF-WAY OVER PART 9 ON 4R-20298 AS IN OC494285. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 6 ON 4R-21512 AS IN OC654077. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 4 ON 4R-21512 AS IN OC654077. SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 ON PLAN 4R-28152 AS IN OC1621378.; TOGETHER WITH AN EASEMENT OVER PART BLOCK 69 PLAN 4M1047 PART 5 4R21512 AS IN OC1966865

PIN: 03998-1732 LT

Registry Office: Land Titles Division of Ottawa/Carleton (No. 4)

This is Exhibit “E” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

COVENANT AND POSTPONEMENT OF CLAIM

TO: Computershare Trust Company of Canada (the "**Chargee**"), as trustee and title holder for ACM Commercial Mortgage Fund ("**ACM**" and collectively with the Chargee, the "**Lender**")

RE: First Mortgage Loan to 2067166 Ontario Inc. (the "**Chargor**") on the security of 120 Central Park Drive, Ottawa, Ontario (the "**Property**") and as guaranteed by Alavida Lifestyles Inc. and David Choo (collectively, the "**Covenantor**")

DATED: December 21, 2022

WHEREAS the Lender has agreed to extend a loan to the Chargor pursuant to a Commitment Letter issued by ACM Advisors Ltd. on behalf of the Lender and addressed to the Chargor dated November 25, 2022, accepted by the Chargor and Covenantor setting out the terms of the loan secured by a first charge in favour of the Chargee as trustee and title holder for the Lender (the "**Charge**"), as it may be amended from time to time (the "**Commitment**").

AND WHEREAS the loan contemplated by the Commitment is secured by the Charge of the Property securing the principal amount of SIXTY-THREE THOUSAND TWO HUNDRED THOUSAND (\$63,200,000.00) entered into between the Chargee and the Chargor and the collateral security contemplated by the Commitment and Charge (collectively the "**Security**").

AND WHEREAS as a condition of making the loan to the Chargor, the Lender requires the delivery of this Covenant by the Covenantor.

IN CONSIDERATION OF the Lender making the loan to the Chargor and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Covenantor) the Covenantor hereby covenant in favour of the Lender:

- (a) to be jointly and severally liable with the Chargor and any other covenantor as principal debtor, and not as surety, for the due payment of all amounts owing under the Security (the "**Indebtedness**") at the times and in the manner herein provided; and it is the express intention of the parties hereto that the Covenantor is and shall be liable to the Lender in the same manner and to the same extent as if the Covenantor had executed the Security as Chargor;
- (b) that if the Indebtedness is not recoverable under paragraph (a) for any reason whatsoever, the Covenantor unconditionally guarantees the full performance and discharge of all of the obligations to be fulfilled by the Chargor pursuant to the provisions of the Security at the times and in the manner provided in the Security;
- (c) that if the Indebtedness is not recoverable under paragraphs (a) and (b) for any reason whatsoever, the Covenantor agrees to indemnify and save harmless the Lender against and from all losses, damages, costs, charges and expenses which the Lender may sustain, incur, or be or become liable for by reason of:

- (i) the failure, for any reason whatsoever, of the Chargor to pay the Indebtedness, or
 - (ii) the Chargor's failure, for any reason whatsoever, to do and perform any other act, matter or thing, required to be done or performed pursuant to the Security, or
 - (iii) the Chargor's failure to refrain from any act, matter or thing required not to be done or performed by it pursuant to the Security, or
 - (iv) any act, action or proceeding of or by the Lender for or in connection with the recovery of the Indebtedness or the obtaining of performance by the Chargor or the Covenantor of any other act, matter or thing pursuant to the Security or restraining the Chargor from any act, matter or thing required not to be done or performed pursuant to the Security;
- (d) that the Lender may at any time and from time to time and without notice to the Covenantor, or obtaining any consent of the Covenantor, make any compromise, settlement, extension, renewal or variation in the terms of the Security, including any variation or increase of the interest rate or any renewal or extension of the Security between the Chargor or any successor and the Lender, or take surrender of the Security or any collateral security or a part thereof, and that no such thing done by the Lender, nor any carelessness or neglect by the Lender in asserting its rights, nor the Lender's loss of any right by operation of law, nor the loss or destruction of any security, nor the lack of validity or enforceability of the Security or any collateral security or any portion thereof shall in any way release or diminish the liability of the Covenantor under the Security as long as any Indebtedness remains unpaid or the Lender has not been reimbursed for all such losses, damages, costs, charges and expenses as aforesaid;
- (e) that the Lender shall not be obliged to proceed against the Chargor or to enforce or exhaust any security before proceeding to enforce the obligations of the Covenantor and that enforcement of such obligations may take place before, after or contemporaneously with the enforcement of any debt or obligation of the Chargor or the enforcement of any security for any such debt or obligation;
- and that the Lender may elect to enforce the obligations against different Covenantors at different times and shall not be obligated to enforce against all Covenantors.
- (f) that nothing but payment and satisfaction in full of the Indebtedness and the due performance and observation of all covenants, agreements and provisos in the Security and any other security to be given to the Lender shall release the Covenantor of this Covenant;
- (g) this covenant shall be assignable by the Lender and that assignment of the Security shall constitute assignment of this covenant and that this covenant shall not be deemed to have been waived, released, discharged, impaired or affected by reason of the assignment and/or reassignment of the Security at any time;
- (h) to hereby waive all notices of default, non-performance, non-payment and non-observance on the part of the Chargor of the terms, covenants and provisos contained in the Security;

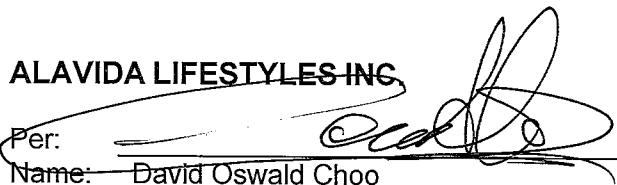
- (i) that the Security would not have been entered into by the Lender without this covenant;
- (j) that the liability of each Covenantor under this covenant shall not be impaired or discharged by reason of the Lender taking further or other security for payment of the Indebtedness or by any transfer of the Property or any approval thereof by the Lender or any assumption of the Security by any transferee of the Property, or by the Lender at any time releasing any security or partial security hereunder, or by any extension or renewal of the term of the Security, or the release or partial release of the Chargor, any Covenantor or guarantor of the Security whether by the Lender or by operation of law, or by any other act or thing whereby, as guarantor, the Covenantor will or might be released in whole or in part;
- (k) that any payment by the Covenantor of any monies under this covenant shall not in any event be taken to affect the liability of the Chargor for payment thereof, but such liability shall remain unimpaired and enforceable by the Covenantors against the Chargor and the Covenantor shall, to the extent of any such payments made by it, in addition to all other remedies, be subrogated as against the Chargor to all the rights, privileges and powers to which the Lender was entitled prior to payment by the Covenantor, provided, nevertheless, that the Covenantor shall not be entitled in any event to rank for payment against the Property or any collateral security in competition with the Lender and shall not, unless and until the whole of the Indebtedness has been paid, be entitled to any rights or remedies whatsoever in subrogation to the Lender;
- (l) to hereby waive any right of set-off the Covenantor may have in respect of any payment to be made under this covenant;
- (m) that the Covenantor have received a fully executed copy of the Security;
- (n) that this Covenant shall be binding upon the Covenantor and their respective successors and assigns;
- (o) that upon the discharge of the Security this Covenant will be deemed to be automatically discharged and released; and
- (p) the undersigned assigns and postpones in favour of the Lender all debts and liabilities that the Chargor now owes or later may from time to time owe to the undersigned until the Indebtedness has been paid in full and in the event that the undersigned receives any monies in payment of any such debts and liabilities, the undersigned will hold them in trust for, and will immediately pay them to, the Lender without reducing any liability under this Covenant.

THIS Covenant and Postponement of Claim may be executed and delivered in counterparts. The failure of any Covenantor to execute shall not affect the liability of any other Covenantor that has executed this Covenant and Postponement of Claim.

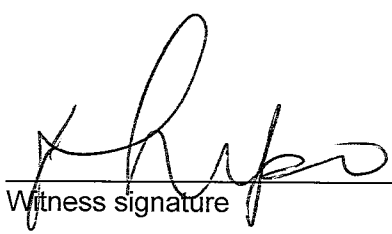
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DATED on the day and year first written above.

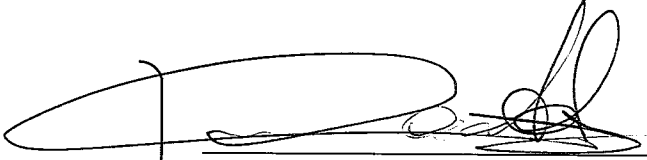
ALAVIDA LIFESTYLES INC.

Per: 
Name: David Oswald Choo
Title: President

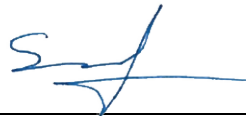
I have authority to bind the corporation.


Witness signature

Name: D. Sicoli-Lupo
(please print)


DAVID OSWALD CHOO

This is Exhibit "F" referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M



ACM Advisors Ltd.
Head office
 1140 Homer Street, Suite 210
 Vancouver BC V6B 2X6
 T 604 682 4865
 F 604 682 3265

November 25, 2022

2265132 ONTARIO INC.
 1384274 ONTARIO INC.
 c/o CMLS Financial
 1101 - 200 Elgin Street
 Ottawa, ON K2P 1L5

ATTENTION: ANDREW ARNTFIELD & STEVE MCEWEN

RE: FIRST MORTGAGE FINANCING OF 636 PRADO PRIVATE, OTTAWA, ONTARIO

We are pleased to advise that based on our preliminary review of the information and documents supplied to us with respect to your request for mortgage financing, we are prepared to submit this conditional offer of mortgage financing on the terms and conditions as outlined herein (the “**Commitment**”). These terms and conditions are based on our preliminary analysis of the financing and project information provided by you, and are subject to change based on our further analysis and underwriting. Please keep the contents of this Commitment confidential.

This Commitment is conditional upon the Lender obtaining its appropriate credit approvals (the “**Lender’s Approval Condition**”) and will remain conditional until such time as the Portfolio Manager, on behalf of the Lender, waives such condition in writing.

1. **PRIMARY TERMS**

“ Borrower ”	2265132 Ontario Inc. and 1384274 Ontario Inc.
“ Guarantor ”	Alavida Lifestyles Inc. and David Choo shall jointly and severally provide a full guarantee for all indebtedness and obligations under the Loan.
“ Borrowing Entities ”	Borrower and Guarantor, individually or collectively as applicable.
“ Property ”	Outlined in Schedule “G”.
“ Loan ”	A loan in the Loan Amount to be secured in first priority (“ Charge Priority ”) on the Property.
“ Purpose of Loan ”	To provide refinancing of the Borrower’s existing indebtedness secured by the Property.
“ Loan Amount ”	The lesser of: (a) Forty-two Million Two Hundred Thousand Dollars (\$42,200,000); and (b) The amount sufficient to achieve the DSCR Requirement (defined below).
“ Maturity Date ”	Fifth (5 th) anniversary of the Interest Adjustment Date (defined below).
“ Amortization ”	Twenty-five (25) years.





"Interest Rate"	Two Hundred and Seventy (270) basis points ("Spread") above the term equivalent interpolation between the "Early Bond" (2.75% & 01-SEP-2027) and "Late Bond" (3.50% & 01-MAR-2028), however such rate not to be below the "Floor Rate" of five and ninety-five one-hundredth of one percent (5.95%).
"Processing Fee"*	Forty basis points (40 bps) of the Loan Amount. The Lender acknowledges receipt for partial payment in the amount of Twenty-five Thousand Dollars (\$25,000), balance of the Processing Fee shall be payable upon acceptance of this Commitment.
"Commitment Deposit"*	One percent (1.0%) of the Loan Amount.
* The Processing Fee and Commitment Deposit to be made payable to ACM Commercial Mortgage Fund	
"Outside Funding Date"	Target funding date of December 15, 2022 but not later than December 22, 2022
"Commitment Acceptance Expiry"	November 30, 2022.

2. LENDER

ACM Commercial Mortgage Fund (the "Lender"). Computershare Trust Company of Canada ("Computershare") will act as trustee and title holder for the Lender.

3. PORTFOLIO MANAGER

ACM Advisors Ltd. (the "Portfolio Manager") is the representative of ACM Commercial Mortgage Fund for the purposes of this Commitment and the acts of the Lender as contemplated by the Commitment.

4. ADVANCE OF LOAN

The Loan Amount shall be made available in not more than one (1) advance on a date determined by the Lender (the "Date of Advance") after the requirements in Schedule "A" – Conditions Precedent to the Advance have been satisfied, which shall not, in any event be later than the Outside Funding Date.

The Borrower authorizes and directs the Lender to pay any advance under the Loan to the Lender's Solicitors in trust on the Date of Advance. The conditions governing the Lender's obligation to make advances are solely and exclusively for the benefit of the Lender and any or all of such conditions may be waived in whole or in part by the Lender at any time in its sole discretion. No advance shall constitute a waiver of any of the Borrower's obligations to the Lender nor obligate the Lender to make further advances.

Should a material adverse change occur in the information supplied or in the financial stability of any of the Borrowing Entities or the Property prior to the Date of Advance, the Lender shall be entitled to terminate its obligations under the terms of this Commitment. In such event, this Commitment will become null and void and of no further effect without recourse by either party against each other, and the Commitment Deposit shall be dealt with pursuant to the "Costs, Fees and Expenses" section herein which shall survive such termination. Notwithstanding the foregoing, the Lender may, at its sole option from time to time, elect to extend the Outside Funding Date to a date that it may determine, subject to its receipt of an extension fee in an amount to be determined by the Lender in its sole discretion.



5. INTEREST RESERVE HOLDBACK

The Borrower agrees to establish with the Lender an interest reserve by directing an amount to be confirmed after the Rate Setting Date (as outlined in Schedule F), but approximately equal to Two Hundred Thirty-seven Thousand Dollars (\$237,000) (the “**Interest Reserve**”) out of the Loan proceeds on the Date of Advance, to be held in trust by the Lender for the account of the Borrower. The Interest Reserve shall be considered fully advanced and secured by the Security and interest shall be payable on the Interest Reserve in accordance with the terms of the Loan.

The Interest Reserve shall be calculated by the Lender, based on 1.20 times the total amount of annual mortgage payment under the Loan (the “**DSCR Requirement**”), less the Property’s total annual net operating income, as determined by the Lender.

The Portfolio Manager will recalculate the Interest Reserve on an annual basis. Should the Property’s total net annual operating income be lower than the DSCR Requirement, the Borrower covenants and agrees to provide sufficient funds to top up the Interest Reserve within ten (10) business days of such written request from the Portfolio Manager.

Provided that an Event of Default has not occurred and is continuing, the Interest Reserve or any portion of the Interest Reserve approved by the Lender, will be released to the Borrower upon earlier of:

- (a) Receipt of satisfactory evidence that the Property’s total annual net operating income, to be determined by the Lender, is in excess of 1.30 times the total amount of annual mortgage payment under the Loan; or
- (b) Full repayment of the Loan.

Notwithstanding the foregoing, upon the occurrence of an Event of Default, the Lender shall be entitled to apply the balance of the funds in the Interest Reserve or any part thereof, at the Lender’s sole and subjective discretion, towards repayment of the Loan, the payment of any outstanding monthly payments of principal and/or interest, or the payment of any outstanding fees or charges owing to the Lender.

6. REPAYMENT

Subject to earlier acceleration as provided in this Commitment, the Loan will be repaid in the monthly instalments stipulated by the Lender based on the Loan Amount, Interest Rate and Amortization, commencing on the first day of the month following each “**Interest Adjustment Date**”, or “**IAD**”, (being the first day of the month following the Date of Advance unless such Date of Advance is the first of the month, in which case the Interest Adjustment Date shall be the Date of Advance) and continuing on the first day of each month until the Maturity Date, whereupon the outstanding balance of principal and interest under the Loan, and any outstanding expenses, will be paid in full. The Borrower shall remit each monthly payment to the Lender by way of preauthorized debits to the Lender or as the Lender may otherwise direct.

If the Loan is not repaid on the Maturity Date, the Lender may, at its sole option, amend the terms of the Loan in accordance with the “**Overhold Period**” provision as set out in Schedule “F”.

7. PREPAYMENT

The Loan is closed during the entire term contemplated. The Borrower shall have no privilege of prepaying the whole or part prior to the Maturity Date except as may be outlined in Schedule “B”.

8. SECURITY

The Loan shall be secured by the following security and documentation, in form and content satisfactory to the Lender and its solicitors and registered, as required, in its appropriate Charge Priority (hereinafter collectively referred to as the “**Security**”), which shall be cross-defaulted and cross-collateralized with the



security under a first mortgage loan to be provided by the Lender with respect to a property (and any adjacent lands and buildings that are used or are integral for the use of the Property including but not limited to any parking facilities) municipally known as 120 Central Park Drive, Ottawa, Ontario (PIN: 03998-1732 (LT) ("**Park Place**")):

- (a) Registered first mortgage securing a principal amount of \$63,200,000 and first-ranking assignment of rents creating a fixed charge over the Property;
- (b) First-ranking general security agreement from the Borrower creating a fixed security interest and charge over all present and after acquired personal property (including, without limitation, accounts, equipment, appliances and fixtures) owned by the Borrower and located at or used in connection with the Property;
- (c) Guarantee of the indebtedness and obligations of the Borrower executed by the party described as the Guarantor, or by each of the parties described as the Guarantor if more than one, on a joint and several basis;
- (d) Assignment of all material contracts and licenses affecting the operation of the Property;
- (e) Assignment of Insurance by the Borrower;
- (f) Environmental Warranty and Indemnity Agreement from the Borrowing Entities on a joint and several basis;
- (g) Subordination and Standstill Agreement with Institutional Mortgage Capital ("**IMC**"), in form and content satisfactory to the Lender; and
- (h) All resolutions, certificates, opinions and such other documentation and security as deemed appropriate by the Lender's Solicitors.

9. EVENTS OF DEFAULT

For the purposes of this Commitment, the Security shall include or be deemed to include, without limitation, the following events as an "**Event of Default**", whether voluntary or involuntary or effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or other rule or regulation of any administrative or governmental body:

- (a) the Borrower fails to pay any regular payment of principal and/or interest under the Loan when due and payable;
- (b) the Borrower fails to pay any other monies owing hereunder or under the Security when payable, and such failure continues for a period of fifteen (15) days;
- (c) default is made in the performance or observance of any terms and conditions contained in this Commitment or in any of the Security and such default is not remedied within thirty (30) days of notice of such default by the Lender;
- (d) there is a default under any of the Security which is not remedied within the applicable cure period;
- (e) there is a default by any of the Borrowing Entities under any loan provided by the Lender or any fund managed by the Portfolio Manager;
- (f) any of the Borrowing Entities sells, transfers or otherwise disposes of any interest in the Property without the prior written consent of the Lender and a mortgage assumption agreement;
- (g) a lien or construction lien is registered against the Property and is not removed within fifteen (15) days of such registration (save and except in the case where any of the Borrowing Entities has made a deposit of 125% of the claimed amount to a trust account satisfactory to the Lender);



- (h) there is a sale and/or change of control of any of the Borrowing Entities without the prior written consent of the Lender;
- (i) any representation or warranty contained in this Commitment, the Security or any other documents or certificates furnished to the Lender in connection herewith or pursuant hereto shall prove at any time to be materially incorrect, as of the date made;
- (j) a resolution is passed or an order is made for the liquidation or winding-up of any of the Borrowing Entities;
- (k) any of the Borrowing Entities makes a proposal or general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, or a bankruptcy petition is filed or presented against it, or any of the Borrowing Entities is subject to any proceeding under any other provision of the Bankruptcy and Insolvency Act or any other Act for the benefit of creditors and the Borrowing Entities are not disputing it in good faith; and
- (l) a receiver, receiver-manager or receiver and manager of any of the Borrowing Entities, or of any material part of its properties, assets or undertakings, is appointed.

If any Event of Default shall have occurred and be continuing then the Lender may declare all amounts outstanding under the Loan, including all interest and fees, if any, and all other amounts payable under this Commitment and Security to be immediately due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower.

10. SCHEDULES FORM PART OF COMMITMENT

All terms and conditions of the schedules attached hereto shall be included and form part of this Commitment.

Schedule "A" – Conditions Precedent

Schedule "B" – Prepayment Option(s)

Schedule "C" – Loan Reporting Requirements

Schedule "D" – Insurance Requirement

Schedule "E" – Borrowing Entities' Covenants, Representations and Warranties

Schedule "F" – Standard Terms and Conditions

Schedule "G" – Property/Legal Description

To the extent that any provision of the above schedules conflicts with a provision of this letter portion of this Commitment, the provisions in this letter portion shall prevail.

11. LENDER'S SOLICITORS AND LEGAL DOCUMENTATION

The Security, legal opinions, together with all other documents relating to the Loan shall be prepared and reviewed by the law firm of Cassels Brock & Blackwell LLP, located at Suite 2100, Scotia Plaza, 40 King Street West, Toronto, ON, M5H 3C2; Tel: (416) 860-5218; Attention: Ardy Mohajer; Email: amohajer@cassels.com (the "Lender's Solicitors").

The Borrower shall deliver to the Lender or the Lender's Solicitors, within three (3) days after receipt of the waiver of the Lender's Approval Condition, the following documents:

- (a) the required leases, survey, insurance policies and/or certificate of insurance;
- (b) evidence that the tax accounts have been duly paid; and





- (c) any other documents required hereunder and requested by the Lender and/or the Lender's Solicitors.

12. COSTS, FEES AND EXPENSES

The Borrower agrees to be responsible for all costs and expenses incurred by the Lender from time to time in connection with the Loan, regardless of whether any portion of the Loan is advanced or if the Loan is not advanced, including without limitation all of the Lender's reasonable costs and expenses, legal fees and disbursements of the Lender's Solicitors, registration fee, title insurance premium, together with cost of all third parties reports (including engineering, appraisal, inspection, architectural, credit information, insurance review and preparation of survey).

Notwithstanding the above, the Borrower will not be responsible for the Lender's legal fees until the Lender has waived the Lender's Approval Condition, unless the Borrower provides written confirmation to the Lender that it will indemnify the Lender and the Portfolio Manager for such costs.

The Borrower agrees to pay the Lender on such date an amount stipulated by the Lender from time to time and acknowledges with the Lender that:

- (a) Processing Fee - The Processing Fee is deemed to be fully earned and non-refundable after the Portfolio Manager has delivered to the Borrowing Entities a waiver of the Lender's Approval Condition without material amendments to the terms and conditions outlined herein. The Processing Fee will be promptly returned if the Portfolio Manager, on behalf of the Lender, is unable or unwilling to waive the Lender's Approval Condition or has waived the Lender's Approval Condition with material changes to the financial terms and conditions outlined herein that are not accepted by the Borrowing Entities and as such, this Commitment becomes null and void. Notwithstanding the above, the Lender shall be entitled, at its sole option, to retain part of the processing fee for the Lender's reasonable costs and an Underwriting Expense (as set out in Schedule "F") associated with the initial underwriting of the Loan.
- (b) Commitment Deposit - The Borrower shall remit the Commitment Deposit by way of a cheque or wire transfer within the timeline outlined in the waiver of the Lender's Approval Condition. The Commitment Deposit held by the Lender shall be refunded, without interest, to the Borrower along with the Loan proceeds. In the event the Loan is not advanced due to the non-satisfaction of the requirements in Schedule "A", the Lender shall be entitled, at its sole option, to cancel its obligations under this Commitment and to retain the Commitment Deposit as liquidated damages and a transaction fee, and any agreement constituted by the acceptance of this Commitment shall be null and void and of no further effect, without any further recourse, claim, remedy or action by either party against the other.
- (c) Loan Administration - During the term of the Loan subsequent to an advance under the Loan, the Borrower may from time to time request the Lender to provide or execute documents pertaining to the Property or the Loan. The Borrower acknowledges that the request of such documentation incurs time and expense for the Lender and Portfolio Manager and as such, the Borrower agrees to indemnify the Lender for fees and expenses (including but not limited to Lender's legal fees and expenses) relating to the review and execution of such documentation, as applicable acting reasonably, and the Borrower agrees to provide compensation to the Lender as outlined in Schedule "F".
- (d) Yield Maintenance on Default - In the event that the Loan or any portion thereof becomes due or repayable prior to the Maturity Date as a result of a breach or default of the terms of the Commitment or of the Security, the Borrower shall pay the Yield Maintenance set out in Schedule "F" in addition to any other amounts outstanding under the Loan.





All such amounts are payable forthwith, failing which at the sole discretion of the Lender such amounts may be added to the principal balance of the Loan and shall bear interest at the Interest Rate.

13. GENERAL PROVISIONS

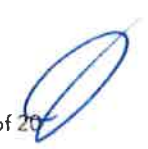
Each of the Borrowing Entities acknowledges and agrees with the Lender that:

- (a) Applicable Law - The terms and conditions of this Commitment and all other documents relating to the execution of the transactions provided for by this Commitment shall be governed by and interpreted in accordance with the laws of the Province in which the Property is situated and applicable federal laws.
- (b) Waiver, Non-Merger and Conflict - The terms and conditions contained in this Commitment are inserted for the exclusive benefit of the Lender and may be waived in whole or in part by the Lender at any time. This Commitment shall not merge with the Security or the advance of the Loan, but shall remain in full force and effect. In the event of inconsistency or conflict between the provisions hereof and of the Security, the terms of the Commitment shall prevail. Silence on a matter addressed in one document which is not addressed in the other, shall not constitute an inconsistency in respect of that matter.
- (c) Amendment - The terms or requirements of this Commitment or any Security may not be waived or varied orally, or by any course of conduct of any officer, employee or agent of the Lender. Any amendment to this Commitment must be in writing and signed by the Borrower and a duly authorized officer of the Portfolio Manager on behalf of the Lender; provided, however, that the Lender may unilaterally extend the date for return of this Commitment or receipt of any documentation upon written notice to the Borrower.
- (d) No Assignment - This Commitment and the monies payable pursuant thereto are not assignable in any manner by the Borrower.
- (e) Time - Time shall be of the essence of this Commitment in all respects.
- (f) Definitions - All capitalized terms which are used herein and not otherwise defined herein shall have the meanings set forth in the schedules attached.
- (g) Enurement - This Commitment shall be binding upon the Borrowing Entities and their successors and shall enure to the benefit of the Lender and its successors and assigns.
- (h) Unenforceability - If any provision, clause or paragraph of this Commitment shall be held to be unenforceable, such provision, clause or paragraph shall be deleted here from without impairing the enforceability of the remainder hereof.

14. ACCEPTANCE

If you are in agreement with the terms as outlined above and would like the Portfolio Manager to proceed with the Lender's formal approval process, please return the following by courier or electronic means no later than 4:00 p.m. Eastern time on the Commitment Acceptance Expiry, failing which this Commitment shall, at the Lender's option, be deemed to have expired:

- (a) signed copy of this Commitment;
- (b) completed and signed 'Borrowing Entities Information Package';
- (c) completed and signed 'Environmental, Social and Governance ("ESG") Questionnaire'; and
- (d) balance of the Processing Fee.





Yours truly,

ACM Advisors Ltd.

on behalf of ACM Commercial Mortgage Fund

Per: 
Olivia Kahng
Vice President – Investments

Per: 
Chad Mallow
President & Chief Executive Officer

ACCEPTANCE

We understand that the terms and conditions presented herein are subject to the Lender's Approval Condition and that a waiver letter will be provided if such condition is to be waived. Each of the signatories below consents and authorizes the Portfolio Manager to obtain credit reports and conduct reference checks.

Accepted this 29 day of November, 2022.

2265132 ONTARIO INC.

Per: 
Name: MANNY DIFILIPPO
Title: CFU


Per: _____
Name: _____
Title: _____

I / We have authority to bind the Corporation


1384274 ONTARIO INC.

Per: 
Name: _____
Title: _____

Per: 
Name: _____
Title: _____

I / We have authority to bind the Corporation 

ALAVIDA LIFESTYLES INC.

Per: 
Name: MANNY DIFILIPPO
Title: CFU

Per: 
Name: _____
Title: _____

I / We have authority to bind the Corporation

DAVID CHOO



Witness: _____



SCHEDULE "A" - CONDITIONS PRECEDENT

The disbursement of proceeds under the Loan shall be subject to the receipt and review of the following documents and information by, and in the form and content satisfactory to, Lender, its solicitors and the Portfolio Manager:

CONDITIONS PRECEDENT TO ADVANCE

1. The following recently completed third party reports along with transmittal letters authorizing the Lender and Portfolio Manager to rely upon such reports as if the Lender and Portfolio Manager had retained such consultant:
 - (a) Appraisal setting out the current fair market value of the Property, prepared by a Lender approved professional appraiser (the "Appraisal");
 - (b) Building condition assessment report of the Property, prepared by a Lender approved professional engineer (the "BCA"); and
 - (c) Environmental site assessment of the Property, prepared by a Lender approved professional engineer (the "ESA"),
2. Information relating to the Property:
 - (a) Year-to-date operating statement for the month ended November 30, 2022 and annual operating statements of the Property from the previous three (3) years;
 - (b) Monthly Property occupancy from January to November 30, 2022, and historical monthly Property occupancy from the previous three (3) years;
 - (c) An up-to-date rent roll of the Property certified by a senior financial officer of the Borrower;
 - (d) A copy of the current operating licenses as issued under the Ministry of Health and Long-Term Care governed under the Long-Term Care Homes Act, 2007;
 - (e) A copy of all material contracts and licenses relating to the operation of the Property;
 - (f) A copy of all commercial leases or offers to lease affecting the Property (including all renewals and amendments thereto) duly executed and legally binding and on a fully net basis, as applicable, together with a copy of the standard residential rental agreement, and copies of all signed and executed residential leases;
 - (g) Schedule of accounts receivable for the Property with respect to rental payments;
 - (h) A copy of the Property tax bills from the previous three (3) years;
 - (i) As at the Date of Advance, the Property's leases are providing for total annual Property net operating income of not less than 1.20 times the total sum of the annual mortgage payment payable under the Loan (the "DSCR Requirement");
 - (j) A copy of all executed agreements in connection to parking, reciprocal, cost-sharing, access, management or any other agreements pertaining to or affecting the operation of the Property, as applicable; and
 - (k) Satisfactory inspection of the Property by the Lender or its representative,
3. Insurance pursuant to the provisions outlined in the Schedule "D" - Insurance Requirement;
4. A title insurance policy issued by First Canadian Title Insurance, in the form and under the terms of the Portfolio Manager's existing master policy agreement, that insures the interest of the Lender in the Loan Amount;
5. Other financing information:
 - (a) Full details of the existing financing on the Property, as applicable;





- (b) A copy of the signed second mortgage commitment letter with IMC; and
 - (c) Concurrent funding by the Lender of a loan secured by a first mortgage against Park Place;
6. Information about the Borrowing Entities:
- (a) Annual audited or externally prepared review engagement financial statements of (corporate) Borrowing Entities from the previous three (3) years along with a current detailed list of all assets owned and debt outstanding thereon;
 - (b) Up-to-date certified net worth statement(s) of (personal) Borrowing Entities, including a current detailed list of all assets owned and debt outstanding thereon;
 - (c) Tax returns filed and Notices of Assessment received from the Canada Revenue Agency for the (personal) Borrowing Entities for the three (3) prior calendar years;
 - (d) A certified organization chart for each of the (corporate) Borrowing Entities; and
 - (e) A copy of the shareholder/ownership/partnership agreement for the Borrower or trust declaration, trust agreement or similar document if the Borrower is a trustee and nominee;
7. Legal conditions:
- (a) Evidence that all utilities, taxes, other levies and charges affecting the Property (except for the utilities supplied to the tenants by the supplier) shall have been paid prior to advance of the Loan, failing which all arrears/interest/penalties shall be paid from the proceeds of Loan;
 - (b) Evidence that the Property is in compliance with all applicable legislation and regulatory standards and in particular but without limitation, those relating to zoning unless such is covered by a title insurance policy detailed above;
 - (c) Satisfactory results of the Lender's due diligence based on the information provided under the heading "Identification and Verification" and compliance with the requirement of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* and regulations thereunder;
 - (d) The Security and any other documents relating to the Loan deemed necessary by the Lender and its solicitor, shall be executed and delivered to the Lender's Solicitors at least three (3) days prior to the Date of Advance, and all required securities are registered and perfected, as the case may be, and all approvals required by the Lender or its solicitors shall have been given;
 - (e) A favourable opinion of the Lender's Solicitors on the state of title of the Property and zoning, unless such is covered by the title insurance policy detailed above, and all other matters with respect to the Loan;
 - (f) A favourable opinion of the Borrowing Entities' solicitors relating to the due incorporation of each of the (corporate) Borrowing Entities and as to the corporate status, power and authority, due execution of this Commitment and the Security, all of which constitute legal and binding obligations of the (corporate) Borrowing Entities enforceable in accordance with their terms;
 - (g) A certificate of each of the Borrowing Entities confirming the truth and survival of the representations and warranties contained herein; and
 - (h) Confirmation to the satisfaction of the Lender that the Borrower is in compliance with each of the terms and conditions of this Commitment.



SCHEDULE "B" - PREPAYMENT OPTION(S)

Provided that the Loan is not in default, the Borrower may prepay all or a portion of the entire amount outstanding under the Loan at any time prior to the Maturity Date, only if all amounts which are due and payable under the Loan have been paid, and the Borrower provides at least thirty (30) days' prior written notice of such repayment and also pays to the Lender the Yield Maintenance set out in Schedule "F".

All amounts so prepaid shall be in addition to and not in lieu of the instalments payable under the "**Repayment**" heading. The Lender's administration and legal costs associated with such prepayment are to be borne by the Borrower.





SCHEDULE "C" - LOAN REPORTING REQUIREMENTS

During the term of the Loan, the Borrower will provide, or cause to provide, to the Lender such financial and supporting information as may be required by the Lender and include the following:

- (a) annual income and expense statement for the Property within ninety (90) days after fiscal year end;
- (b) annual rent roll for the Property within ninety (90) days after fiscal year end, certified by a senior financial officer of the Borrower;
- (c) schedule of accounts receivable for the Property with respect to rental payments;
- (d) copies of current operating licences annually,
- (e) copies of any material contracts relating to the operation of the Property that have been added or amended;
- (f) notification and copies of any changes to the tenants or tenancies of the Property;
- (g) annual appraisal reports for the Property, as available;
- (h) annual budget of the Property for the forthcoming fiscal year;
- (i) annual capital expenditure statement for the Property, as available;
- (j) annual audited or externally prepared review engagement financial statements of each of the corporate Borrowing Entities within one hundred twenty (120) days after fiscal year end, together with a current detailed list of assets owned and debt outstanding thereon;
- (k) annual certified statement of net worth from personal Borrowing Entities within one hundred twenty (120) days of calendar year end, together with a current detailed list of assets owned and debt outstanding thereon;
- (l) annually a Certificate of Status or equivalent document confirming the continued existence of the Borrower as a corporation;
- (m) receipted tax bills evidencing full payment of all taxes levied against the Property within thirty (30) days of such taxes being due. If the Borrower is enrolled in a monthly municipal tax instalment payment plan then the Borrower will provide evidence that all property tax accounts are current and fully paid with statements evidencing such to be provided during the months of February and August of each year; and
- (n) evidence of insurance policy renewal or satisfactory replacement annually within thirty (30) days prior to expiry. The Lender may, in its discretion, require its insurance consultant to conduct an insurance review at the Borrower's expense.

In addition, the Borrowing Entities shall supply to the Lender from time to time, on its request (such request not to be unreasonably made), any financial information pertaining to the Borrowing Entities and Property including, without limitation, financial statements prepared as aforesaid.

All requested information shall be delivered to the Lender electronically at: loanreporting@acma.ca.



SCHEDULE "D" - INSURANCE REQUIREMENT

During the term of the Loan, the Borrower shall obtain and maintain the following insurance coverage with respect to all insurable property situated in, upon and under the Property as follows:

- (a) **Property Insurance:** All Risks coverage for 100% of the reconstruction cost, including blanket bylaws, earthquake, flood and sewer backup, subject to replacement cost (any same site requirement within the policy to be removed) and the property coverage shall include stated amount coinsurance. The amount of coverage shall be for the full replacement cost of the Property including debris removal, and without deduction for foundations or footings. The policy shall also include inflation protection. The Lender shall be shown as Mortgagee and Loss Payee in its Charge Priority, subject to the IBC Standard Mortgage Clause;
- (b) **Boiler and Machinery Insurance:** Equipment breakdown insurance on a Comprehensive form with coverage on all electrical and mechanical equipment, air conditioning and refrigeration equipment, as well as all pressure vessels; such policy shall contain a rider with the standard mortgage clause approved by the Canadian Boiler and Machinery Underwriters' Association, with proceeds payable to the Lender as mortgage creditor in its Charge Priority;
- (c) **Deductibles and Self-Insured Retentions:** The insurance certificate shall indicate all deductibles and self-insured retentions, including that for the basic building, earthquake, flood, sewer backup, boiler, liability, excess and umbrella coverage;
- (d) **Liability Insurance:** Commercial general liability insurance in an amount of not less than Five Million Dollars (\$5,000,000) per occurrence and will list the Lender as an additional insured with regard to the operations of the Borrower. The policy shall include limited pollution coverage (if applicable);
- (e) **Malpractice Insurance:** In addition to commercial general liability insurance as described herein, evidence of medical malpractice insurance with all liability policies including the Lender as additional insured with regard to the operations of the Borrower;
- (f) **Rental Insurance:** A rental income insurance policy for an amount equal to at least One Hundred Percent (100%) of the gross annual potential revenue (base rent plus additional rent) with a twenty four (24) month indemnity period estimated at \$7,645,000 annually; and
- (g) Such other forms and amounts of insurance as the Lender or their insurance consultant may require from time to time in their discretion.

The provisions relating to cancellation of the said policies, including the mortgage clause, shall provide that a notice of not less than thirty (30) days must in such event be given to the Lender.

The Borrower shall provide to the Lender such evidence as may reasonably request by the Lender, all of the above insurance coverage is in place and forwarded to the Lender's insurance consultant for verification and approval, prior to any advance of the Loan being made. All costs for such verification and approval shall be borne by the Borrower.

The Borrower hereby assigns, transfers and sets over all insurance policies (the "Policies") to the Lender and grants a security interest in the Policies to the Lender together with all right, title and interest in and to the Policies and also together with all proceeds and other amounts payable in respect of the Policies or at any time derived by the Policies or any part or parts thereof. The Borrower further authorizes and directs the issuers from time to time of the Policies to pay to the Lender or as the Assignee may in writing direct, all proceeds and other amounts payable under or pursuant to the Policies.





SCHEDULE "E" - BORROWING ENTITIES' COVENANTS, REPRESENTATIONS AND WARRANTIES

The Borrower covenants and agrees with the Lender that during the term of the Loan it will abide by all the following covenants:

- (a) **Subordinate Financing** – The Borrower shall not secure any subordinate financing on the Property other than a blanket second mortgage financing in favour of IMC securing a principal amount that shall cumulatively be no greater than Eleven Million and Five Hundred Thousand Dollars (\$11,500,000) secured against both the Property and Park Place (the "**Second Mortgage**").
- (b) **Change of Use** – The Borrower shall make no changes in the use of the Property, and any material alterations by the Borrower in excess of Three Hundred and Fifty Thousand Dollars (\$350,000) shall require the prior written approval by the Lender.
- (c) **Insurance** – The Borrower shall maintain insurance coverage as outlined in Schedule "D" - Insurance Requirement.
- (d) **Authorizations** – The Borrower authorizes the Lender, or its representatives to make inquiries and obtain information relating to the Property and the Borrower, from appropriate taxation, municipal, utilities and other authorities, and also conduct inspection of the Property, for the purpose of loan administration. These authorizations shall remain in effect until the Loan has been fully repaid.
- (e) **Property Management** – The Property shall be managed by the Borrower, a company affiliated with the Borrower or a professional arm's length manager approved by the Lender. For the purposes hereof, "affiliated" shall have the same meaning as given thereto in the *Canada Business Corporations Act*. The Lender reserves the right to give the Borrower written notice requiring that the management of the Property be improved to the Lender's reasonable satisfaction, failing which the Lender may correct the situation to its satisfaction at the Borrower's expense, including terminating the current property manager and retaining on the Borrower's behalf a replacement property manager satisfactory to the Lender. A management fee, not to exceed prevailing market rates, may be paid to the manager of the Property. The Lender shall have the right to request that the property manager deliver an acknowledgement that upon notice by the Lender of a default under the Loan beyond any applicable cure periods, the Lender may require the termination of the property management agreement without notice and without payment of any fee or penalty.
- (f) **Tenant(s)** – For any tenant whose rents exceeds ten percent (10%) of the gross revenue of the Property, the Borrower shall provide the Lender with copies of all amendments and new binding offers to lease and leases together with all information relating thereto, which are entered into during the term of the Loan. The Lender shall have no liability with respect to any rent owing to or by a tenant. Any security interest granted by a tenant in favour of the Borrower will be deemed assigned and transferred to and in favour of the Lender.

Each of the Borrowing Entities warrants and represent that all representations and warranties contained in this Commitment shall remain true and accurate as of the Date of Advance, including:

- (a) **Power and Capacity** – Each of the Borrowing Entities has full power and capacity to enter into this Commitment and to complete the transaction contemplated herein.
- (b) **Title(s)** – The Borrower is the legal owner and the only beneficial owner of the Property with good and marketable title thereto. The title of the Property and personal property owned by the Borrower used for the operation of the Property, if any, shall be free and clear of all security interest, charges, liens, mortgages, claim or other financial encumbrance, with the exception of the Security and the security for the Second Mortgage loan, to the complete satisfaction of the Lender's Solicitors.

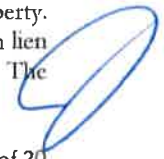


- (c) Compliance – The Property complies and will continue to comply in all material respects with all applicable building, zoning, planning, development, environmental, occupation and use requirements.
- (d) Disclosure – All information pertaining to the current use and viability of the Property and the financial condition of each of the Borrowing Entities and Property has been fully disclosed to the Lender. There is no legal action instituted, threatened or pending against the Borrowing Entities pertaining to the Property or against the Property itself, and none of the Borrowing Entities have received notice of any work orders, deficiency notices or notices of violation pertaining to the Property. The building has been built in accordance with plans and specifications in a good and workmanlike manner and does not, and never has, contained UFFI, PCB's or asbestos in any form.
- (e) Environmental Matters – To the best of the Borrower's knowledge and belief after due enquiry, the Property and its existing uses comply with all laws, regulations, orders and approvals of all governmental authorities having jurisdiction with respect to environmental matters applicable to the ownership, use, maintenance and operation of the Property (collectively, the "**Environmental Laws**") and, without limiting the generality of the foregoing:
 - (i) the Property has never been used as a land fill site or to store hazardous substances (except as set out in (ii) below) either above or below ground, in storage tanks or otherwise;
 - (ii) all hazardous substances used in connection with the business conducted at the Property have at all times been received, handled, used, stored, treated, shipped and disposed of in strict compliance with all Environmental Laws;
 - (iii) no hazardous substances have been released into the environment or deposited, discharged, placed or disposed of at, on or near the Property in violation of Environmental Laws as a result of the conduct of business on the Property; and
 - (iv) no notices of any violation of any matters referred to above relating to the Property or its use have been received by the Borrower and with respect to the Borrower or, so far as it is aware, with respect to any other person, there are no directions, writs, injunctions, orders or judgments outstanding, no lawsuits, claims, proceedings or investigations pending or threatened, relating to the ownership, use, maintenance or operation of the Property nor is there any basis for such lawsuits, claims, proceedings or investigations being instituted or filed.

For the purposes of this Commitment, a hazardous substance includes but is not limited to contaminants, pollutants, dangerous substances, gasoline, oil, liquid wastes, industrial wastes, whole liquid wastes, toxic substances, hazardous wastes, hazardous materials and hazardous substances, as defined in or pursuant to any applicable Environmental Law.

The Borrowing Entities shall indemnify and save harmless the Lender from any loss or liability whatsoever arising from any violation whatsoever of any law, regulation, ordinance, judgement, approval or decision in connection with hazardous materials or environmental risks.

- (f) Tenant(s) – Except as set out or explained by the Borrower in the certified rent roll, each tenant has accepted and occupied its respective leased space in the Property pursuant to an arm's length fully executed net lease, unless expressly disclosed to the Lender, and for commercial tenants, are open for business. Each tenant has paid and is paying rent as required under its respective lease, is not claiming any deduction or set-off from the rent payable, and has not prepaid more than one (1) month's rent.
- (g) No Construction – The Loan proceeds are not being used to fund any construction on the Property. The Property is not subject to any construction liens and there is no possibility of a construction lien arising with respect to the original construction of the building situate upon the Property. The





foregoing does not extend to any work or services performed by or on behalf of any tenant of the Property, unless the Borrower has received notice of such work pursuant to the provisions of the applicable construction, mechanics' or builders' lien legislation.

- (h) Employment Contributions – The Borrower is not in arrears in employee source deductions, employer pension contributions and/or statutory remittances (collectively the “**Employment Contributions**”) and there are no claims, actions or proceeding brought forward by a third party in connection with the *Wage Earner Protection Program Act* and corresponding amendments to the *Bankruptcy and Insolvency Act* and the *Companies' Creditors Arrangement Act*, as amended or in connection with Employment Contributions.



SCHEDULE "F" - STANDARD TERMS AND CONDITIONS

INTEREST

If the Interest Rate is not defined as a percentage as outlined in the letter portion of this Commitment or based on a Prime Rate, the Interest Rate will be fixed at the Spread above the "Reference Rate" (the rate of interest per annum equal to the interpolated bid-side yield, as provided via live pricing quotes from Bloomberg, offered on the Early Bond and the Late Bond, both non-callable Government of Canada bonds) on the "Rate Setting Date", which shall be at 12:01 p.m. Eastern time three (3) business days prior to the Date of Advance.

Interest on the Loan shall be calculated and payable as follows:

- (a) if the Date of Advance and the Interest Adjustment Date are different, calculated on a daily basis from the Date of Advance to but excluding the Interest Adjustment Date and payable on the Interest Adjustment Date with such payment to be deducted from the Loan proceeds at the time of the advance;
- (b) calculated semi-annually not in advance, from and including the Interest Adjustment Date for the term of the Loan and payable monthly in the manner described herein.

If the Interest Rate is based on the Prime Rate, interest on the Loan shall be compounded calculated and payable monthly not in advance and may fluctuate concurrent with each change to the "Prime Rate", which means the prime lending rate of interest as designated and recorded by the Royal Bank of Canada from time to time for the purposes of determining rates of interest charged on loans in Canada in Canadian dollars.

Notwithstanding the foregoing, the Interest Rate shall not be less than the Floor Rate.

OVERHOLD PERIOD

Provided that there are no arrears in principal or interest under the Loan, the Lender may, at its sole option, unilaterally extend the Loan for a period of one (1) month from the Maturity Date (the "Overhold Period"), and may, at its sole option, unilaterally amend the Interest Rate to be the greater of ten percent (10.0%) or a rate equivalent to the Prime Rate plus five percent (5.0%), to be calculated, compounded and payable interest only on a monthly basis. If an extension is granted, and at the Lender's option, a processing fee of the greater of one-tenth of one percent (0.1%) of the Loan Amount and Five Thousand Dollars (\$5,000) may be added to the outstanding principal balance. The monies owed may be paid in full on the Maturity Date or at any time during the Overhold Period without notice, bonus or penalty. In the event that repayment of the Loan has not been made in full on the Maturity Date or by the end of the Overhold Period, the Lender may, at its option, exercise any remedies available to it under the Loan and the Security.

YIELD MAINTENANCE

"Yield Maintenance" is defined as the amount which is the greater of:

- (a) an additional three (3) months interest on the amount prepaid, calculated at the interest rate under the Loan; and
- (b) the positive number, if any, obtained by subtracting the amount prepaid from the present value of all monthly payments of principal and interest, including the principal and interest due on the Maturity Date, which would have been made under the Loan in respect of the amount prepaid on and after the date of prepayment, had such prepayment not been made, such present value to be based on the Discount Rate (as hereinafter defined). For the purpose of this part, the "Discount Rate" shall mean the yield to a purchaser of a non-callable Government of Canada bond selected by the Portfolio Manager with a term to maturity approximately equal to the remaining period of the term for such Loan had the Loan not been prepaid, calculated by the Portfolio Manager as of 12:01 p.m.



Eastern time on the business day immediately prior to the date of prepayment, expressed as a rate per annum, compounded semi-annually.

RESERVE FUND FOR REALTY TAXES

The Security shall provide that the Borrower remits to the Lender on the first (1st) day of each month during the term of the Loan, in addition to the regular monthly mortgage payment as set out in this Commitment, a monthly instalment for realty taxes in an amount to be determined by the Lender from time to time, sufficient for the Lender to pay in full the realty taxes, levies, assessments, improvement charges and other taxes affecting the Property on the due date(s). The sums thereby accumulated shall form part of the security of the Lender for the Loan and shall not bear any interest in favour of the Borrower.

Notwithstanding the foregoing, the Lender hereby conditionally waives the foregoing requirement on an ongoing basis provided that there has been no material default under the Loan and no non-compliance with the reporting requirements evidencing full payment of realty taxes when due. The Borrower acknowledges and agrees that any non-compliance of any of the conditions set out in this paragraph shall constitute this waiver to be null and void, such event shall permit the Lender, at its option, to reinstate the monthly instalment for realty taxes.

IDENTIFICATION AND VERIFICATION

The Borrowing Entities and other entities are required to produce information and identification acceptable to the Lender, Portfolio Manager and its solicitors for the purpose of compliance with the provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* and regulations thereunder prior to any funds being advanced. The Borrower's solicitors are required to certify at the time the Security is signed that all persons signing as or on behalf of the Borrowing Entities have been identified and verified as prescribed by the aforementioned legislation.

DISCHARGE OF SECURITY

It shall be a condition of the discharge of the Security that the Lender has been provided with evidence, satisfactory to it, that each of the Borrowing Entities are current on all HST, QST and/or GST payments required to be paid to Canada Revenue Agency and in the payment of all other funds received or withdrawn by any of the Borrowing Entities for remittance to any governmental agency.

PRIVACY

In the course of providing this Commitment and the resulting Loan, and for the purposes of administering, reporting, selling or assigning in whole or in part (including, without limitation, in connection with any syndication), and enforcement of the Loan, the Portfolio Manager will collect all personal and/or corporate information about the Borrowing Entities, which may include contact information (mailing address, e-mail address, telephone number and fax number), information relating to personal and/or corporate financial status, (existing debts, personal net worth or credit history), date of birth, place of employment, social insurance number, information from financial institutions and references that there are relationships with the Borrowing Entities, credit bureaus, as well as documents pertaining to the Property (collectively, the "Information"). To fulfil these purposes or as required by law, the Portfolio Manager may share and disclose any or all of the Information to its affiliates, agents, representatives, counsels, other lenders and its external auditors where permitted by law and subject to the party accepting the privacy provisions as set out herein so long as the Information is not otherwise publicly available. The Information will be physically stored at the Portfolio Manager's office and electronically on the Portfolio Manager's secure servers, and at all times, be handled in accordance with applicable privacy laws.

Each of the Borrowing Entities consents to the Portfolio Manager's inclusion of information relating to the Loan and the Property in its marketing materials including but not limited to the name of the Borrower;





property information including its location and property type; the loan information may include its size and priority type; and photographic images of the Property.

LOAN ADMINISTRATION COSTS & UNDERWRITING EXPENSE

The following costs are payable within fifteen (15) calendar days upon receipt of notice, failing which the Lender shall be entitled to add such amount to the principal balance of the Loan and shall bear interest at the Interest Rate:

Execution of Documents	\$250 per request (up to 2 documents) and \$50 per additional document thereafter
Mortgage Statement or Discharge Statement	\$50 per request (not charged for annual audit confirmations)
Discharge Processing Fee	\$500
Non-Disturbance Agreement (existing or new tenants) or Postponement/Priority Agreement	\$500 per request
Underwriting Expense	The greater of 50% of the Processing Fee and \$5,000
Late payments or non-sufficient funds for monthly mortgage payment	\$250 per incident

INTERPRETATIONS

The headings and sections used in this Commitment are inserted for convenience of reference only and shall not affect the construction or interpretation of this Commitment.

This Commitment shall be construed with all changes in number and gender required by the circumstances.

If any of the Borrowing Entities is comprised of more than one person or corporation, each of the covenants, agreements and obligations herein shall deemed to be jointly and severally unless otherwise specifically stated herein.

“Person” includes any individual, partnership, joint venture, trust, unincorporated organization or any other association, corporation and government or any department or agency thereof.



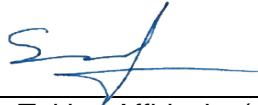


SCHEDULE "G" - PROPERTY/LEGAL DESCRIPTION

<u>MUNICIPAL ADDRESS</u>	<u>LEGAL DESCRIPTION</u>	<u>REGISTERED OWNER</u>	<u>PROPERTY DESCRIPTION</u>
636 Prado Private Ottawa, Ontario	Part of Blocks 10 and 11 Plan 4M1327, Parts 8, 9, 21, 45 and 46 Plan 4R25794, PIN: 04052-0799 (LT)	2265132 Ontario Inc.	An 8-storey senior residence building containing 138 independent living suites
	All of Block 9 and Part of Blocks 10, 11 and 25 Plan 4M1327, parts 1, 3, 4, 5, 6, 7, 10, 11, 14 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50 51, 52 and 54 Plan 4R25794, City of Ottawa, PIN: 04052- 0801 (LT)	1384274 Ontario Inc.	A shared use underground parking facility



This is Exhibit “G” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

Properties

PIN 04052 - 0801 LT *Interest/Estate* Fee Simple

Description ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794. SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1, 16, 17, 18, 23, 24, 27 AND 28 PLAN 4R25794 AS IN OC881843. SUBJECT TO AN EASEMENT OVER PARTS 3, 4, 5, 6, 7, 10, 11, 14, 15, 20, 26, 32, 33, 34, 35, 39, 40, 41 AND 54 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 12 PLAN 4M1327, PART 19 PLAN 4R25794 AS IN OC1451770; SUBJECT TO AN EASEMENT IN FAVOUR OF PART OF BLOCKS 10 AND 25 PLAN 4M1327, PARTS 2, 22, 25, 29, 30, 31, 36 AND 53 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 12, 13, 38, 47, 48 AND 49 PLAN 4R25794 AS IN OC1451771; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1560118; CITY OF OTTAWA

Address OTTAWA

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 1384274 ONTARIO INC.
Address for Service 18 Antares Drive
 Ottawa, ON K2E 1A6

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.

Chargee(s)*Capacity**Share*

Name COMPUTERSHARE TRUST COMPANY OF CANADA
Address for Service c/o ACM Advisors Ltd.
 Suite 210, 1140 Homer Street
 Vancouver, BC V6B 2X6

Provisions

Principal \$63,200,000.00 *Currency* CDN

Calculation Period semi-annually, not in advance

Balance Due Date 2028/01/01

Interest Rate See Schedule

Payments

Interest Adjustment Date 2023 01 01

Payment Date 1st day of each and every month

First Payment Date 2023 02 01

Last Payment Date 2028 01 01

Standard Charge Terms 200033

Insurance Amount Full insurable value

Guarantor See Schedule

Additional Provisions

See Schedules

Signed By

Ardavan Mohajer-Ashjai 40 King Street West, Suite 2100 acting for Signed 2022 12 21
 Toronto
 M5H 3C2
 Chargee(s)

Tel 416-869-5300
 Fax 416-360-8877

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

Submitted By

CASELS BROCK & BLACKWELL LLP 40 King Street West, Suite 2100 2022 12 21
Toronto
M5H 3C2
Tel 416-869-5300
Fax 416-360-8877

Fees/Taxes/Payment

Statutory Registration Fee \$69.00
Total Paid \$69.00

File Number

Chargee Client File Number : 54655-3 (AM/LR/TV)

ADDITIONAL PROVISIONS

1. STANDARD CHARGE TERMS

The terms contained in this schedule are in addition to the terms contained in the Standard Charge Terms. In the event of any conflict between the terms contained in this schedule and those contained in the Standard Charge Terms, the Chargee may elect which provision shall apply and prevail, to the extent of the conflict.

2. DEFINITIONS

In this schedule, the following definitions apply:

- (a) **Additional Security** means all security documents (other than this Charge) delivered by the Chargor to the Chargee to secure the Loan.
- (b) **Applicable Laws** means, in respect of any person, property, transaction or event, all applicable federal, provincial or municipal laws, statutes, regulations, rules, by-laws, policies and guidelines, orders, permits, licences, authorizations, approvals and all applicable common law or equitable principles in force and effect during the currency of this Charge;
- (c) **Balance Due Date** means the first day of January, 2028;
- (d) **Charge** means this Charge/Mortgage of Land made pursuant to the *Land Registration Reform Act* and any amendments thereto and including the Standard Charge;
- (e) **Chargee** shall mean Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund, and its successors and assigns;
- (f) **Chargor** shall mean 22265132 Ontario Inc., 1384274 Ontario Inc. and their successors and permitted assigns;
- (g) **Commitment Letter** means the commitment letter issued by ACM Advisors Ltd. dated November 25, 2022 and accepted by the Chargor and Covenantors, as it may be further amended from time to time;
- (h) **Costs** shall include but not be limited to all of the fees, costs, charges, losses, damages and expenses incurred by the Chargee as a direct or indirect consequence of granting the loan secured by this Charge including, without limitation, all expenses incurred in the construction, preservation, maintenance, repair, insuring and realization of the security contained herein, and all legal costs incurred by the Chargee as between a solicitor and his own client;
- (i) **Covenantor or Covenantors** shall mean Alavida Lifestyles Inc. and David Oswald Choo;
- (j) **Environmental Laws** means all present and future Applicable Laws, standards and requirements relating to environmental or occupational health and safety matters, including those relating to the presence, release, reporting, licensing, permitting, investigation, disposal, storage, use, remediation and clean-up or any other aspect of a Hazardous Substance;
- (k) **Environmental Proceeding** means any investigation, action, proceeding, conviction, fine, judgment, notice, order, claim, directive, permit, license, approval, agreement or Lien of any nature or kind arising under or relating to Environmental Laws;
- (l) **Hazardous Substance** means any substance or material that is prohibited, controlled, otherwise regulated by any governmental authority or is otherwise hazardous in fact, including without limitation contaminants, pollutants, asbestos, lead, urea formaldehyde foam insulation, polychlorinated by-phenyls or hydrocarbon products, any materials containing same or derivatives thereof, explosives, radioactive substances, petroleum and associated products, underground storage tanks, dangerous or toxic substances or materials, controlled products, and hazardous wastes;

- (m) **Interest** means all interest owing from time to time under the Charge or Additional Security, calculated at the Interest Rate and compounded semi-annually and payable not in advance on the first business day of each and every month that the Principal Sum remains unpaid;
- (n) **Interest Adjustment Date** means the first day of January, 2023;
- (o) **Interest Rate** means the rate calculated in accordance with the Commitment Letter;
- (p) **Land Registry Office** means the Land Registry Office for the Land Titles Division of Ottawa/Carleton (No. 4);
- (q) **Lands** means the lands and premises more particularly described in Schedule "A";
- (r) **Leases** and **Lease** means, respectively, all and any present and future leases and agreements to lease of the whole or any portion of the Lands or of the whole or any part of the building(s) thereon, and all and any present or future licences whereby the Chargor (or any authorized representative of the Chargor) gives any other person the right to use or occupy the whole or any part of the Charged Premises, in each case for the time being in effect, and all revisions, alterations, modifications, amendments, extensions, renewals, replacements or substitutions thereof or therefor which may hereafter be effected or entered into, but does not include registered easements or rights in the nature of an easement;
- (s) **Lender** means ACM Commercial Mortgage Fund, as its successors and permitted assigns;
- (t) **Loan** means the credit facility set out in the Commitment Letter from the Lender to the Chargor secured, *inter alia*, by this Charge;
- (u) **Monthly Payments** means the blended payments of principal and interest calculated in accordance with the Commitment Letter and made on the first day of each month;
- (v) **Obligors** means collectively the Chargor and the Covenantors;
- (w) **Principal Amount** means the principal amount of \$63,200,000.00 in lawful money of Canada as it may be increased or decreased prior to registration of a discharge of this Charge;
- (x) **Park Place Property** means the property municipally known as 120 Central Park Drive, Ottawa, ON;
- (y) **Property or Charged Property** means the lands described in the Charge to which this Schedule is attached and all buildings, fixtures and improvements now or hereafter brought or erected thereon;
- (z) **Receiver** means a receiver or receiver-manager of the Property;
- (aa) **Second Mortgage** has the meaning ascribed in Section 16;
- (bb) **Standard Charge Terms** means the set of Standard Charge Terms filed as No. 200033; and
- (cc) **Yield Maintenance** has the definition ascribed thereto in the Commitment Letter.

3. CHARGE

Upon the request of the Chargee, the Chargor hereby gives this Charge and charges the Property as security for full payment to the Chargee of the Principal Amount, Interest and all other amounts payable hereunder and as security for the observance and performance of all of the obligations of the Chargor to the Chargee pursuant to this Charge or otherwise.

4. CANCELLATION OF ADVANCE

If all or a portion of the Principal Amount is advanced into the Chargee's solicitor's trust account as the result of verbal or written request or concurrence of the Chargor or their solicitor and are

not subsequently disbursed for any reason, then the Chargor shall pay to the Chargee interest accrued on the amounts so advanced to the Chargee's solicitor at the rate provided in the Charge. If, pending disbursement of the advance, the Chargee's solicitors place the monies in an interest bearing deposit, any interest accruing from such deposit will be credited to the Chargor after payment has been made to the Chargee of the interest required by this paragraph.

5. MONTHLY PAYMENTS

Interest on the Principal Amount from time to time advanced prior to the Interest Adjustment Date, computed from the respective dates of such advances to the Interest Adjustment Date, shall, at the option of the Chargee, be deducted from the advances or paid by the Chargor at such time or times as the Chargee may require and such Interest may be so deducted or paid in advance; after the Interest Adjustment Date, the Principal Amount with Interest computed from the Interest Adjustment Date on the Principal Amount outstanding from time to time, shall become due and be paid in Monthly Payments as provided by this Charge and the balance, if any, of the Principal Amount and Interest shall become due and payable on the Balance Due Date. The Monthly Payments, when received, shall be applied firstly to outstanding Costs, secondly to outstanding Interest and the balance, if any, in reduction of the outstanding Principal Amount.

6. PREPAYMENT

The Chargor, when not in default under the Commitment Letter, this Charge or any Additional Security, shall have the privilege of prepaying the whole or a portion of the Principal Amount on any payment date prior to the Balance Due Date without penalty, only if all amounts which are due and payable under the Loan have been paid, and the Chargor provides at least thirty (30) days' prior written notice of such repayment and also pays to the Chargee Yield Maintenance.

7. PAYMENTS BY CHARGEES

The Chargee may pay all premiums of insurance and all taxes, rates, levies, charges, assessments, utility and heating charges which shall from time to time fall due and be unpaid in respect of the Property and all costs, charges, legal fees (as between solicitor and his own client) and expenses as deemed necessary by the Chargee to preserve the Property and/or to realize upon the Chargee's security and all such payments shall be deemed Costs hereunder.

8. COSTS

Costs shall be forthwith due and payable by the Chargor to the Chargee and shall bear Interest until fully paid.

9. INSURANCE PROVISIONS

During the term of the Loan, the Chargor shall obtain and maintain the following insurance coverage with respect to all insurable property situate in, upon and under the Property as follows:

- (a) Property Insurance: All Risks coverage for 100% of the reconstruction cost, including blanket bylaws, earthquake, flood and sewer backup, subject to replacement cost (any same site requirement within the policy to be removed) and the property coverage shall include stated amount coinsurance. The amount of coverage shall be for the full replacement cost of the Property including debris removal, and without deduction for foundations or footings. The policy shall also include inflation protection. The Chargee shall be shown as Mortgagee and Loss Payee in its Charge Priority, subject to the IBC Standard Mortgage Clause;
- (b) Boiler and Machinery Insurance: Equipment breakdown insurance on a Comprehensive form with coverage on all electrical and mechanical equipment, air conditioning and refrigeration equipment, as well as all pressure vessels; such policy shall contain a rider with the standard mortgage clause approved by the Canadian Boiler and Machinery Underwriters' Association, with proceeds payable to the Chargee as mortgage creditor in its Charge Priority;
- (c) Deductibles and Self-Insured Retentions: The insurance certificate shall indicate all deductibles and self-insured retentions, including that for the basic building, earthquake, flood, sewer backup, boiler, liability, excess and umbrella coverage;
- (d) Liability Insurance: Commercial general liability insurance in an amount of not less than Five Million Dollars (\$5,000,000) per occurrence and will list the Chargee as an additional insured with regard to the operations of the Chargor. The policy shall include limited pollution coverage (if applicable);

- (e) Malpractice Insurance: In addition to commercial general liability insurance as described herein, evidence of medical malpractice insurance with all liability policies including the Chargee as additional insured with regard to the operations of the Chargor;
- (f) Rental Insurance: A rental income insurance policy for an amount equal to at least One Hundred Percent (100%) of the gross annual potential revenue (base rent plus additional rent) with a twenty-four (24) month indemnity period estimated at \$7,645,000 annually; and
- (g) Such other forms and amounts of insurance as the Chargee or their insurance consultant may require from time to time in their discretion.

The provisions relating to cancellation of the said policies, including the mortgage clause, shall provide that a notice of not less than thirty (30) days must in such event be given to the Chargee.

The Chargor shall provide to the Chargee such evidence as may reasonably request by the Chargee, all of the above insurance coverage is in place and forwarded to the Chargee's insurance consultant for verification and approval, prior to any advance of the Loan being made or otherwise on request by the Chargee. All costs for such verification and approval shall be borne by the Chargor.

The Chargor hereby assigns, transfers and sets over all insurance policies (the "**Policies**") to the Chargee and grants a security interest in the Policies to the Chargee together with all right, title and interest in and to the Policies and also together with all proceeds and other amounts payable in respect of the Policies or at any time derived by the Policies or any part or parts thereof. The Chargor further authorizes and directs the issuers from time to time of the Policies to pay to the Chargee or as the Assignee may in writing direct, all proceeds and other amounts payable under or pursuant to the Policies.

The Chargee shall be entitled to require coverage of such other risks and perils as the Chargee may from time to time consider advisable or desirable and in respect of which insurance coverage is available.

10. ENVIRONMENTAL

Representations:

The Chargor hereby represents, warrants, covenants and agrees with the Chargee that the Property and all businesses and operations conducted thereon comply with all Environmental Laws. The Property has not been used for or designated as a waste disposal site and, except as disclosed in the environmental audit obtained by the Chargee prior to the advance of funds under this Charge (the "**Environmental Audit**"), contains no Hazardous Substances and there is no existing or threatened Environmental Proceeding against or affecting the Property. Copies of all existing environmental assessments, audits, tests and reports relating to the Property have been delivered to the Chargee. To the best of the Chargor's knowledge and belief, there are no pending or proposed changes to Environmental Laws or to any Environmental Proceedings which would render illegal or materially restrict or change the present use and operation of the Property. Except as disclosed in the Environmental Audit, neither of the Chargor nor, to the best of the Chargor's knowledge and belief after due inquiry and investigation, any other person or organization: (i) has used or permitted the use of the Property to generate, manufacture, refine, treat, transport, store, handle, dispose, transfer, produce or process Hazardous Substances; (ii) has been subject to any Environmental Proceeding related to the Property; (iii) has caused or permitted the release or discharge of any Hazardous Substance on or in the vicinity of the Property; (iv) has received or otherwise has knowledge of any Environmental Proceedings or of any facts which could give rise to any Environmental Proceeding related to the Property; (v) has undertaken any remediation or clean-up of any Hazardous Substance on or in the vicinity of the Property; or (vi) has defaulted in reporting any occurrence or circumstance to any governmental authority in relation to the Property which is or was required to be reported pursuant to any Environmental Laws.

Covenants:

The Chargor shall: (i) ensure that the Property and the Chargor comply with all Environmental Laws at all times; (ii) not permit any Hazardous Substance to be located, manufactured, stored, spilled, discharged or disposed of at, on or under the Property (except in the ordinary course of business of the Chargor or any tenant and in compliance with all Environmental Laws) nor permit any other activity on or in respect of the Property that might result in any Environmental Proceeding affecting the Property, Chargor or Chargee; (iii) notify the Chargee promptly of any threatened or actual Environmental Proceedings; (iv) remediate and cure in a timely manner any non-compliance by the Property or the Chargor with Environmental Laws, including removal of any Hazardous Substances from the Property; (v) maintain all environmental and operating documents and records including all permits, licenses, certificates, approvals, orders and

agreements relating to the Property as required by Environmental Laws; (vi) provide the Chargee promptly upon request with such information, documents, records, permits, licences, certificates, approvals, orders, agreements, environmental audits, reports, assessments and inspections and take such other steps (all at the Charger's expense) as may be required by the Chargee to confirm and/or ensure compliance by the Property and the Chargor with Environmental Laws, and (vii) execute all consents, authorizations and directions necessary to permit any inspection of the Property by any governmental authority and to permit the release to the Chargee or its representatives, of any information relating to the Property and the Chargor.

Inspections:

The Chargee or its agent may, at any time, before and after default, and for any purpose deemed necessary by the Chargee, enter upon the Property to inspect the Property and buildings thereon. Without in any way limiting the generality of the foregoing, the Chargee may enter upon the Property to conduct any environmental testing, site assessment, investigation or study deemed necessary by the Chargee and the reasonable cost of such testing, assessment, investigation or study, as the case may be, shall bear interest at the rate set out in this Charge from the date of disbursement until paid and all such sums together with interest as aforesaid shall be a charge upon the Property. The exercise of any of the powers enumerated in this clause shall not result in the Chargee, or its agents being deemed to be in possession, management, or control of the Property and buildings.

11. PROPERTY MANAGEMENT

The Property shall be managed by the Chargor, a company affiliated with the Chargor, or a professional arm's length manager approved by the Chargee. For the purposes hereof, "affiliated" shall have the same meaning as given thereto in the *Canada Business Corporations Act*. The Chargee reserves the right to give the Chargor written notice requiring that the management of the Property be improved to the Chargee's reasonable satisfaction, failing which the Chargee may correct the situation to its satisfaction at the Chargor's expense, including terminating the current property manager and retaining on the Chargor's behalf a replacement property manager satisfactory to the Chargee. A management fee, not to exceed prevailing market rates, may be paid to the manager of the Property. The Chargee shall have the right to request that the property manager deliver an acknowledgement that upon notice by the Chargee of a default under the Loan beyond any applicable cure periods, the Chargee may require the termination of the property management agreement without notice and without payment of any fee or penalty.

12. SURVIVAL OF COMMITMENT LETTER

Neither the execution and delivery of this Charge or any security documents which are contemplated by the Commitment Letter nor the advance of any portion of the Principal Amount shall, in any way, merge or extinguish the Commitment Letter or the terms and conditions contained in the Commitment Letter. The Commitment Letter and all of its provisions shall continue in full force and effect until the Principal Amount has been repaid in full; provided that in case of any inconsistency or conflict between any provision or provisions of the Commitment Letter or any provision or provisions of the Charge or any other security documents granted pursuant to the Commitment Letter, the Chargee may elect which instrument or provision shall prevail.

Notwithstanding the above, the Chargor and the Chargee covenant and agree that with respect to the Interest Rate payable hereunder and the terms of repayment of the Principal Amount and Interest, the provisions of the Commitment Letter shall prevail.

13. MAJOR ALTERATIONS

Subject to Section 25(b), any major changes, additions and/or alterations contemplated to the Property, including major changes in use of the Property, must receive the Chargee's written consent prior to the commencement of the changes, additions and/or alterations. If the Chargor changes and/or alters the Property without the prior written consent of the Chargee being obtained, then the Chargee may, at its sole option, declare forthwith due and payable the entire balance of the unpaid principal together with the accrued interest due thereon. The Chargor will provide reasonable notice to the Chargee of any anticipated or impending transaction which would require the consent of the Chargee under this Section together with such reasonable information as the Chargee may require to determine whether or not to grant its consent thereto.

14. EVENTS OF DEFAULT

The Chargor shall be in default under this Charge if any one or more of the following events of default (an “**Event of Default**”) occurs at any time or times prior to registration of a complete discharge of this Charge and whether such occurrence is voluntary or involuntary or effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or other rule or regulation of any administrative or governmental body:

- (a) the Chargor fails to pay any regular payment of principal and/or interest under the Loan when due and payable;
- (b) the Chargor fails to pay any other monies owing hereunder or under the Additional Security when payable, and such failure continues for a period of fifteen (15) days;
- (c) default is made in the performance or observance of any terms and conditions contained in the Commitment Letter or in any of the Additional Security and such default is not remedied within thirty (30) days of notice of such default by the Chargee;
- (d) there is a default under any of the Additional Security which is not remedied within the applicable cure period;
- (e) there is a default by any of the Obligors under any loan provided by the Chargee or any fund managed by the Portfolio Manager (which is defined under Section 40 hereof);
- (f) any of the Obligors sells, transfers or otherwise disposes of any interest in the Property without the prior written consent of the Chargee and a mortgage assumption agreement;
- (g) a lien or construction lien is registered against the Property and is not removed within fifteen (15) days of such registration (save and except in the case where any of the Obligors has made a deposit of 125% of the claimed amount to a trust account satisfactory to the Chargee);
- (h) there is a sale and/or change of control of any of the Obligors without the prior written consent of the Chargee;
- (i) any representation or warranty contained in the Commitment Letter, the Security or any other documents or certificates furnished to the Chargee in connection herewith or pursuant hereto shall prove at any time to be materially incorrect, as of the date made;
- (j) a resolution is passed or an order is made for the liquidation or winding-up of any of the Obligors;
- (k) any of the Obligors makes a proposal or general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, or a bankruptcy petition is filed or presented against it, or any of the Obligors is subject to any proceeding under any other provision of the Bankruptcy and Insolvency Act or any other Act for the benefit of creditors and the Obligors are not disputing it in good faith; and
- (l) a receiver, receiver-manager or receiver and manager of any of the Obligors, or of any material part of its properties, assets or undertakings, is appointed.

If any Event of Default shall have occurred and be continuing then the Chargee may declare all amounts outstanding under the Loan, including all interest and fees, if any, and all other amounts payable under the Commitment Letter and Additional Security to be immediately due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Chargor.

15. DUE ON SALE OR CHANGE OF CONTROL

If:

- (a) the Chargor directly or indirectly sells, conveys, transfers or otherwise disposes of its interest in the Property or any part thereof or agrees to do so;
- (b) there is a change in the direct or indirect effective voting control of the Chargor or any of the voting shares/units of the Chargor are transferred, unless the Chargor is a publicly traded entity (as hereinafter defined); or
- (c) the Chargor amalgamates or merges;

without the prior written consent of the Chargee being obtained, then the Chargee may, at its option, declare forthwith due and payable the entire balance of the unpaid principal together with Costs, Interest, and any other amounts owing under the Loan. The decision to accelerate the

Loan shall be at the sole option of the Chargee. Consent to one such transaction shall not be deemed to be a waiver of the right to require consent to future or successive transactions.

The Chargor will provide reasonable notice to the Chargee of any anticipated or impending transaction which would require the consent of the Chargee under this Section together with such reasonable information as the Chargee may require to determine whether or not to grant its consent thereto.

Paragraph 14 of the Standard Charge Terms is hereby deleted in its entirety and replaced with the following:

"The Chargor covenants and agrees with the Chargee that in the event of the Chargor selling, conveying, transferring or entering into an agreement for sale or transfer of title of the Property hereby mortgaged to a purchaser or transferee not approved of in writing by the Chargee, all monies hereby secured with accrued interest thereon shall be forthwith due and payable at the option of the Chargee."

16. SUBSEQUENT ENCUMBRANCES

The Chargor shall not, without the Chargee's prior written approval, which may be withheld in its sole discretion, further charge or otherwise encumber the Property or any interest therein.

Notwithstanding the foregoing, the Chargor shall be permitted to provide a blanket second mortgage financing in favour of Institutional Mortgage Capital Canada Inc. securing a principal amount that shall cumulatively be no greater than Eleven Million and Five Hundred Thousand Dollars (\$11,500,000) secured against both the Property and the Park Place Property (the "**Second Mortgage**").

17. RIGHT TO DISTRAIN

The Chargee may distrain for arrears of any portion of the Principal Amount, Interest or any other amounts due and unpaid hereunder. The Chargor waives all rights to claim exemption and confirms that there is no limit in the amount for which the Chargee may distrain.

18. CHARGEЕ NOT A CHARGEЕ IN POSSESSION

It is agreed that the Chargee, in exercising any of its rights under this Charge, shall be deemed not to be a chargee in possession or a chargee in possession of the Property.

19. SPECIFIC ASSIGNMENT OF LEASES

As further security for this Charge, the Chargor covenants and agrees to grant to the Chargee upon thirty (30) days prior written notice from the Chargee to the Chargor, a specific assignment of any Lease or Leases of part or all of the Property comprising the security of this Charge.

20. ADDITIONAL SECURITY

In the event that the Chargee, in addition to the Property, holds or shall hold, in the future, further security on account of the Principal Amount, it is agreed that no single or partial exercise of any of the Chargee's powers under this Charge or the Additional Security shall preclude other and further exercise of any other right, power or remedy pursuant to this Charge or Additional Security. The Chargee shall at all times have the right to proceed against all, any or any portion of this Charge or Additional Security in such order and in such a manner as the Chargee shall, in the Chargee's sole and unfettered discretion, deem fit without waiving any rights which the Chargee might have and the exercise of any such powers or remedies from time to time shall in no way affect the liability of the Chargor under the Charge or Additional Security.

21. FINANCIAL STATEMENTS

During the term of the Loan, the Chargor will provide, or cause to provide, to the Chargee such financial and supporting information as may be required by the Chargee and include the following:

- (a) annual income and expense statement for the Property within ninety (90) days after fiscal year end;
- (b) annual rent roll for the Property within ninety (90) days after fiscal year end, certified by a senior financial officer of the Chargor;
- (c) schedule of accounts receivable for the Property with respect to rental payments;

- (d) copies of current operating licences annually;
- (e) copies of any material contracts relating to the operation of the Property that have been added or amended;
- (f) notification and copies of any changes to the tenants or tenancies of the Property;
- (g) annual appraisal reports for the Property, as available;
- (h) annual budget of the Property for the forthcoming fiscal year;
- (i) annual capital expenditure statement for the Property, as available;
- (j) annual audited or externally prepared review engagement financial statements of each of the corporate Obligors within one hundred twenty (120) days after fiscal year end, together with a current detailed list of assets owned and debt outstanding thereon;
- (k) annual certified statement of net worth from personal Obligors within one hundred twenty (120) days of calendar year end, together with a current detailed list of assets owned and debt outstanding thereon;
- (l) annually a Certificate of Status or equivalent document confirming the continued existence of the Chargor as a corporation;
- (m) receipted tax bills evidencing full payment of all taxes levied against the Property within thirty (30) days of such taxes being due. If the Chargor is enrolled in a monthly municipal tax instalment payment plan then the Chargor will provide evidence that all property tax accounts are current and fully paid with statements evidencing such to be provided during the months of February and August of each year; and
- (n) evidence of insurance policy renewal or satisfactory replacement annually within thirty (30) days prior to expiry. The Chargee may, in its discretion, require its insurance consultant to conduct an insurance review at the Chargor's expense.

In addition, the Obligors shall supply to the Chargee from time to time, on its request (such request not to be unreasonably made), any financial information pertaining to the Obligors and Property including, without limitation, financial statements prepared as aforesaid.

All requested information shall be delivered to the Chargee electronically at: loanreporting@acma.ca.

22. SALE BY CHARGOR

No sale or other dealing by the Chargor with the Property or any part thereof shall in any way change or affect the liability of the Chargor hereunder, or in any way alter the rights of the Chargee as against the Property, the Chargor or any other person or persons liable for payment of the Principal Amount, Interest and Costs.

23. PAYMENTS

Any payment made by the Chargor to the Chargee which is received by the Chargee on a non-business day of the Chargee or after 12:00 noon ET on any business day of the Chargee shall be deemed to have been received by the Chargee on the next business day of the Chargee.

24. TAXES

The Chargor is required to remit to the Chargee on the first (1st) day of each month during the term of the Loan, in addition to the regular monthly mortgage payment as set out in the Commitment Letter, a monthly instalment for realty taxes in an amount to be determined by the Chargee from time to time, sufficient for the Chargee to pay in full the realty taxes, levies, assessments, improvement charges and other taxes affecting the Property on the due date(s). The sums thereby accumulated shall form part of the security of the Chargee for the Loan and shall not bear any interest in favour of the Chargor.

Notwithstanding the foregoing, the Chargee hereby conditionally waives the foregoing requirement on an on-going basis provided that there has been no material default under the Loan and no non-compliance with the reporting requirements evidencing full payment of realty taxes when due. The Chargor acknowledges and agrees that any non-compliance of any of the conditions set out

in this paragraph shall constitute this waiver to be null and void, such event shall permit the Chargee, at its option, to reinstate the monthly instalment for realty taxes.

25. COVENANTS, REPRESENTATIONS AND WARRANTIES

The Chargor covenants and agrees with the Chargee that during the term of the Loan it will abide by all the following covenants:

- (a) Subordinate Financing – The Chargor shall not secure any subordinate financing on the Property other than the Second Mortgage.
- (b) Change of Use – The Chargor shall make no changes in the use of the Property, and any material alterations by the Chargor in excess of Three Hundred and Fifty Thousand Dollars (\$350,000) shall require the prior written approval by the Chargee.
- (c) Insurance – The Chargor shall maintain insurance coverage as outlined herein and in the Commitment Letter
- (d) Authorizations – The Chargor authorizes the Chargee, or its representatives to make inquiries and obtain information relating to the Property and the Chargor, from appropriate taxation, municipal, utilities and other authorities, and also conduct inspection of the Property, for the purpose of loan administration. These authorizations shall remain in effect until the Loan has been fully repaid.
- (e) Tenant(s) – For any tenant whose rents exceeds ten percent (10%) of the gross revenue of the Property, the Chargor shall provide the Chargee with copies of all amendments and new binding offers to lease and Leases together with all information relating thereto, which are entered into during the term of the Loan. The Chargee shall have no liability with respect to any rent owing to or by a tenant. Any security interest granted by a tenant in favour of the Chargor will be deemed assigned and transferred to and in favour of the Chargee.

Each of the Obligors warrants and represent that all representations and warranties contained in this Commitment shall remain true and accurate as of the Date of Advance, including:

- (a) Power and Capacity – Each of the Obligors has full power and capacity to enter into the Commitment Letter and to complete the transaction contemplated herein.
- (b) Title(s) – The Chargor is the legal owner and the only beneficial owner of the Property with good and marketable title thereto. The title of the Property and personal property owned by the Chargor used for the operation of the Property, if any, shall be free and clear of all security interest, charges, liens, mortgages, claim or other financial encumbrance, with the exception of the Security and the security for the Second Mortgage loan, to the complete satisfaction of the Chargee's Solicitors.
- (c) Compliance – The Property complies and will continue to comply in all material respects with all applicable building, zoning, planning, development, environmental, occupation and use requirements.
- (d) Disclosure – All information pertaining to the current use and viability of the Property and the financial condition of each of the Obligors and Property has been fully disclosed to the Chargee. There is no legal action instituted, threatened or pending against the Obligors pertaining to the Property or against the Property itself, and none of the Obligors have received notice of any work orders, deficiency notices or notices of violation pertaining to the Property. The building has been built in accordance with plans and specifications in a good and workmanlike manner and does not, and never has, contained UFFI, PCB's or asbestos in any form.
- (e) Tenant(s) – Except as set out or explained by the Chargor in the certified rent roll, each tenant has accepted and occupied its respective leased space in the Property pursuant to an arm's length fully executed net lease, unless expressly disclosed to the Chargee, and for commercial tenants, are open for business. Each tenant has paid and is paying rent as required under its respective lease, is not claiming any deduction or set-off from the rent payable and has not prepaid more than one (1) month's rent.
- (f) No Construction – The Loan proceeds are not being used to fund any construction on the Property. The Property is not subject to any construction liens and there is no possibility of a construction lien arising with respect to the original construction of the building situate upon the Property. The foregoing does not extend to any work or services performed by or on behalf of any tenant of the Property, unless the Chargor has received notice of such

work pursuant to the provisions of the applicable construction, mechanics' or builders' lien legislation.

- (g) Employment Contributions – The Chargor is not in arrears in employee source deductions, employer pension contributions and/or statutory remittances (collectively the “**Employment Contributions**”) and there are no claims, actions or proceeding brought forward by a third party in connection with the *Wage Earner Protection Program Act* and corresponding amendments to the *Bankruptcy and Insolvency Act* and the *Companies' Creditors Arrangement Act*, as amended or in connection with Employment Contributions.

26. RECEIVER

Notwithstanding anything herein contained, it is declared and agreed that any time and from time to time when there shall be default under the provisions of these presents, the Chargee may, at such time and from time to time and with or without entry into possession of the Property, 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 Property, 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 his 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 Property 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 to:
- (i) collect the rents and profits from tenancies whether created before or after these presents;
 - (ii) rent any portion of the Property which may become vacant on such terms and conditions as he considers advisable and enter into and execute leases, accept surrenders and terminate lease;
 - (iii) complete the construction of any building or buildings or other erections or improvements on the Property 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;
 - (iv) manage, operate, repair, alter or extend the Property or any part thereof.

The Chargor undertakes to ratify and confirm whatever any such receiver may do in the Property.

- (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 Property.
- (d) Every such receiver shall be deemed the agent or attorney of the Chargor and, in any event, the agent of the Chargee and the Chargee shall not be responsible for his acts or omissions except if as a result of gross negligence or willful misconduct.
- (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 Property.
- (f) No such receiver shall be liable to the Chargor to account for monies other than monies actually received by him in respect of the Property, or any part thereof, and out of such monies so received every such receiver shall, in the following order, pay:

- (i) his remuneration aforesaid;
- (ii) all costs and expenses of every nature and kind incurred by him in connection with the exercise of his powers and authority hereby conferred;
- (iii) interest, principal and other money which may, from time to time, be or become charged upon the Property in priority to these presents, including taxes;
- (iv) to the Chargee all interest, principal and other monies due hereunder 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 Property and shall bear interest from the date of demand at the same rate as applies to the principal hereby secured.

- (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 him 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 or gross negligence.
- (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 these presents 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 herein provided for and such dealing shall be deemed, as regards such person, to be valid and effectual.
- (j) The rights and powers conferred herein in respect of the receiver are supplemental to and not in substitution of any other rights and powers which the Chargee may have.

27. COVENANT

In consideration of the making by the Chargee to the Chargor of the loan hereby secured, the Covenantor hereby covenants:

- (a) to be jointly and severally liable with the Chargor and as between each Covenantor as principal debtor, and not as surety, for the due payment of all amounts owing under this Charge (the "**Indebtedness**") at the times and in the manner herein provided; and it is the express intention of the parties hereto that the Covenantor is and shall be liable to the Chargee in the same manner and to the same extent as if the Covenantor have executed this Charge as Chargor;
- (b) that if the Indebtedness is not recoverable under paragraph (a) for any reason whatsoever, the Covenantor unconditionally guarantees the full performance and discharge of all of the obligations to be fulfilled by the Chargor pursuant to the provisions of this Charge at the times and in the manner provided in this Charge;
- (c) that if the Indebtedness is not recoverable under paragraphs (a) and (b) for any reason whatsoever, the Covenantor agrees to indemnify and save harmless the Chargee against and from all losses, damages, costs, charges and expenses which the Chargee may sustain, incur, or be or become liable for by reason of:
 - (i) the failure, for any reason whatsoever, of the Chargor to pay the Indebtedness, or
 - (ii) the Chargor's failure, for any reason whatsoever, to do and perform any other act, matter or thing, required to be done or performed pursuant to this Charge, or

- (iii) the Chargor's failure to refrain from any act, matter or thing required not to be done or performed by it pursuant to this Charge, or
 - (iv) any act, action or proceeding of or by the Chargee for or in connection with the recovery of the Indebtedness or the obtaining of performance by the Chargor or the Covenantor of any other act, matter or thing pursuant to this Charge or restraining the Chargor from any act, matter or thing required not to be done or performed pursuant to this Charge;
- (d) that the Chargee may at any time and from time to time and without notice to the Covenantor, or obtaining any consent of the Covenantor, make any compromise, settlement, extension, renewal or variation in the terms of this Charge, including any variation or increase of the interest rate or any renewal or extension of this Charge between the Chargor or any successor and the Chargee, or take surrender of this Charge or any collateral security or a part thereof, and that no such thing done by the Chargee, nor any carelessness or neglect by the Chargee in asserting its rights, nor the Chargee's loss of any right by operation of law, nor the loss or destruction of any security, nor the lack of validity or enforceability of this Charge or any collateral security or any portion thereof shall in any way release or diminish the liability of the Covenantor under this Charge as long as any Indebtedness remains unpaid or the Chargee has not been reimbursed for all such losses, damages, costs, charges and expenses as aforesaid;
- (e) that the Chargee shall not be obliged to proceed against the Chargor or to enforce or exhaust any security before proceeding to enforce the obligations of the Covenantor and that enforcement of such obligations may take place before, after or contemporaneously with the enforcement of any debt or obligation of the Chargor or the enforcement of any security for any such debt or obligation;
- (f) that nothing but payment and satisfaction in full of the Indebtedness and the due performance and observation of all covenants, agreements and provisos in this Charge and any other security to be given to the Chargee shall release the Covenantor of this covenant;
- (g) this covenant shall be assignable by the Chargee and that assignment of this Charge shall constitute assignment of this covenant and that this covenant shall not be deemed to have been waived, released, discharged, impaired or affected by reason of the assignment and/or reassignment of this Charge at any time;
- (h) to hereby waive all notices of default, non-performance, non-payment and non-observance on the part of the Chargor of the terms, covenants and provisos contained in this Charge;
- (i) that this Charge would not have been entered into by the Chargee without this covenant;
- (j) that the liability of each Covenantor under this covenant shall not be impaired or discharged by reason of the Chargee taking further or other security for payment of the Indebtedness or by any transfer of the Property or any approval thereof by the Chargee or any assumption of this Charge by any transferee of the Property, or by the Chargee at any time releasing any security or partial security hereunder, or by any extension or renewal of the term of this Charge, or the release or partial release of any covenantor or guarantor of this Charge whether by the Chargee or by operation of law, or by any other act or thing whereby, as guarantor, the Covenantor would or might be released in whole or in part;
- (k) that any payment by the Covenantor of any monies under this covenant shall not in any event be taken to affect the liability of the Chargor for payment thereof, but such liability shall remain unimpaired and enforceable by the Covenantor against the Chargor and the Covenantor shall, to the extent of any such payments made by it, in addition to all other remedies, be subrogated as against the Chargor to all the rights, privileges and powers to which the Chargee was entitled prior to payment by the Covenantor, provided, nevertheless, that the Covenantor shall not be entitled in any event to rank for payment against the Property or any collateral security in competition with the Chargee and shall not, unless and until the whole of the Indebtedness has been paid, be entitled to any rights or remedies whatsoever in subrogation to the Chargee;

- (l) to hereby waive any right of set-off the Covenantor may have in respect of any payment to be made under this covenant; and

28. OVERHOLD PERIOD

Provided that there are no arrears in the Principal Amount, Interest, or any other amount owing under the Loan, the Chargee may, at its sole option, unilaterally extend the Loan for a period of one (1) month from the Balance Due Date (the "**Overhold Period**"), and may, at its sole option, unilaterally amend the Interest Rate to be the greater of ten percent (10.0%) or a rate equivalent to the Prime Rate plus five percent (5.0%), to be calculated, compounded and payable interest only on a monthly basis subject to and in accordance with the Commitment Letter. If an extension is granted, and at the Chargee's option, a processing fee of the greater of one-tenth of one percent (0.1%) of the Loan amount and Five Thousand Dollars (\$5,000) may be added to the outstanding Principal Amount. The monies owed may be paid in full on the Balance Due Date or at any time during the Overhold Period without notice, bonus or penalty. In the event that repayment of the Loan has not been made in full on the Balance Due Date or by the end of the Overhold Period, the Chargee may, at its option, exercise any remedies available to it under the Loan and the Security.

29. CONSENT TO DISCLOSURE

In the event the Chargee sells the Loan or securitizes it into the secondary market, the Chargor and each additional Covenantor consent to the release by the Chargee of all information and materials in the Chargee's possession concerning the Chargor, each additional Covenantor and/or the Property to such party or parties (including the public in any offering memorandum) as may be necessary or desirable to facilitate such sale or securitization. In addition, the Chargor and each additional Covenantor agrees that the Chargee may share any information concerning the Chargor or any additional Covenantor, as the case may be, with (a) any assignee or proposed assignee (collectively, the "**assignee**") of this Commitment or the Loan, (b) third parties who provide services to the Chargee or the assignee in connection with the Loan, (c) any insurer of the Loan, (d) credit rating and consumer reporting agencies, (e) parties involved in the detection, prevention and suppression of illegal activities and matters involving the public interest, and (f) organizations with which the Chargee has strategic alliances who may use such information to provide the Chargor or any additional Covenantor with information on certain financial products which may be of interest to them. If the Chargor or any additional Covenantor decides it does not wish its personal information shared with any party referred to in subsection (f) of this Section, it may so advise the Chargee in writing at any time and the information will not be so shared.

30. CREDIT MANAGEMENT/STAND ALONE REPORTING

The Chargor acknowledges that it is important to insulate the revenue stream from the Property in order to avoid claims by other projects, commitments or liabilities of the Chargor. If this is not possible, the Chargor agrees to provide the Chargee with a reasonable degree of revenue segregation through separate reporting. In this regard the Chargee will monitor the financial aspects of the Property, depending upon its financial status.

The Chargor covenants and agrees to provide the Chargee with standalone property reporting, isolating the Property's financial and operating information from that of other properties owned by the Chargor. The Chargor further covenants and agrees to provide the Chargee with separate financial statements for the Property. In the event of a default by the Chargor under the Charge, or if the Chargor seeks relief under the *Companies' Creditors Arrangement Act* or other debtor relief legislation, the Chargee shall, if possible, be entitled to establish a separate project bank account for the Property.

As security for the aforesaid, an assignment of revenue (general assignment of rents) shall be registered both against title to the Property as well as under the applicable personal property registration system. The assignment of revenue shall take effect automatically, at the Chargee's option, if there is a default under the Charge. In addition, a general security agreement (or equivalent), shall be provided to the Chargee.

31. CRIMINAL RATE OF INTEREST

Notwithstanding the provisions of this Charge or in any agreement, instrument or other document held by the Chargee in connection with the Charge, in no event shall aggregate "interest" (as that term is defined in Section 347 of the *Criminal Code (Canada)*) exceed the effective annual rate of interest on the "credit advanced" (as defined therein) lawfully permitted under the Section. The effective annual rate of interest shall be determined in accordance with generally accepted

actuarial practices over the term of the Charge, and in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries selected by the Chargee shall be conclusive for the purposes of such determination.

32. YIELD MAINTENANCE FOLLOWING DEFAULT

In the event that the Loan or any portion thereof becomes due or repayable prior to the Balance Due Date as a result of a breach or default of the terms of the Commitment Letter, this Charge, or the Additional Security, the Chargor shall pay Yield Maintenance in addition to any other amounts outstanding under the Loan.

33. ZONING APPROVAL

It is further understood that it is a condition of the Charge and the disbursement of the funds that the land and building comprising the Property and the use complies with all federal, provincial and municipal provisions and governmental and regulatory authorities and there shall be no work orders or notices of deficiencies whatsoever against the Property.

34. WAIVER

The Chargee's failure to insist upon strict performance of any obligation or covenant of the Chargor as set out in the Commitment Letter or to exercise any option or right herein shall not be a waiver for the future of such obligations or covenant, but the same shall remain in effect and the Chargee shall have the right to insist upon strict performance by the Chargor of any and all of the terms of the Commitment Letter and the mortgage documentation.

35. CHARGE REGISTRATION

Neither preparation nor registration of any of the documents contemplated shall bind the Chargee to advance funds until all conditions of the Commitment Letter have been satisfied by the Chargor.

36. VALIDITY OF PROVISIONS

If any provision of this Charge is held to any extent invalid or unenforceable, the remainder of this Charge shall not be affected and shall remain valid and enforceable.

37. TIME OF THE ESSENCE

Time shall be of the essence in all matters relating to this Charge.

38. INTERPRETATION AND HEADINGS

Wherever in this Charge the singular or masculine is used, the same shall be construed as meaning the plural or the feminine or the neuter where the context or the parties hereto so require. The headings do not form part of this Charge and have been inserted for convenience of reference only.

39. INTEREST RESERVE HOLDBACK

The Chargor agrees to establish with the Chargee an interest reserve by directing an amount to be confirmed after the Rate Setting Date (as outlined in Schedule F of the Commitment Letter), but approximately equal to Two Hundred Thirty-seven Thousand Dollars (\$237,000) (the "**Interest Reserve**") out of the Loan proceeds on the Date of Advance, to be held in trust by the Chargee for the account of the Chargor. The Interest Reserve shall be considered fully advanced and secured by the Additional Security and interest shall be payable on the Interest Reserve in accordance with the terms of the Loan.

The Interest Reserve shall be calculated by the Chargee, based on 1.20 times the total amount of annual mortgage payment under the Loan (the "**DSCR Requirement**"), less the Property's total annual net operating income, as determined by the Chargee.

The Portfolio Manager (which is defined under Section 40 hereof) will recalculate the Interest Reserve on an annual basis. Should the Property's total net annual operating income be lower than the DSCR Requirement, the Chargor covenants and agrees to provide sufficient funds to top up the Interest Reserve within ten (10) business days of such written request from the Portfolio Manager.

Provided that an Event of Default has not occurred and is continuing, the Interest Reserve or any portion of the Interest Reserve approved by the Chargee, will be released to the Chargor upon earlier of:

- (a) Receipt of satisfactory evidence that the Property's total annual net operating income, to be determined by the Chargee, is in excess of 1.30 times the total amount of annual mortgage payment under the Loan; or
- (b) Full repayment of the Loan.

Notwithstanding the foregoing, upon the occurrence of an Event of Default, the Chargee shall be entitled to apply the balance of the funds in the Interest Reserve or any part thereof, at the Chargee's sole and subjective discretion, towards repayment of the Loan, the payment of any outstanding monthly payments of principal and/or interest, or the payment of any outstanding fees or charges owing to the Chargee.

40. CROSS COLLATERALIZATION PROVISIONS

The Chargor and Chargee acknowledge and agree that ACM Advisors Ltd., as Portfolio Manager of the Lender (the "**Portfolio Manager**") has entered into a Commitment Letter with 2067166 Ontario Inc. (the "**Additional Borrower**") in respect of a mortgage loan to the Additional Borrower securing the aggregate principal sum of \$63,200,000.00 (the "**Cross Collateralization Loan**") and the Chargor and the Chargee acknowledge, covenant and agree that the Loan secured by this Charge (the "**Prado Loan**") and the Cross Collateralization Loan shall be cross collateralized such that this Charge and the Additional Security delivered in respect of and pursuant to the Prado Loan, and the security delivered in respect of and pursuant to the Cross Collateralization Loan (the "**Cross Collateral Security**") shall stand as security for the indebtedness and obligations owing under both the Prado Loan and the Cross Collateralization Loan.

41. CROSS DEFAULT PROVISIONS

The Chargor and Chargee acknowledge, covenant and agree that default under the Prado Loan or under the Cross Collateralization Loan, and the respective security delivered thereunder, shall at the option of the Chargee, constitute a default under either or both the Prado Loan and the Cross Collateralization Loan, and the Chargee shall be entitled to exercise in its sole discretion whatever remedies it may be entitled to at law or in equity under either or both the Prado Loan and the Cross Collateralization Loan.

SCHEDULE "A"

(Property)

Municipal Address: 636 Prado Private, Ottawa, ON

Legal Description: PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794. SUBJECT TO AN EASEMENT OVER PART 21 PLAN 4R25794 AS IN NS45154. SUBJECT TO AN EASEMENT OVER PARTS 8, 21 AND 46 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; SUBJECT TO AN EASEMENT AS IN OC1435034; TOGETHER WITH AN EASEMENT OVER ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794 AS IN OC1451771; CITY OF OTTAWA

PIN: 04052-0799 (LT)

Legal Description: ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794. SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1, 16, 17, 18, 23, 24, 27 AND 28 PLAN 4R25794 AS IN OC881843. SUBJECT TO AN EASEMENT OVER PARTS 3, 4, 5, 6, 7, 10, 11, 14, 15, 20, 26, 32, 33, 34, 35, 39, 40, 41 AND 54 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 12 PLAN 4M1327, PART 19 PLAN 4R25794 AS IN OC1451770; SUBJECT TO AN EASEMENT IN FAVOUR OF PART OF BLOCKS 10 AND 25 PLAN 4M1327, PARTS 2, 22, 25, 29, 30, 31, 36 AND 53 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 12, 13, 38, 47, 48 AND 49 PLAN 4R25794 AS IN OC1451771; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1560118; CITY OF OTTAWA

PIN: 04052-0801 (LT)

Registry Office: Land Titles Division of Ottawa/Carleton (No. 4)

the 1990s, the number of people in the UK who are aged 65 and over has increased from 10.5 million to 13.5 million, and the number of people aged 75 and over has increased from 4.5 million to 6.5 million (Office for National Statistics 2000).

There is a growing awareness of the need to address the needs of older people, and the need to ensure that the health care system is able to meet the needs of older people. The Department of Health (2000) has published a strategy for older people, which sets out the government's commitment to older people and the need to ensure that the health care system is able to meet the needs of older people.

The strategy for older people (Department of Health 2000) sets out the government's commitment to older people and the need to ensure that the health care system is able to meet the needs of older people. The strategy is based on the following principles:

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- Older people should be able to access the services they need to live well.
- Older people should be able to participate in decisions about their care and services.
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Properties

PIN 04052 - 0799 LT *Interest/Estate* Fee Simple

Description PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794. SUBJECT TO AN EASEMENT OVER PART 21 PLAN 4R25794 AS IN NS45154. SUBJECT TO AN EASEMENT OVER PARTS 8, 21 AND 46 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; SUBJECT TO AN EASEMENT AS IN OC1435034; TOGETHER WITH AN EASEMENT OVER ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794 AS IN OC1451771; CITY OF OTTAWA

Address 636 PRADO PRIVATE
OTTAWA

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 2265132 ONTARIO INC.
Address for Service 18 Antares Drive
Ottawa, ON K2E 1A6

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.

Chargee(s)*Capacity**Share*

Name COMPUTERSHARE TRUST COMPANY OF CANADA
Address for Service c/o ACM Advisors Ltd.
Suite 210, 1140 Homer Street
Vancouver, BC V6B 2X6

Provisions

Principal \$63,200,000.00 *Currency* CDN
Calculation Period semi-annually, not in advance
Balance Due Date 2028/01/01
Interest Rate See Schedule
Payments
Interest Adjustment Date 2023 01 01
Payment Date 1st day of each and every month
First Payment Date 2023 02 01
Last Payment Date 2028 01 01
Standard Charge Terms 200033
Insurance Amount Full insurable value
Guarantor See Schedule

Additional Provisions

See Schedules

Signed By

Ardavan Mohajer-Ashjai 40 King Street West, Suite 2100 acting for Signed 2022 12 21
Toronto
M5H 3C2
Chargor(s)

Tel 416-869-5300

Fax 416-360-8877

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

Submitted By

CASSELS BROCK & BLACKWELL LLP 40 King Street West, Suite 2100
Toronto
M5H 3C2

2022 12 21

Tel 416-869-5300

Submitted By

Fax 416-360-8877

Fees/Taxes/Payment

Statutory Registration Fee	\$69.00
Total Paid	\$69.00

File Number

Chargee Client File Number : 54655-3 (AM/LR/TV)

ADDITIONAL PROVISIONS

1. STANDARD CHARGE TERMS

The terms contained in this schedule are in addition to the terms contained in the Standard Charge Terms. In the event of any conflict between the terms contained in this schedule and those contained in the Standard Charge Terms, the Chargee may elect which provision shall apply and prevail, to the extent of the conflict.

2. DEFINITIONS

In this schedule, the following definitions apply:

- (a) **Additional Security** means all security documents (other than this Charge) delivered by the Chargor to the Chargee to secure the Loan.
- (b) **Applicable Laws** means, in respect of any person, property, transaction or event, all applicable federal, provincial or municipal laws, statutes, regulations, rules, by-laws, policies and guidelines, orders, permits, licences, authorizations, approvals and all applicable common law or equitable principles in force and effect during the currency of this Charge;
- (c) **Balance Due Date** means the first day of January, 2028;
- (d) **Charge** means this Charge/Mortgage of Land made pursuant to the *Land Registration Reform Act* and any amendments thereto and including the Standard Charge;
- (e) **Chargee** shall mean Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund, and its successors and assigns;
- (f) **Chargor** shall mean 22265132 Ontario Inc., 1384274 Ontario Inc. and their successors and permitted assigns;
- (g) **Commitment Letter** means the commitment letter issued by ACM Advisors Ltd. dated November 25, 2022 and accepted by the Chargor and Covenantors, as it may be further amended from time to time;
- (h) **Costs** shall include but not be limited to all of the fees, costs, charges, losses, damages and expenses incurred by the Chargee as a direct or indirect consequence of granting the loan secured by this Charge including, without limitation, all expenses incurred in the construction, preservation, maintenance, repair, insuring and realization of the security contained herein, and all legal costs incurred by the Chargee as between a solicitor and his own client;
- (i) **Covenantor or Covenantors** shall mean Alavida Lifestyles Inc. and David Oswald Choo;
- (j) **Environmental Laws** means all present and future Applicable Laws, standards and requirements relating to environmental or occupational health and safety matters, including those relating to the presence, release, reporting, licensing, permitting, investigation, disposal, storage, use, remediation and clean-up or any other aspect of a Hazardous Substance;
- (k) **Environmental Proceeding** means any investigation, action, proceeding, conviction, fine, judgment, notice, order, claim, directive, permit, license, approval, agreement or Lien of any nature or kind arising under or relating to Environmental Laws;
- (l) **Hazardous Substance** means any substance or material that is prohibited, controlled, otherwise regulated by any governmental authority or is otherwise hazardous in fact, including without limitation contaminants, pollutants, asbestos, lead, urea formaldehyde foam insulation, polychlorinated by-phenyls or hydrocarbon products, any materials containing same or derivatives thereof, explosives, radioactive substances, petroleum and associated products, underground storage tanks, dangerous or toxic substances or materials, controlled products, and hazardous wastes;

- (m) **Interest** means all interest owing from time to time under the Charge or Additional Security, calculated at the Interest Rate and compounded semi-annually and payable not in advance on the first business day of each and every month that the Principal Sum remains unpaid;
- (n) **Interest Adjustment Date** means the first day of January, 2023;
- (o) **Interest Rate** means the rate calculated in accordance with the Commitment Letter;
- (p) **Land Registry Office** means the Land Registry Office for the Land Titles Division of Ottawa/Carleton (No. 4);
- (q) **Lands** means the lands and premises more particularly described in Schedule "A";
- (r) **Leases** and **Lease** means, respectively, all and any present and future leases and agreements to lease of the whole or any portion of the Lands or of the whole or any part of the building(s) thereon, and all and any present or future licences whereby the Chargor (or any authorized representative of the Chargor) gives any other person the right to use or occupy the whole or any part of the Charged Premises, in each case for the time being in effect, and all revisions, alterations, modifications, amendments, extensions, renewals, replacements or substitutions thereof or therefor which may hereafter be effected or entered into, but does not include registered easements or rights in the nature of an easement;
- (s) **Lender** means ACM Commercial Mortgage Fund, as its successors and permitted assigns;
- (t) **Loan** means the credit facility set out in the Commitment Letter from the Lender to the Chargor secured, *inter alia*, by this Charge;
- (u) **Monthly Payments** means the blended payments of principal and interest calculated in accordance with the Commitment Letter and made on the first day of each month;
- (v) **Obligors** means collectively the Chargor and the Covenantors;
- (w) **Principal Amount** means the principal amount of \$63,200,000.00 in lawful money of Canada as it may be increased or decreased prior to registration of a discharge of this Charge;
- (x) **Park Place Property** means the property municipally known as 120 Central Park Drive, Ottawa, ON;
- (y) **Property or Charged Property** means the lands described in the Charge to which this Schedule is attached and all buildings, fixtures and improvements now or hereafter brought or erected thereon;
- (z) **Receiver** means a receiver or receiver-manager of the Property;
- (aa) **Second Mortgage** has the meaning ascribed in Section 16;
- (bb) **Standard Charge Terms** means the set of Standard Charge Terms filed as No. 200033; and
- (cc) **Yield Maintenance** has the definition ascribed thereto in the Commitment Letter.

3. CHARGE

Upon the request of the Chargee, the Chargor hereby gives this Charge and charges the Property as security for full payment to the Chargee of the Principal Amount, Interest and all other amounts payable hereunder and as security for the observance and performance of all of the obligations of the Chargor to the Chargee pursuant to this Charge or otherwise.

4. CANCELLATION OF ADVANCE

If all or a portion of the Principal Amount is advanced into the Chargee's solicitor's trust account as the result of verbal or written request or concurrence of the Chargor or their solicitor and are

not subsequently disbursed for any reason, then the Chargor shall pay to the Chargee interest accrued on the amounts so advanced to the Chargee's solicitor at the rate provided in the Charge. If, pending disbursement of the advance, the Chargee's solicitors place the monies in an interest bearing deposit, any interest accruing from such deposit will be credited to the Chargor after payment has been made to the Chargee of the interest required by this paragraph.

5. MONTHLY PAYMENTS

Interest on the Principal Amount from time to time advanced prior to the Interest Adjustment Date, computed from the respective dates of such advances to the Interest Adjustment Date, shall, at the option of the Chargee, be deducted from the advances or paid by the Chargor at such time or times as the Chargee may require and such Interest may be so deducted or paid in advance; after the Interest Adjustment Date, the Principal Amount with Interest computed from the Interest Adjustment Date on the Principal Amount outstanding from time to time, shall become due and be paid in Monthly Payments as provided by this Charge and the balance, if any, of the Principal Amount and Interest shall become due and payable on the Balance Due Date. The Monthly Payments, when received, shall be applied firstly to outstanding Costs, secondly to outstanding Interest and the balance, if any, in reduction of the outstanding Principal Amount.

6. PREPAYMENT

The Chargor, when not in default under the Commitment Letter, this Charge or any Additional Security, shall have the privilege of prepaying the whole or a portion of the Principal Amount on any payment date prior to the Balance Due Date without penalty, only if all amounts which are due and payable under the Loan have been paid, and the Chargor provides at least thirty (30) days' prior written notice of such repayment and also pays to the Chargee Yield Maintenance.

7. PAYMENTS BY CHARGEES

The Chargee may pay all premiums of insurance and all taxes, rates, levies, charges, assessments, utility and heating charges which shall from time to time fall due and be unpaid in respect of the Property and all costs, charges, legal fees (as between solicitor and his own client) and expenses as deemed necessary by the Chargee to preserve the Property and/or to realize upon the Chargee's security and all such payments shall be deemed Costs hereunder.

8. COSTS

Costs shall be forthwith due and payable by the Chargor to the Chargee and shall bear Interest until fully paid.

9. INSURANCE PROVISIONS

During the term of the Loan, the Chargor shall obtain and maintain the following insurance coverage with respect to all insurable property situate in, upon and under the Property as follows:

- (a) Property Insurance: All Risks coverage for 100% of the reconstruction cost, including blanket bylaws, earthquake, flood and sewer backup, subject to replacement cost (any same site requirement within the policy to be removed) and the property coverage shall include stated amount coinsurance. The amount of coverage shall be for the full replacement cost of the Property including debris removal, and without deduction for foundations or footings. The policy shall also include inflation protection. The Chargee shall be shown as Mortgagee and Loss Payee in its Charge Priority, subject to the IBC Standard Mortgage Clause;
- (b) Boiler and Machinery Insurance: Equipment breakdown insurance on a Comprehensive form with coverage on all electrical and mechanical equipment, air conditioning and refrigeration equipment, as well as all pressure vessels; such policy shall contain a rider with the standard mortgage clause approved by the Canadian Boiler and Machinery Underwriters' Association, with proceeds payable to the Chargee as mortgage creditor in its Charge Priority;
- (c) Deductibles and Self-Insured Retentions: The insurance certificate shall indicate all deductibles and self-insured retentions, including that for the basic building, earthquake, flood, sewer backup, boiler, liability, excess and umbrella coverage;
- (d) Liability Insurance: Commercial general liability insurance in an amount of not less than Five Million Dollars (\$5,000,000) per occurrence and will list the Chargee as an additional insured with regard to the operations of the Chargor. The policy shall include limited pollution coverage (if applicable);

- (e) Malpractice Insurance: In addition to commercial general liability insurance as described herein, evidence of medical malpractice insurance with all liability policies including the Chargee as additional insured with regard to the operations of the Chargor;
- (f) Rental Insurance: A rental income insurance policy for an amount equal to at least One Hundred Percent (100%) of the gross annual potential revenue (base rent plus additional rent) with a twenty-four (24) month indemnity period estimated at \$7,645,000 annually; and
- (g) Such other forms and amounts of insurance as the Chargee or their insurance consultant may require from time to time in their discretion.

The provisions relating to cancellation of the said policies, including the mortgage clause, shall provide that a notice of not less than thirty (30) days must in such event be given to the Chargee.

The Chargor shall provide to the Chargee such evidence as may reasonably request by the Chargee, all of the above insurance coverage is in place and forwarded to the Chargee's insurance consultant for verification and approval, prior to any advance of the Loan being made or otherwise on request by the Chargee. All costs for such verification and approval shall be borne by the Chargor.

The Chargor hereby assigns, transfers and sets over all insurance policies (the "**Policies**") to the Chargee and grants a security interest in the Policies to the Chargee together with all right, title and interest in and to the Policies and also together with all proceeds and other amounts payable in respect of the Policies or at any time derived by the Policies or any part or parts thereof. The Chargor further authorizes and directs the issuers from time to time of the Policies to pay to the Chargee or as the Assignee may in writing direct, all proceeds and other amounts payable under or pursuant to the Policies.

The Chargee shall be entitled to require coverage of such other risks and perils as the Chargee may from time to time consider advisable or desirable and in respect of which insurance coverage is available.

10. ENVIRONMENTAL

Representations:

The Chargor hereby represents, warrants, covenants and agrees with the Chargee that the Property and all businesses and operations conducted thereon comply with all Environmental Laws. The Property has not been used for or designated as a waste disposal site and, except as disclosed in the environmental audit obtained by the Chargee prior to the advance of funds under this Charge (the "**Environmental Audit**"), contains no Hazardous Substances and there is no existing or threatened Environmental Proceeding against or affecting the Property. Copies of all existing environmental assessments, audits, tests and reports relating to the Property have been delivered to the Chargee. To the best of the Chargor's knowledge and belief, there are no pending or proposed changes to Environmental Laws or to any Environmental Proceedings which would render illegal or materially restrict or change the present use and operation of the Property. Except as disclosed in the Environmental Audit, neither of the Chargor nor, to the best of the Chargor's knowledge and belief after due inquiry and investigation, any other person or organization: (i) has used or permitted the use of the Property to generate, manufacture, refine, treat, transport, store, handle, dispose, transfer, produce or process Hazardous Substances; (ii) has been subject to any Environmental Proceeding related to the Property; (iii) has caused or permitted the release or discharge of any Hazardous Substance on or in the vicinity of the Property; (iv) has received or otherwise has knowledge of any Environmental Proceedings or of any facts which could give rise to any Environmental Proceeding related to the Property; (v) has undertaken any remediation or clean-up of any Hazardous Substance on or in the vicinity of the Property; or (vi) has defaulted in reporting any occurrence or circumstance to any governmental authority in relation to the Property which is or was required to be reported pursuant to any Environmental Laws.

Covenants:

The Chargor shall: (i) ensure that the Property and the Chargor comply with all Environmental Laws at all times; (ii) not permit any Hazardous Substance to be located, manufactured, stored, spilled, discharged or disposed of at, on or under the Property (except in the ordinary course of business of the Chargor or any tenant and in compliance with all Environmental Laws) nor permit any other activity on or in respect of the Property that might result in any Environmental Proceeding affecting the Property, Chargor or Chargee; (iii) notify the Chargee promptly of any threatened or actual Environmental Proceedings; (iv) remediate and cure in a timely manner any non-compliance by the Property or the Chargor with Environmental Laws, including removal of any Hazardous Substances from the Property; (v) maintain all environmental and operating documents and records including all permits, licenses, certificates, approvals, orders and

agreements relating to the Property as required by Environmental Laws; (vi) provide the Chargee promptly upon request with such information, documents, records, permits, licences, certificates, approvals, orders, agreements, environmental audits, reports, assessments and inspections and take such other steps (all at the Charger's expense) as may be required by the Chargee to confirm and/or ensure compliance by the Property and the Chargor with Environmental Laws, and (vii) execute all consents, authorizations and directions necessary to permit any inspection of the Property by any governmental authority and to permit the release to the Chargee or its representatives, of any information relating to the Property and the Chargor.

Inspections:

The Chargee or its agent may, at any time, before and after default, and for any purpose deemed necessary by the Chargee, enter upon the Property to inspect the Property and buildings thereon. Without in any way limiting the generality of the foregoing, the Chargee may enter upon the Property to conduct any environmental testing, site assessment, investigation or study deemed necessary by the Chargee and the reasonable cost of such testing, assessment, investigation or study, as the case may be, shall bear interest at the rate set out in this Charge from the date of disbursement until paid and all such sums together with interest as aforesaid shall be a charge upon the Property. The exercise of any of the powers enumerated in this clause shall not result in the Chargee, or its agents being deemed to be in possession, management, or control of the Property and buildings.

11. PROPERTY MANAGEMENT

The Property shall be managed by the Chargor, a company affiliated with the Chargor, or a professional arm's length manager approved by the Chargee. For the purposes hereof, "affiliated" shall have the same meaning as given thereto in the *Canada Business Corporations Act*. The Chargee reserves the right to give the Chargor written notice requiring that the management of the Property be improved to the Chargee's reasonable satisfaction, failing which the Chargee may correct the situation to its satisfaction at the Chargor's expense, including terminating the current property manager and retaining on the Chargor's behalf a replacement property manager satisfactory to the Chargee. A management fee, not to exceed prevailing market rates, may be paid to the manager of the Property. The Chargee shall have the right to request that the property manager deliver an acknowledgement that upon notice by the Chargee of a default under the Loan beyond any applicable cure periods, the Chargee may require the termination of the property management agreement without notice and without payment of any fee or penalty.

12. SURVIVAL OF COMMITMENT LETTER

Neither the execution and delivery of this Charge or any security documents which are contemplated by the Commitment Letter nor the advance of any portion of the Principal Amount shall, in any way, merge or extinguish the Commitment Letter or the terms and conditions contained in the Commitment Letter. The Commitment Letter and all of its provisions shall continue in full force and effect until the Principal Amount has been repaid in full; provided that in case of any inconsistency or conflict between any provision or provisions of the Commitment Letter or any provision or provisions of the Charge or any other security documents granted pursuant to the Commitment Letter, the Chargee may elect which instrument or provision shall prevail.

Notwithstanding the above, the Chargor and the Chargee covenant and agree that with respect to the Interest Rate payable hereunder and the terms of repayment of the Principal Amount and Interest, the provisions of the Commitment Letter shall prevail.

13. MAJOR ALTERATIONS

Subject to Section 25(b), any major changes, additions and/or alterations contemplated to the Property, including major changes in use of the Property, must receive the Chargee's written consent prior to the commencement of the changes, additions and/or alterations. If the Chargor changes and/or alters the Property without the prior written consent of the Chargee being obtained, then the Chargee may, at its sole option, declare forthwith due and payable the entire balance of the unpaid principal together with the accrued interest due thereon. The Chargor will provide reasonable notice to the Chargee of any anticipated or impending transaction which would require the consent of the Chargee under this Section together with such reasonable information as the Chargee may require to determine whether or not to grant its consent thereto.

14. EVENTS OF DEFAULT

The Chargor shall be in default under this Charge if any one or more of the following events of default (an “**Event of Default**”) occurs at any time or times prior to registration of a complete discharge of this Charge and whether such occurrence is voluntary or involuntary or effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or other rule or regulation of any administrative or governmental body:

- (a) the Chargor fails to pay any regular payment of principal and/or interest under the Loan when due and payable;
- (b) the Chargor fails to pay any other monies owing hereunder or under the Additional Security when payable, and such failure continues for a period of fifteen (15) days;
- (c) default is made in the performance or observance of any terms and conditions contained in the Commitment Letter or in any of the Additional Security and such default is not remedied within thirty (30) days of notice of such default by the Chargee;
- (d) there is a default under any of the Additional Security which is not remedied within the applicable cure period;
- (e) there is a default by any of the Obligors under any loan provided by the Chargee or any fund managed by the Portfolio Manager (which is defined under Section 40 hereof);
- (f) any of the Obligors sells, transfers or otherwise disposes of any interest in the Property without the prior written consent of the Chargee and a mortgage assumption agreement;
- (g) a lien or construction lien is registered against the Property and is not removed within fifteen (15) days of such registration (save and except in the case where any of the Obligors has made a deposit of 125% of the claimed amount to a trust account satisfactory to the Chargee);
- (h) there is a sale and/or change of control of any of the Obligors without the prior written consent of the Chargee;
- (i) any representation or warranty contained in the Commitment Letter, the Security or any other documents or certificates furnished to the Chargee in connection herewith or pursuant hereto shall prove at any time to be materially incorrect, as of the date made;
- (j) a resolution is passed or an order is made for the liquidation or winding-up of any of the Obligors;
- (k) any of the Obligors makes a proposal or general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, or a bankruptcy petition is filed or presented against it, or any of the Obligors is subject to any proceeding under any other provision of the Bankruptcy and Insolvency Act or any other Act for the benefit of creditors and the Obligors are not disputing it in good faith; and
- (l) a receiver, receiver-manager or receiver and manager of any of the Obligors, or of any material part of its properties, assets or undertakings, is appointed.

If any Event of Default shall have occurred and be continuing then the Chargee may declare all amounts outstanding under the Loan, including all interest and fees, if any, and all other amounts payable under the Commitment Letter and Additional Security to be immediately due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Chargor.

15. DUE ON SALE OR CHANGE OF CONTROL

If:

- (a) the Chargor directly or indirectly sells, conveys, transfers or otherwise disposes of its interest in the Property or any part thereof or agrees to do so;
- (b) there is a change in the direct or indirect effective voting control of the Chargor or any of the voting shares/units of the Chargor are transferred, unless the Chargor is a publicly traded entity (as hereinafter defined); or
- (c) the Chargor amalgamates or merges;

without the prior written consent of the Chargee being obtained, then the Chargee may, at its option, declare forthwith due and payable the entire balance of the unpaid principal together with Costs, Interest, and any other amounts owing under the Loan. The decision to accelerate the

Loan shall be at the sole option of the Chargee. Consent to one such transaction shall not be deemed to be a waiver of the right to require consent to future or successive transactions.

The Chargor will provide reasonable notice to the Chargee of any anticipated or impending transaction which would require the consent of the Chargee under this Section together with such reasonable information as the Chargee may require to determine whether or not to grant its consent thereto.

Paragraph 14 of the Standard Charge Terms is hereby deleted in its entirety and replaced with the following:

"The Chargor covenants and agrees with the Chargee that in the event of the Chargor selling, conveying, transferring or entering into an agreement for sale or transfer of title of the Property hereby mortgaged to a purchaser or transferee not approved of in writing by the Chargee, all monies hereby secured with accrued interest thereon shall be forthwith due and payable at the option of the Chargee."

16. SUBSEQUENT ENCUMBRANCES

The Chargor shall not, without the Chargee's prior written approval, which may be withheld in its sole discretion, further charge or otherwise encumber the Property or any interest therein.

Notwithstanding the foregoing, the Chargor shall be permitted to provide a blanket second mortgage financing in favour of Institutional Mortgage Capital Canada Inc. securing a principal amount that shall cumulatively be no greater than Eleven Million and Five Hundred Thousand Dollars (\$11,500,000) secured against both the Property and the Park Place Property (the "**Second Mortgage**").

17. RIGHT TO DISTRAIN

The Chargee may distrain for arrears of any portion of the Principal Amount, Interest or any other amounts due and unpaid hereunder. The Chargor waives all rights to claim exemption and confirms that there is no limit in the amount for which the Chargee may distrain.

18. CHARGEЕ NOT A CHARGEЕ IN POSSESSION

It is agreed that the Chargee, in exercising any of its rights under this Charge, shall be deemed not to be a chargee in possession or a chargee in possession of the Property.

19. SPECIFIC ASSIGNMENT OF LEASES

As further security for this Charge, the Chargor covenants and agrees to grant to the Chargee upon thirty (30) days prior written notice from the Chargee to the Chargor, a specific assignment of any Lease or Leases of part or all of the Property comprising the security of this Charge.

20. ADDITIONAL SECURITY

In the event that the Chargee, in addition to the Property, holds or shall hold, in the future, further security on account of the Principal Amount, it is agreed that no single or partial exercise of any of the Chargee's powers under this Charge or the Additional Security shall preclude other and further exercise of any other right, power or remedy pursuant to this Charge or Additional Security. The Chargee shall at all times have the right to proceed against all, any or any portion of this Charge or Additional Security in such order and in such a manner as the Chargee shall, in the Chargee's sole and unfettered discretion, deem fit without waiving any rights which the Chargee might have and the exercise of any such powers or remedies from time to time shall in no way affect the liability of the Chargor under the Charge or Additional Security.

21. FINANCIAL STATEMENTS

During the term of the Loan, the Chargor will provide, or cause to provide, to the Chargee such financial and supporting information as may be required by the Chargee and include the following:

- (a) annual income and expense statement for the Property within ninety (90) days after fiscal year end;
- (b) annual rent roll for the Property within ninety (90) days after fiscal year end, certified by a senior financial officer of the Chargor;
- (c) schedule of accounts receivable for the Property with respect to rental payments;

- (d) copies of current operating licences annually;
- (e) copies of any material contracts relating to the operation of the Property that have been added or amended;
- (f) notification and copies of any changes to the tenants or tenancies of the Property;
- (g) annual appraisal reports for the Property, as available;
- (h) annual budget of the Property for the forthcoming fiscal year;
- (i) annual capital expenditure statement for the Property, as available;
- (j) annual audited or externally prepared review engagement financial statements of each of the corporate Obligors within one hundred twenty (120) days after fiscal year end, together with a current detailed list of assets owned and debt outstanding thereon;
- (k) annual certified statement of net worth from personal Obligors within one hundred twenty (120) days of calendar year end, together with a current detailed list of assets owned and debt outstanding thereon;
- (l) annually a Certificate of Status or equivalent document confirming the continued existence of the Chargor as a corporation;
- (m) receipted tax bills evidencing full payment of all taxes levied against the Property within thirty (30) days of such taxes being due. If the Chargor is enrolled in a monthly municipal tax instalment payment plan then the Chargor will provide evidence that all property tax accounts are current and fully paid with statements evidencing such to be provided during the months of February and August of each year; and
- (n) evidence of insurance policy renewal or satisfactory replacement annually within thirty (30) days prior to expiry. The Chargee may, in its discretion, require its insurance consultant to conduct an insurance review at the Chargor's expense.

In addition, the Obligors shall supply to the Chargee from time to time, on its request (such request not to be unreasonably made), any financial information pertaining to the Obligors and Property including, without limitation, financial statements prepared as aforesaid.

All requested information shall be delivered to the Chargee electronically at: loanreporting@acma.ca.

22. SALE BY CHARGOR

No sale or other dealing by the Chargor with the Property or any part thereof shall in any way change or affect the liability of the Chargor hereunder, or in any way alter the rights of the Chargee as against the Property, the Chargor or any other person or persons liable for payment of the Principal Amount, Interest and Costs.

23. PAYMENTS

Any payment made by the Chargor to the Chargee which is received by the Chargee on a non-business day of the Chargee or after 12:00 noon ET on any business day of the Chargee shall be deemed to have been received by the Chargee on the next business day of the Chargee.

24. TAXES

The Chargor is required to remit to the Chargee on the first (1st) day of each month during the term of the Loan, in addition to the regular monthly mortgage payment as set out in the Commitment Letter, a monthly instalment for realty taxes in an amount to be determined by the Chargee from time to time, sufficient for the Chargee to pay in full the realty taxes, levies, assessments, improvement charges and other taxes affecting the Property on the due date(s). The sums thereby accumulated shall form part of the security of the Chargee for the Loan and shall not bear any interest in favour of the Chargor.

Notwithstanding the foregoing, the Chargee hereby conditionally waives the foregoing requirement on an on-going basis provided that there has been no material default under the Loan and no non-compliance with the reporting requirements evidencing full payment of realty taxes when due. The Chargor acknowledges and agrees that any non-compliance of any of the conditions set out

in this paragraph shall constitute this waiver to be null and void, such event shall permit the Chargee, at its option, to reinstate the monthly instalment for realty taxes.

25. COVENANTS, REPRESENTATIONS AND WARRANTIES

The Chargor covenants and agrees with the Chargee that during the term of the Loan it will abide by all the following covenants:

- (a) Subordinate Financing – The Chargor shall not secure any subordinate financing on the Property other than the Second Mortgage.
- (b) Change of Use – The Chargor shall make no changes in the use of the Property, and any material alterations by the Chargor in excess of Three Hundred and Fifty Thousand Dollars (\$350,000) shall require the prior written approval by the Chargee.
- (c) Insurance – The Chargor shall maintain insurance coverage as outlined herein and in the Commitment Letter
- (d) Authorizations – The Chargor authorizes the Chargee, or its representatives to make inquiries and obtain information relating to the Property and the Chargor, from appropriate taxation, municipal, utilities and other authorities, and also conduct inspection of the Property, for the purpose of loan administration. These authorizations shall remain in effect until the Loan has been fully repaid.
- (e) Tenant(s) – For any tenant whose rents exceeds ten percent (10%) of the gross revenue of the Property, the Chargor shall provide the Chargee with copies of all amendments and new binding offers to lease and Leases together with all information relating thereto, which are entered into during the term of the Loan. The Chargee shall have no liability with respect to any rent owing to or by a tenant. Any security interest granted by a tenant in favour of the Chargor will be deemed assigned and transferred to and in favour of the Chargee.

Each of the Obligors warrants and represent that all representations and warranties contained in this Commitment shall remain true and accurate as of the Date of Advance, including:

- (a) Power and Capacity – Each of the Obligors has full power and capacity to enter into the Commitment Letter and to complete the transaction contemplated herein.
- (b) Title(s) – The Chargor is the legal owner and the only beneficial owner of the Property with good and marketable title thereto. The title of the Property and personal property owned by the Chargor used for the operation of the Property, if any, shall be free and clear of all security interest, charges, liens, mortgages, claim or other financial encumbrance, with the exception of the Security and the security for the Second Mortgage loan, to the complete satisfaction of the Chargee's Solicitors.
- (c) Compliance – The Property complies and will continue to comply in all material respects with all applicable building, zoning, planning, development, environmental, occupation and use requirements.
- (d) Disclosure – All information pertaining to the current use and viability of the Property and the financial condition of each of the Obligors and Property has been fully disclosed to the Chargee. There is no legal action instituted, threatened or pending against the Obligors pertaining to the Property or against the Property itself, and none of the Obligors have received notice of any work orders, deficiency notices or notices of violation pertaining to the Property. The building has been built in accordance with plans and specifications in a good and workmanlike manner and does not, and never has, contained UFFI, PCB's or asbestos in any form.
- (e) Tenant(s) – Except as set out or explained by the Chargor in the certified rent roll, each tenant has accepted and occupied its respective leased space in the Property pursuant to an arm's length fully executed net lease, unless expressly disclosed to the Chargee, and for commercial tenants, are open for business. Each tenant has paid and is paying rent as required under its respective lease, is not claiming any deduction or set-off from the rent payable and has not prepaid more than one (1) month's rent.
- (f) No Construction – The Loan proceeds are not being used to fund any construction on the Property. The Property is not subject to any construction liens and there is no possibility of a construction lien arising with respect to the original construction of the building situate upon the Property. The foregoing does not extend to any work or services performed by or on behalf of any tenant of the Property, unless the Chargor has received notice of such

work pursuant to the provisions of the applicable construction, mechanics' or builders' lien legislation.

- (g) Employment Contributions – The Chargor is not in arrears in employee source deductions, employer pension contributions and/or statutory remittances (collectively the “**Employment Contributions**”) and there are no claims, actions or proceeding brought forward by a third party in connection with the *Wage Earner Protection Program Act* and corresponding amendments to the *Bankruptcy and Insolvency Act* and the *Companies' Creditors Arrangement Act*, as amended or in connection with Employment Contributions.

26. RECEIVER

Notwithstanding anything herein contained, it is declared and agreed that any time and from time to time when there shall be default under the provisions of these presents, the Chargee may, at such time and from time to time and with or without entry into possession of the Property, 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 Property, 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 his 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 Property 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 to:
- (i) collect the rents and profits from tenancies whether created before or after these presents;
 - (ii) rent any portion of the Property which may become vacant on such terms and conditions as he considers advisable and enter into and execute leases, accept surrenders and terminate lease;
 - (iii) complete the construction of any building or buildings or other erections or improvements on the Property 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;
 - (iv) manage, operate, repair, alter or extend the Property or any part thereof.

The Chargor undertakes to ratify and confirm whatever any such receiver may do in the Property.

- (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 Property.
- (d) Every such receiver shall be deemed the agent or attorney of the Chargor and, in any event, the agent of the Chargee and the Chargee shall not be responsible for his acts or omissions except if as a result of gross negligence or willful misconduct.
- (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 Property.
- (f) No such receiver shall be liable to the Chargor to account for monies other than monies actually received by him in respect of the Property, or any part thereof, and out of such monies so received every such receiver shall, in the following order, pay:

- (i) his remuneration aforesaid;
- (ii) all costs and expenses of every nature and kind incurred by him in connection with the exercise of his powers and authority hereby conferred;
- (iii) interest, principal and other money which may, from time to time, be or become charged upon the Property in priority to these presents, including taxes;
- (iv) to the Chargee all interest, principal and other monies due hereunder 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 Property and shall bear interest from the date of demand at the same rate as applies to the principal hereby secured.

- (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 him 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 or gross negligence.
- (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 these presents 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 herein provided for and such dealing shall be deemed, as regards such person, to be valid and effectual.
- (j) The rights and powers conferred herein in respect of the receiver are supplemental to and not in substitution of any other rights and powers which the Chargee may have.

27. COVENANT

In consideration of the making by the Chargee to the Chargor of the loan hereby secured, the Covenantor hereby covenants:

- (a) to be jointly and severally liable with the Chargor and as between each Covenantor as principal debtor, and not as surety, for the due payment of all amounts owing under this Charge (the "**Indebtedness**") at the times and in the manner herein provided; and it is the express intention of the parties hereto that the Covenantor is and shall be liable to the Chargee in the same manner and to the same extent as if the Covenantor have executed this Charge as Chargor;
- (b) that if the Indebtedness is not recoverable under paragraph (a) for any reason whatsoever, the Covenantor unconditionally guarantees the full performance and discharge of all of the obligations to be fulfilled by the Chargor pursuant to the provisions of this Charge at the times and in the manner provided in this Charge;
- (c) that if the Indebtedness is not recoverable under paragraphs (a) and (b) for any reason whatsoever, the Covenantor agrees to indemnify and save harmless the Chargee against and from all losses, damages, costs, charges and expenses which the Chargee may sustain, incur, or be or become liable for by reason of:
 - (i) the failure, for any reason whatsoever, of the Chargor to pay the Indebtedness, or
 - (ii) the Chargor's failure, for any reason whatsoever, to do and perform any other act, matter or thing, required to be done or performed pursuant to this Charge, or

- (iii) the Chargor's failure to refrain from any act, matter or thing required not to be done or performed by it pursuant to this Charge, or
 - (iv) any act, action or proceeding of or by the Chargee for or in connection with the recovery of the Indebtedness or the obtaining of performance by the Chargor or the Covenantor of any other act, matter or thing pursuant to this Charge or restraining the Chargor from any act, matter or thing required not to be done or performed pursuant to this Charge;
- (d) that the Chargee may at any time and from time to time and without notice to the Covenantor, or obtaining any consent of the Covenantor, make any compromise, settlement, extension, renewal or variation in the terms of this Charge, including any variation or increase of the interest rate or any renewal or extension of this Charge between the Chargor or any successor and the Chargee, or take surrender of this Charge or any collateral security or a part thereof, and that no such thing done by the Chargee, nor any carelessness or neglect by the Chargee in asserting its rights, nor the Chargee's loss of any right by operation of law, nor the loss or destruction of any security, nor the lack of validity or enforceability of this Charge or any collateral security or any portion thereof shall in any way release or diminish the liability of the Covenantor under this Charge as long as any Indebtedness remains unpaid or the Chargee has not been reimbursed for all such losses, damages, costs, charges and expenses as aforesaid;
- (e) that the Chargee shall not be obliged to proceed against the Chargor or to enforce or exhaust any security before proceeding to enforce the obligations of the Covenantor and that enforcement of such obligations may take place before, after or contemporaneously with the enforcement of any debt or obligation of the Chargor or the enforcement of any security for any such debt or obligation;
- (f) that nothing but payment and satisfaction in full of the Indebtedness and the due performance and observation of all covenants, agreements and provisos in this Charge and any other security to be given to the Chargee shall release the Covenantor of this covenant;
- (g) this covenant shall be assignable by the Chargee and that assignment of this Charge shall constitute assignment of this covenant and that this covenant shall not be deemed to have been waived, released, discharged, impaired or affected by reason of the assignment and/or reassignment of this Charge at any time;
- (h) to hereby waive all notices of default, non-performance, non-payment and non-observance on the part of the Chargor of the terms, covenants and provisos contained in this Charge;
- (i) that this Charge would not have been entered into by the Chargee without this covenant;
- (j) that the liability of each Covenantor under this covenant shall not be impaired or discharged by reason of the Chargee taking further or other security for payment of the Indebtedness or by any transfer of the Property or any approval thereof by the Chargee or any assumption of this Charge by any transferee of the Property, or by the Chargee at any time releasing any security or partial security hereunder, or by any extension or renewal of the term of this Charge, or the release or partial release of any covenantor or guarantor of this Charge whether by the Chargee or by operation of law, or by any other act or thing whereby, as guarantor, the Covenantor would or might be released in whole or in part;
- (k) that any payment by the Covenantor of any monies under this covenant shall not in any event be taken to affect the liability of the Chargor for payment thereof, but such liability shall remain unimpaired and enforceable by the Covenantor against the Chargor and the Covenantor shall, to the extent of any such payments made by it, in addition to all other remedies, be subrogated as against the Chargor to all the rights, privileges and powers to which the Chargee was entitled prior to payment by the Covenantor, provided, nevertheless, that the Covenantor shall not be entitled in any event to rank for payment against the Property or any collateral security in competition with the Chargee and shall not, unless and until the whole of the Indebtedness has been paid, be entitled to any rights or remedies whatsoever in subrogation to the Chargee;

- (l) to hereby waive any right of set-off the Covenantor may have in respect of any payment to be made under this covenant; and

28. OVERHOLD PERIOD

Provided that there are no arrears in the Principal Amount, Interest, or any other amount owing under the Loan, the Chargee may, at its sole option, unilaterally extend the Loan for a period of one (1) month from the Balance Due Date (the “**Overhold Period**”), and may, at its sole option, unilaterally amend the Interest Rate to be the greater of ten percent (10.0%) or a rate equivalent to the Prime Rate plus five percent (5.0%), to be calculated, compounded and payable interest only on a monthly basis subject to and in accordance with the Commitment Letter. If an extension is granted, and at the Chargee’s option, a processing fee of the greater of one-tenth of one percent (0.1%) of the Loan amount and Five Thousand Dollars (\$5,000) may be added to the outstanding Principal Amount. The monies owed may be paid in full on the Balance Due Date or at any time during the Overhold Period without notice, bonus or penalty. In the event that repayment of the Loan has not been made in full on the Balance Due Date or by the end of the Overhold Period, the Chargee may, at its option, exercise any remedies available to it under the Loan and the Security.

29. CONSENT TO DISCLOSURE

In the event the Chargee sells the Loan or securitizes it into the secondary market, the Chargor and each additional Covenantor consent to the release by the Chargee of all information and materials in the Chargee’s possession concerning the Chargor, each additional Covenantor and/or the Property to such party or parties (including the public in any offering memorandum) as may be necessary or desirable to facilitate such sale or securitization. In addition, the Chargor and each additional Covenantor agrees that the Chargee may share any information concerning the Chargor or any additional Covenantor, as the case may be, with (a) any assignee or proposed assignee (collectively, the “**assignee**”) of this Commitment or the Loan, (b) third parties who provide services to the Chargee or the assignee in connection with the Loan, (c) any insurer of the Loan, (d) credit rating and consumer reporting agencies, (e) parties involved in the detection, prevention and suppression of illegal activities and matters involving the public interest, and (f) organizations with which the Chargee has strategic alliances who may use such information to provide the Chargor or any additional Covenantor with information on certain financial products which may be of interest to them. If the Chargor or any additional Covenantor decides it does not wish its personal information shared with any party referred to in subsection (f) of this Section, it may so advise the Chargee in writing at any time and the information will not be so shared.

30. CREDIT MANAGEMENT/STAND ALONE REPORTING

The Chargor acknowledges that it is important to insulate the revenue stream from the Property in order to avoid claims by other projects, commitments or liabilities of the Chargor. If this is not possible, the Chargor agrees to provide the Chargee with a reasonable degree of revenue segregation through separate reporting. In this regard the Chargee will monitor the financial aspects of the Property, depending upon its financial status.

The Chargor covenants and agrees to provide the Chargee with standalone property reporting, isolating the Property’s financial and operating information from that of other properties owned by the Chargor. The Chargor further covenants and agrees to provide the Chargee with separate financial statements for the Property. In the event of a default by the Chargor under the Charge, or if the Chargor seeks relief under the *Companies’ Creditors Arrangement Act* or other debtor relief legislation, the Chargee shall, if possible, be entitled to establish a separate project bank account for the Property.

As security for the aforesaid, an assignment of revenue (general assignment of rents) shall be registered both against title to the Property as well as under the applicable personal property registration system. The assignment of revenue shall take effect automatically, at the Chargee’s option, if there is a default under the Charge. In addition, a general security agreement (or equivalent), shall be provided to the Chargee.

31. CRIMINAL RATE OF INTEREST

Notwithstanding the provisions of this Charge or in any agreement, instrument or other document held by the Chargee in connection with the Charge, in no event shall aggregate “interest” (as that term is defined in Section 347 of the *Criminal Code (Canada)*) exceed the effective annual rate of interest on the “credit advanced” (as defined therein) lawfully permitted under the Section. The effective annual rate of interest shall be determined in accordance with generally accepted

actuarial practices over the term of the Charge, and in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries selected by the Chargee shall be conclusive for the purposes of such determination.

32. YIELD MAINTENANCE FOLLOWING DEFAULT

In the event that the Loan or any portion thereof becomes due or repayable prior to the Balance Due Date as a result of a breach or default of the terms of the Commitment Letter, this Charge, or the Additional Security, the Chargor shall pay Yield Maintenance in addition to any other amounts outstanding under the Loan.

33. ZONING APPROVAL

It is further understood that it is a condition of the Charge and the disbursement of the funds that the land and building comprising the Property and the use complies with all federal, provincial and municipal provisions and governmental and regulatory authorities and there shall be no work orders or notices of deficiencies whatsoever against the Property.

34. WAIVER

The Chargee's failure to insist upon strict performance of any obligation or covenant of the Chargor as set out in the Commitment Letter or to exercise any option or right herein shall not be a waiver for the future of such obligations or covenant, but the same shall remain in effect and the Chargee shall have the right to insist upon strict performance by the Chargor of any and all of the terms of the Commitment Letter and the mortgage documentation.

35. CHARGE REGISTRATION

Neither preparation nor registration of any of the documents contemplated shall bind the Chargee to advance funds until all conditions of the Commitment Letter have been satisfied by the Chargor.

36. VALIDITY OF PROVISIONS

If any provision of this Charge is held to any extent invalid or unenforceable, the remainder of this Charge shall not be affected and shall remain valid and enforceable.

37. TIME OF THE ESSENCE

Time shall be of the essence in all matters relating to this Charge.

38. INTERPRETATION AND HEADINGS

Wherever in this Charge the singular or masculine is used, the same shall be construed as meaning the plural or the feminine or the neuter where the context or the parties hereto so require. The headings do not form part of this Charge and have been inserted for convenience of reference only.

39. INTEREST RESERVE HOLDBACK

The Chargor agrees to establish with the Chargee an interest reserve by directing an amount to be confirmed after the Rate Setting Date (as outlined in Schedule F of the Commitment Letter), but approximately equal to Two Hundred Thirty-seven Thousand Dollars (\$237,000) (the "**Interest Reserve**") out of the Loan proceeds on the Date of Advance, to be held in trust by the Chargee for the account of the Chargor. The Interest Reserve shall be considered fully advanced and secured by the Additional Security and interest shall be payable on the Interest Reserve in accordance with the terms of the Loan.

The Interest Reserve shall be calculated by the Chargee, based on 1.20 times the total amount of annual mortgage payment under the Loan (the "**DSCR Requirement**"), less the Property's total annual net operating income, as determined by the Chargee.

The Portfolio Manager (which is defined under Section 40 hereof) will recalculate the Interest Reserve on an annual basis. Should the Property's total net annual operating income be lower than the DSCR Requirement, the Chargor covenants and agrees to provide sufficient funds to top up the Interest Reserve within ten (10) business days of such written request from the Portfolio Manager.

Provided that an Event of Default has not occurred and is continuing, the Interest Reserve or any portion of the Interest Reserve approved by the Chargee, will be released to the Chargor upon earlier of:

- (a) Receipt of satisfactory evidence that the Property's total annual net operating income, to be determined by the Chargee, is in excess of 1.30 times the total amount of annual mortgage payment under the Loan; or
- (b) Full repayment of the Loan.

Notwithstanding the foregoing, upon the occurrence of an Event of Default, the Chargee shall be entitled to apply the balance of the funds in the Interest Reserve or any part thereof, at the Chargee's sole and subjective discretion, towards repayment of the Loan, the payment of any outstanding monthly payments of principal and/or interest, or the payment of any outstanding fees or charges owing to the Chargee.

40. CROSS COLLATERALIZATION PROVISIONS

The Chargor and Chargee acknowledge and agree that ACM Advisors Ltd., as Portfolio Manager of the Lender (the "**Portfolio Manager**") has entered into a Commitment Letter with 2067166 Ontario Inc. (the "**Additional Borrower**") in respect of a mortgage loan to the Additional Borrower securing the aggregate principal sum of \$63,200,000.00 (the "**Cross Collateralization Loan**") and the Chargor and the Chargee acknowledge, covenant and agree that the Loan secured by this Charge (the "**Prado Loan**") and the Cross Collateralization Loan shall be cross collateralized such that this Charge and the Additional Security delivered in respect of and pursuant to the Prado Loan, and the security delivered in respect of and pursuant to the Cross Collateralization Loan (the "**Cross Collateral Security**") shall stand as security for the indebtedness and obligations owing under both the Prado Loan and the Cross Collateralization Loan.

41. CROSS DEFAULT PROVISIONS

The Chargor and Chargee acknowledge, covenant and agree that default under the Prado Loan or under the Cross Collateralization Loan, and the respective security delivered thereunder, shall at the option of the Chargee, constitute a default under either or both the Prado Loan and the Cross Collateralization Loan, and the Chargee shall be entitled to exercise in its sole discretion whatever remedies it may be entitled to at law or in equity under either or both the Prado Loan and the Cross Collateralization Loan.

SCHEDULE "A"

(Property)

Municipal Address: 636 Prado Private, Ottawa, ON

Legal Description: PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794. SUBJECT TO AN EASEMENT OVER PART 21 PLAN 4R25794 AS IN NS45154. SUBJECT TO AN EASEMENT OVER PARTS 8, 21 AND 46 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; SUBJECT TO AN EASEMENT AS IN OC1435034; TOGETHER WITH AN EASEMENT OVER ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794 AS IN OC1451771; CITY OF OTTAWA

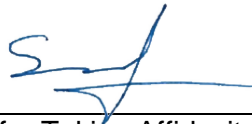
PIN: 04052-0799 (LT)

Legal Description: ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794. SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1, 16, 17, 18, 23, 24, 27 AND 28 PLAN 4R25794 AS IN OC881843. SUBJECT TO AN EASEMENT OVER PARTS 3, 4, 5, 6, 7, 10, 11, 14, 15, 20, 26, 32, 33, 34, 35, 39, 40, 41 AND 54 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 12 PLAN 4M1327, PART 19 PLAN 4R25794 AS IN OC1451770; SUBJECT TO AN EASEMENT IN FAVOUR OF PART OF BLOCKS 10 AND 25 PLAN 4M1327, PARTS 2, 22, 25, 29, 30, 31, 36 AND 53 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 12, 13, 38, 47, 48 AND 49 PLAN 4R25794 AS IN OC1451771; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1560118; CITY OF OTTAWA

PIN: 04052-0801 (LT)

Registry Office: Land Titles Division of Ottawa/Carleton (No. 4)

This is Exhibit “H” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', is written above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

GENERAL SECURITY AGREEMENT

THIS SECURITY AGREEMENT made as of the 21 day of December, 2022

1. SECURITY INTEREST

- (a) For value received, 2265132 Ontario Inc. and 1384274 Ontario Inc. (collectively, the "**Debtor**"), hereby grants to Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the "**Lender**"), by way of assignment and transfer, a security interest (the "**Security Interest**") in the undertaking of the Debtor and in all Goods (including all parts, accessories, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Accounts, Intangibles, Money and Securities now owned or hereafter owned or acquired by or on behalf of the Debtor relating to the Property described in Schedule "A" annexed hereto (including such as may be returned to or repossessed by the Debtor) and in all Proceeds and renewals thereof, accretions thereto and substitutions therefor (hereinafter collectively called "**Collateral**"), including without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of the Debtor:
- (i) all present and future equipment of the Debtor, including all machinery, appliances, fixtures, plant, tools, furniture, vehicles of any kind or description, all spare parts, accessories installed in or affixed or attached to any of the foregoing, and all drawings, specifications, plans and manuals relating thereto ("**Equipment**");
 - (ii) all present and future inventory of the Debtor, including all raw materials, materials used or consumed in the business or profession of the Debtor, work-in-progress, finished goods, goods used for packing, materials used in the business of the Debtor not intended for sale, and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service ("**Inventory**");
 - (iii) all book accounts and book debts and generally all accounts, 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 the Debtor ("**Accounts**");
 - (iv) 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;
 - (v) all present and future intangible personal property of the Debtor, including all contract rights, licences, goodwill, patents, trade marks, copyrights and other industrial property, and all other choses in action of the Debtor of every kind, whether due at the present time or hereafter to become due or owing ("**Intangibles**");
 - (vi) all monies other than trust monies lawfully belonging to others;
 - (vii) all present and future securities held by the Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, bonds, debentures and all other documents which constitute evidence of a share, participation or other interest of the Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; and including an uncertificated security within the meaning of Part VI (Investment Securities) of the Business Corporations Act, 1990, (Ontario) and

all substitutions therefor and dividends and income derived therefrom ("Securities");

(viii) all Personal Property now in or in the future located at the premises of the Debtor described in Schedule "A" annexed or described in any schedule hereafter annexed or in any subsequent security agreement related to the Indebtedness of the Debtor and belonging to the Debtor.

(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 the Debtor shall stand possessed of such term.

(c) The terms "Goods", "Chattel Paper", "Documents of Title", "Equipment", "Consumer Goods", "Accounts", "Money", "Instruments", "Intangibles", "Securities", "Proceeds", "Inventory", "Personal Property", and "Accession" whenever used herein shall be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (Ontario), as amended from time to time (herein referred to as the "**P.P.S.A.**"). Provided always that the term "Goods" when used herein shall not include "consumer goods" of the Debtor as that term is defined in the P.P.S.A. Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof". The term "Proceeds", whenever used herein and interpreted as above shall, by way of example, include trade-ins, equipment, cash, bank accounts, notes, chattel paper, goods, contract rights, accounts and any other personal property or obligation received when such collateral or proceeds are sold, exchanged, collected or otherwise disposed of.

2. **INDEBTEDNESS SECURED**

The Security Interest granted hereby secures payment and satisfaction of any and all obligations, indebtedness and liability of the Debtor to the Lender arising out of a certain mortgage delivered by the Debtor to the Lender for the principal sum of SIXTY-THREE MILLION TWO HUNDRED THOUSAND DOLLARS (\$63,200,000.00) and given in accordance with a mortgage commitment letter dated November 25, 2022, as it may be amended from time to time (the "**Commitment Letter**"), which indebtedness shall be fully satisfied upon payment in full of the said mortgage (hereinafter collectively called the "**Indebtedness**").

3. **REPRESENTATIONS AND WARRANTIES OF DEBTOR**

The 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 both legally and beneficially by the Debtor free of all interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "B" or hereafter approved in writing by the Lender, prior to their creation or assumption;

(b) Each Account, 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 the Debtor to the Lender from time to time as owing by each Account Debtor or by all Account Debtors is owing except for normal cash discounts where applicable, and the Debtor will use its best efforts to insure that no Account Debtor will have any defence, set off, claim or counterclaim against the Debtor which can be asserted against the Lender, whether in any proceeding to enforce Collateral or otherwise; and

(c) The location specified in Schedule "A" as to business operations, the location of Collateral and records is accurate and complete.

4. **COVENANTS OF THE DEBTOR**

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

- (a) To defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to keep the Collateral free from all Encumbrances, except for the Security Interest and those shown on Schedule "B" or hereafter approved in writing by the Lender, prior to their creation or assumption and not to sell, exchange, transfer, assign, lease, otherwise dispose of Collateral or any interest therein without the prior written consent of the Lender; provided always that, until default the Debtor may, in the ordinary course of the Debtor's business, sell or lease Inventory and, subject to Clause 6 hereof, use monies available to the Debtor;
- (b) To notify the Lender promptly of:
 - (i) any change in the information contained herein or in the Schedules hereto relating to the Debtor, the Debtor's business or Collateral;
 - (ii) the details of any significant acquisition of Collateral;
 - (iii) the details of any claims or litigation affecting Collateral;
 - (iv) any material loss or damage to Collateral;
 - (v) any material default by any Account Debtor in payment or other performance of his obligations with respect to Collateral; and
 - (vi) the return to or repossession by the 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 further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by the Lender of or with respect to Collateral in order to give effect to these presents and to pay all reasonable costs for searches and filings in connection therewith;
- (e) To pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Collateral as and when the same become due and payable;
- (f) To insure the Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as the Lender shall reasonably direct with loss payable to the Lender and the Debtor, as insureds, as their respective interest may appear, and to pay all premiums therefor;
- (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 the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at the Lender's request so as to indicate the Security Interest;
- (i) To deliver to the Lender 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 the Debtor regarding the Debtor's business;
 - (iv) all policies and certificates of insurance relating to Collateral; and
 - (v) such information concerning Collateral, the Debtor and business and affairs as the Lender may reasonably request;
- (j) To have the premises at which the Debtor carries on business or where Collateral is located professionally managed at all times.

5. **USE AND VERIFICATION OF COLLATERAL**

Subject to compliance with the Debtor's covenants herein and Clause 6 hereof, the Debtor may, until default, possess, operate, use, enjoy and deal with Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Lender shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Lender may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Lender may reasonably request in connection therewith and for such purpose to grant to the Lender or its agents access, upon forty-eight (48) hours' notice, to all places where Collateral may be located and to the premises described in Schedule "A".

6. **COLLECTION OF DEBTS**

Before or after default under this Security Agreement, if the Lender believes that its security is impaired, the Lender 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 the Lender. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors, whether on or before or after default under this Security Agreement, shall be received and held by the Debtor in trust for the Lender and shall be turned over to the Lender upon request if the Lender believes that its security is impaired.

7. **DISPOSITION OF MONIES**

Subject to any applicable requirements of the P.P.S.A., all monies collected or received by the Lender 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 the Lender deems best or, at the option of the Lender, may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of the Lender hereunder, and any surplus shall be accounted for as required by law.

8. **EVENTS OF DEFAULT**

The happening of any of the following events or conditions shall constitute default hereunder (hereinafter 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 the Debtor to observe or perform any obligation, covenant, term, provision, or condition contained in this Security Agreement or any other document or agreement between the Debtor and the Lender relating to the Indebtedness including the Commitment Letter;
- (b) The bankruptcy or insolvency of the Debtor; the filing against the Debtor of a petition in bankruptcy unless the making of an authorized assignment for the benefit of creditors by the Debtor; the appointment of a receiver or trustee for the Debtor or for any assets of the Debtor or the institution by or against the Debtor of any other type of insolvency proceeding under the Bankruptcy Act or otherwise;

- (c) Abandonment of any premises at which the Debtor carries on business or where Collateral is located by the Debtor for a period in excess of eight (8) consecutive days and which the Debtor has not rectified within ten (10) days.

9. **REMEDIES**

- (a) Upon default, the Lender may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Lender 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 stead. Any such Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor and not the Lender and the Lender shall not be in any way responsible for any misconduct, negligence, or non-feasance on the part of any such Receiver, his servants, agents or employees. Subject to the provisions of the instruments appointing him, any such Receiver shall have the 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 the 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 the Debtor, enter upon, use and occupy all premises owned or occupied by the Debtor, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on the Debtor's business or otherwise, as such Receiver shall, in his discretion, determine. Except as may be otherwise directed by the Lender, all monies received from time to time by such Receiver in carrying out his appointment shall be received in trust for and paid over to the Lender. Every such Receiver may, in the discretion of the Lender, be vested with all or any of the rights and powers of the Lender.
- (b) Upon default, the Lender may, either directly or indirectly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing subclause (a).
- (c) The Lender 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, the Lender 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 the Lender may deem reasonable.
- (d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between the Debtor and the Lender and in addition to any other rights the Lender may have at law or in equity, the Lender shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. provided always, that the Lender 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, the Lender shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in the Lender's possession and shall not be liable or accountable for failure to do so.
- (e) The Debtor acknowledges that the Lender or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and the Debtor agrees upon request from the Lender or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed if practicable.
- (f) The Debtor agrees to pay all costs, charges and expenses reasonably incurred by the Lender or any Receiver appointed by it, whether directly or indirectly for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in

operating the Debtor's accounts, in preparing or enforcing this Security Agreement, taking 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 monies owing as a result of any borrowing by the Lender 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) The Lender will give the Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made, as may be required by the P.P.S.A.
- (h) Upon failure of the Debtor to have its premises professionally managed in accordance with Clause 4(j) hereof, the Lender may, but shall not be obligated to appoint such professional manager or managers, as it may deem necessary in its sole discretion, to manage such premises at the sole expense of the Debtor.

10. **MISCELLANEOUS**

- (a) The Debtor hereby authorizes the Lender to file such financing 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) as the Lender may deem appropriate to perfect and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest, and the Debtor hereby irrevocably constitutes and appoints the Lender the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever it may be deemed necessary or expedient.
- (b) Upon the Debtor's failure to perform any of its duties hereunder, the Lender may, but shall not be obligated to, perform any or all such duties, and the Debtor shall pay to the Lender, forthwith upon written demand therefor, an amount equal to the expense incurred by the Lender in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate per annum set forth in the said mortgage.
- (c) The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as the Lender may see fit without prejudice to the liability of the Debtor or the Lender's right to hold and realize the Security Interest. Furthermore, the Lender may demand, collect and sue on Collateral in either the Debtor's or the Lender's name on any and all cheques, commercial paper, and any other Instrument pertaining to or constituting Collateral.
- (d) No delay or omission by the Lender in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, the Lender may remedy any default by the Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Debtor. All rights and remedies of the Lender granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- (e) The Debtor waives protest of any Instrument constituting Collateral at any time held by the Lender on which the Debtor is in any way liable and, subject to Clause 9(g) hereof, notice of any other action taken by the Lender.
- (f) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

- (g) 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.
- (h) Subject to the requirements of Clauses 9(g) and 10(e) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon that other, such notice, direction, demand or request shall be in writing and shall be sufficiently given only if delivered to the party for whom it is intended at the principal address of such party herein set forth or as changed pursuant hereto or if sent by prepaid registered mail addressed to the party for whom it is intended at the principal address of such party herein set forth or as changed pursuant hereto. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purpose hereof.
- (i) This Security Agreement and the security afforded hereby shall remain in full force and effect until all Indebtedness contracted for or created, shall be paid in full.
- (j) 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.
- (k) 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.
- (l) 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.
- (m) Nothing herein contained shall in any way obligate the Lender to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.
- (n) The Security Interest created hereby is intended to attach when this Security Agreement is signed by the Debtor and delivered to the Lender.

11. **COPY OF AGREEMENT AND ATTACHMENT**

The Debtor hereby acknowledges receipt of a copy of this Security Agreement and that the parties do not intend any postponement of the attachment of the Security Interest to the Collateral.

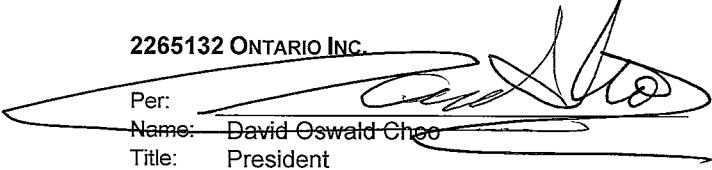
12. **COUNTERPART**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall be deemed to constitute one and the same instrument.

[Signature Page Follows]


IN WITNESS WHEREOF the Debtor has executed this Security Agreement under the hand of its authorized signing officers on the day and year first written above.

2265132 ONTARIO INC.

Per: 
Name: David Oswald Choo
Title: President

I have authority to bind the corporation.

1384274 ONTARIO INC.

Per: 
Name: David Oswald Choo
Title: President

I have authority to bind the corporation.

SCHEDULE "A"

Description of Land

Municipal Address: 636 Prado Private, Ottawa, ON

Legal Description: PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794. SUBJECT TO AN EASEMENT OVER PART 21 PLAN 4R25794 AS IN NS45154. SUBJECT TO AN EASEMENT OVER PARTS 8, 21 AND 46 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; SUBJECT TO AN EASEMENT AS IN OC1435034; TOGETHER WITH AN EASEMENT OVER ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794 AS IN OC1451771; CITY OF OTTAWA

PIN: 04052-0799 (LT)

Legal Description: ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4,5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42,43, 44, 50, 51, 52 AND 54 PLAN 4R25794. SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1, 16, 17, 18, 23, 24, 27 AND 28 PLAN 4R25794 AS IN OC881843.SUBJECT TO AN EASEMENT OVER PARTS 3, 4, 5, 6, 7, 10, 11, 14, 15, 20, 26, 32, 33,34, 35, 39, 40, 41 AND 54 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS INOC1254247; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 12 PLAN4M1327, PART 19 PLAN 4R25794 AS IN OC1451770; SUBJECT TO AN EASEMENT IN FAVOUR OF PART OF BLOCKS 10 AND 25 PLAN 4M1327, PARTS 2, 22, 25, 29, 30, 31,36 AND 53 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9,21, 45 AND 46 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS12, 13, 38, 47, 48 AND 49 PLAN 4R25794 AS IN OC1451771; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1560118; CITY OF OTTAWA

PIN: 04052-0801 (LT)

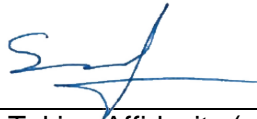
Registry Office: Land Titles Division of Ottawa/Carleton (No. 4)

SCHEDULE "B"

Permitted Encumbrances

1. a second charge/mortgage in favour of Institutional Mortgage Capital securing a principal sum that shall cumulatively be of no greater than ELEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$11,500,000.00) against the Property and 120 Central Park Drive, Ottawa, Ontario, and all additional collateral security including any personal property security related thereto.

This is Exhibit "I" referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

Properties

PIN 04052 - 0801 LT

Description ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794. SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1, 16, 17, 18, 23, 24, 27 AND 28 PLAN 4R25794 AS IN OC881843. SUBJECT TO AN EASEMENT OVER PARTS 3, 4, 5, 6, 7, 10, 11, 14, 15, 20, 26, 32, 33, 34, 35, 39, 40, 41 AND 54 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 12 PLAN 4M1327, PART 19 PLAN 4R25794 AS IN OC1451770; SUBJECT TO AN EASEMENT IN FAVOUR OF PART OF BLOCKS 10 AND 25 PLAN 4M1327, PARTS 2, 22, 25, 29, 30, 31, 36 AND 53 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 12, 13, 38, 47, 48 AND 49 PLAN 4R25794 AS IN OC1451771; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1560118; CITY OF OTTAWA

Address OTTAWA

Applicant(s)

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

Name 1384274 ONTARIO INC.

Address for Service 18 Antares Drive
Ottawa, ON K2E 1A6

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.

Party To(s)*Capacity**Share*

Name COMPUTERSHARE TRUST COMPANY OF CANADA

Address for Service c/o ACM Advisors Ltd.
Suite 210, 1140 Homer Street
Vancouver, BC V6B 2X6

Statements

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

This notice may be deleted by the Land Registrar when the registered instrument, OC2564946 registered on 2022/12/21 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Ardavan Mohajer-Ashjai 40 King Street West, Suite 2100 acting for Signed 2022 12 21
Toronto Applicant(s)
M5H 3C2

Tel 416-869-5300

Fax 416-360-8877

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

Ardavan Mohajer-Ashjai 40 King Street West, Suite 2100 acting for Signed 2022 12 21
Toronto Party To(s)
M5H 3C2

Tel 416-869-5300

Fax 416-360-8877

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

Submitted By

CASSELS BROCK & BLACKWELL LLP 40 King Street West, Suite 2100 2022 12 21
Toronto
M5H 3C2

Tel 416-869-5300

Fax 416-360-8877

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

Fees/Taxes/Payment

Statutory Registration Fee	\$69.00
Total Paid	\$69.00

File Number

Party To Client File Number : 54655-3 (AM/LR/TV)

GENERAL ASSIGNMENT OF RENTS AND LEASES

THIS ASSIGNMENT made as of the 21 day of December, 2022

B E T W E E N:

2265132 ONTARIO INC. and 1384274 ONTARIO INC.

(hereinafter collectively called the "**Assignor**")

OF THE FIRST PART

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA

(hereinafter called the "**Assignee**")

OF THE SECOND PART

WHEREAS:

i) The Assignor is the registered owner of the lands and premises situate, lying and being in the City of Ottawa, Province of Ontario, the boundaries of which are more particularly described in Schedule "A" annexed hereto and municipally known by the parties as 636 Prado Private, Ottawa, Ontario (the "**Property**");

ii) The Assignor has charged and mortgaged the Property to the Assignee to secure the repayment of the principal sum of SIXTY-THREE MILLION TWO HUNDRED THOUSAND DOLLARS (\$63,200,000.00) and interest thereon at the interest rate therein expressed pursuant to a Charge in that principal amount issued by the Assignor to the Assignee dated the same date as this Assignment, registered on the same date as this instrument, being the immediately preceding instrument number in the Land Registry Office for the Land Titles Division of Ottawa/Carleton (No. 4) (the "**Charge**");

iii) The Property is or will be leased by the Assignor, or its property manager, from time to time to one or more tenants.

iv) The Assignor has agreed as a condition precedent to the Assignee advancing the principal sum secured by the Charge to execute and deliver this Assignment for the purpose of collaterally securing the performance and observance of the Assignor's promise to pay and other obligations under the Charge.

1. NOW THEREFORE this Assignment witnesses that in consideration of the premises and other good and valuable consideration paid by the Assignee to the Assignor (the receipt and sufficiency whereof is hereby acknowledged) the Assignor hereby assigns, grants, transfers and sets over to the Assignee:

- (a) any existing and future leases of, and agreements to lease of, the whole or any portion of the Property;
- (b) every existing and future tenancy, agreement as to use or occupation, and licence in respect of the whole or any part of the Property, whether or not in writing;
- (c) every existing and future guarantee of all or any of the obligations of any existing or future tenant, subtenant, occupier or licensee of the whole or any portion of the Property;
- (d) a security interest in each lease or agreement to lease of the whole or any part of the Property; and
- (e) all rents and other monies and benefits and advantages to be derived by the Assignor (collectively the "**Rents**") from every existing and future lease of, agreement to lease of, agreement as to use or occupation and licence in respect of the whole or any part of the Property.

Every existing and future lease of, agreement to lease of, agreement as to use or occupation and licence in respect of the whole or any part of the Property shall hereinafter be referred to as

the "**Leases**". The within assignment of Leases and Rents in favour of the Assignee is given as security for the payment of the principal sum, interest and other monies payable by the Assignor to the Assignee pursuant to the Charge and for the performance of all of the covenants of the chargors pursuant to the Charge. The within assignment and grant includes all the Assignor's right to demand, sue for, collect and receive all Rents, and otherwise to enforce (either in the name of the Assignor or the Assignee) the Assignor's rights under any Lease consequent on any default by the tenant thereunder whether such rights arise under such Lease or by statute or at law or in equity, including without limitation the Assignor's rights to distrain.

2. THE ASSIGNEE acknowledges that this Assignment is being executed and delivered as a continuing and additional security for the performance and observance of the Assignor's promise to pay and other obligations pursuant to the Charge and neither the execution and delivery of the Assignment nor anything done pursuant thereto shall in any way impair and diminish the obligation of the Assignor as landlord of the Leases.

3. NO PROVISION contained in this Assignment shall be deemed to have the effect of making the Assignee responsible for the collection of any Rents, or any part thereof or for the performance or observance of any of the covenants, terms, conditions or other obligations imposed upon either party to any of the Leases.

4. THE ASSIGNEE shall not by virtue of this Assignment be deemed to be a mortgagee in possession of the Property and upon the payment of the principal sum, interest and other monies secured by the Charge, this Assignment shall terminate and the Assignee shall execute and deliver at the expense of the Assignor a reassignment of the Leases to the Assignor. It is further agreed that a full and complete discharge (but not a partial discharge) of the Charge from title to the Property shall operate as a full and complete release of the Assignee's interest and rights hereunder.

5. IT IS UNDERSTOOD and agreed that the Assignee shall be liable to account for only such monies as may actually come into its hands by virtue of this Assignment less proper collection and management charges and that such monies when so received by the Assignee shall be applied pro rata on account of the principal sum, interest and other monies secured by the Charge.

6. ALTHOUGH IT IS the intention of the parties that this Assignment shall be a present assignment, effective immediately upon execution, it is expressly understood and agreed that the Assignee shall not exercise any of the rights or powers herein conferred upon it until an event of default (as defined in the Charge) shall occur under the terms and provisions of the Charge. Upon such event of default occurring: (i) the Assignee shall be entitled, upon written notice to the tenants of the Property, to collect and receive all Rents under the Leases and (ii) this Assignment shall constitute an irrevocable direction and authorization of the Assignor to such tenants to pay such amounts to the Assignee or as the Assignee shall direct otherwise in writing without proof of any event of default by the Assignor. Without limiting the generality of the foregoing, such tenants are hereby irrevocably authorized and directed to rely upon and comply with, and to be fully protected in so doing, any notice or demand by the Assignee for the payment to the Assignee of any rent, or for the performance of any other obligation of the tenants under the Leases and the tenants shall not be required to or be under any duty to inquire as to whether any event of default under the Charge has actually occurred or is then existing. Until an Event of Default occurs, the Assignor can continue to collect rents and deal with the Leases in the ordinary course of business.

7. THE ASSIGNOR covenants and agrees that:

- (a) there is no outstanding encumbrance or assignment of the Leases in priority to this Assignment or the rents payable or receivable thereunder;
- (b) it shall at all times perform and observe all of the Landlord's obligations contained in the Leases;
- (c) it now has full power and absolute authority to assign its interest in the Leases and Rents and all benefits and advantages to be derived therefrom to the Assignee according to the intention of this Assignment; and
- (d) it shall forthwith on demand enter into, execute and deliver to the Assignee, at the Assignor's expense, such further assignments and assurances of the Leases and Rents as the Assignee shall reasonably require subject to reasonable review.

8. THE ASSIGNOR further covenants and agrees that it will not without the prior written consent of the Assignee:
- (a) (i) cancel or take any action to cancel any Lease; (ii) accept the surrender of any Lease; (iii) alter or amend or consent to or permit the altering, or amending of any term or provision of any Lease so as to decrease the Tenant's financial obligations or increase the responsibility of the Landlord thereunder; (iv) consent to or permit the assigning or subleasing of any Lease except in circumstances where the Landlord's consent cannot be unreasonably withheld or where no consent is required;
 - (b) collect or attempt to collect or permit either the payment or the prepayment of rent for a period greater than one (1) month or in any manner and at any time other than that stipulated in the Leases;
9. THE ASSIGNOR warrants and represents that, except as otherwise disclosed to the Assignee in writing:
- (a) each Lease is a valid and subsisting lease constituting the entire and only agreement between the Assignor and its tenant thereunder pertaining to the premises demised;
 - (b) the said tenants are occupying the premises described in each Lease and paying the full rent stipulated therein;
 - (c) no notice has been received from any Tenant indicating an intention to assign or sublet or indicating an intention to surrender the term or otherwise part with possession of the premises demised to it other than as specifically provided for herein; and
 - (d) no notice has been received by the Assignor from any tenant alleging default by the Assignor in the performance of its obligations as landlord pursuant to any Lease which notice has not been complied with by the Assignor to such tenant's reasonable satisfaction.
10. THE ASSIGNOR agrees that any and all rights of the Assignee pursuant to this Assignment may be exercised by any trustee or receiver appointed at the instance of or for the benefit of the Assignee. The Assignor further agrees that the Assignee is authorized (but is not obligated) in the name of the Assignor to take at any time any proceeding which in the opinion of the Assignee or its solicitors may be expedient or necessary for the purpose of enforcing any of the rights of the Assignor under the Leases and further to compromise or submit to arbitration any dispute which has arisen or may arise in respect of any Lease and any settlement arrived at shall be binding upon the Assignor. The Assignee is further authorized (but is not obligated) in the name and for the account of the Assignor to perform and observe any of the Assignor's obligations, as landlord, under the Leases, or any of them, and without limiting the generality of the foregoing, any amount paid by the Assignee in respect thereof as well as any other expense incurred by the Assignee shall be added pro rata to the monies secured by the Charge and shall bear interest at the interest rate stipulated therein.
11. THE TERM "**Leases**" shall extend to and include (i) the Leases as they may be extended or renewed or replaced; (ii) any amending agreement whether written or oral; and (iii) any guarantee whether included in the Leases or otherwise.
12. THE TERM "**tenants**" means and includes (i) the person, firm or corporation named as tenant or lessee in a Lease; and (ii) any person, firm or corporation who has guaranteed (whether as a primary debtor, surety or otherwise) the performance and observance of a tenant's covenants and other obligations pursuant to a Lease.
13. THE TERM "**Landlord**" means the Assignor, its successors and assigns and includes the person, firm or corporation named as landlord or lessor in a Lease.
14. THE TERM "**Rent**" or "**Rents**" shall extend to and include all monies that the Assignor is entitled to receive under the terms of the Leases including without limitation insurance proceeds, arbitration awards and the proceeds arising from any guarantee or other security held by the Assignor.
15. THE RIGHTS, remedies and security given to the Assignee hereunder are cumulative and are not in substitution for any rights, remedies or security to which the Assignee may be entitled, either under the Charge or under any other security or at law.

16. THE ASSIGNOR acknowledges receiving a true copy of this Assignment.

17. THIS ASSIGNMENT shall be binding upon and enure to the benefit of and shall be enforceable by the respective successors and assigns of the parties hereto and all words and phrases shall be taken to include the singular or plural or masculine, feminine or neuter gender as the circumstances shall require.

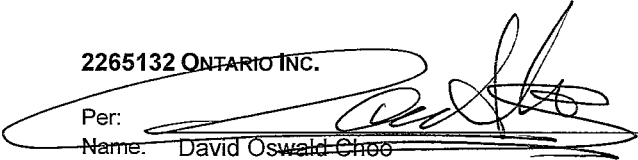
18. THE ASSIGNOR covenants that upon the registration of a complete discharge of the Charge this Assignment shall be deemed to be null and void and of no further effect.

19. This ASSIGNMENT may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall be deemed to constitute one and the same instrument.

[Signature Page Follows]

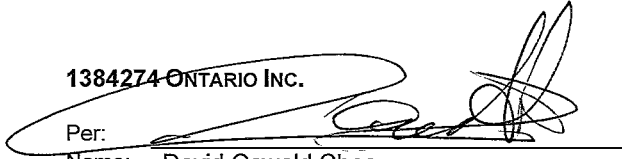
IN WITNESS WHEREOF the Assignor has executed this Assignment by the hands of its duly authorized officer in that behalf on the day and year first written above.

2265132 ONTARIO INC.

Per: 
Name: David Oswald Choo
Title: President

I have authority to bind the corporation.

1384274 ONTARIO INC.

Per: 
Name: David Oswald Choo
Title: President

I have authority to bind the corporation.

SCHEDULE "A"

(the Property)

Municipal Address: 636 Prado Private, Ottawa, ON

Legal Description: PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794. SUBJECT TO AN EASEMENT OVER PART 21 PLAN 4R25794 AS IN NS45154. SUBJECT TO AN EASEMENT OVER PARTS 8, 21 AND 46 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; SUBJECT TO AN EASEMENT AS IN OC1435034; TOGETHER WITH AN EASEMENT OVER ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794 AS IN OC1451771; CITY OF OTTAWA

PIN: 04052-0799 (LT)

Legal Description: ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4,5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42,43, 44, 50, 51, 52 AND 54 PLAN 4R25794. SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1, 16, 17, 18, 23, 24, 27 AND 28 PLAN 4R25794 AS IN OC881843.SUBJECT TO AN EASEMENT OVER PARTS 3, 4, 5, 6, 7, 10, 11, 14, 15, 20, 26, 32, 33,34, 35, 39, 40, 41 AND 54 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS INOC1254247; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 12 PLAN4M1327, PART 19 PLAN 4R25794 AS IN OC1451770; SUBJECT TO AN EASEMENT IN FAVOUR OF PART OF BLOCKS 10 AND 25 PLAN 4M1327, PARTS 2, 22, 25, 29, 30, 31,36 AND 53 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9,21, 45 AND 46 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS12, 13, 38, 47, 48 AND 49 PLAN 4R25794 AS IN OC1451771; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1560118; CITY OF OTTAWA

PIN: 04052-0801 (LT)

Registry Office: Land Titles Division of Ottawa/Carleton (No. 4)

Properties

PIN 04052 - 0799 LT

Description PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794. SUBJECT TO AN EASEMENT OVER PART 21 PLAN 4R25794 AS IN NS45154. SUBJECT TO AN EASEMENT OVER PARTS 8, 21 AND 46 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; SUBJECT TO AN EASEMENT AS IN OC1435034; TOGETHER WITH AN EASEMENT OVER ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794 AS IN OC1451771; CITY OF OTTAWA

Address 636 PRADO PRIVATE
OTTAWA

Applicant(s)

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

Name 2265132 ONTARIO INC.

Address for Service 18 Antares Drive
Ottawa, ON K2E 1A6

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.

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

Name COMPUTERSHARE TRUST COMPANY OF CANADA

Address for Service c/o ACM Advisors Ltd.
Suite 210, 1140 Homer Street
Vancouver, BC V6B 2X6

Statements

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

This notice may be deleted by the Land Registrar when the registered instrument, OC2564944 registered on 2022/12/21 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Ardavan Mohajer-Ashjai 40 King Street West, Suite 2100 acting for Signed 2022 12 21
Toronto Applicant(s)
M5H 3C2

Tel 416-869-5300

Fax 416-360-8877

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

Ardavan Mohajer-Ashjai 40 King Street West, Suite 2100 acting for Signed 2022 12 21
Toronto Party To(s)
M5H 3C2

Tel 416-869-5300

Fax 416-360-8877

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

Submitted By

CASSELS BROCK & BLACKWELL LLP 40 King Street West, Suite 2100 2022 12 21
Toronto
M5H 3C2

Tel 416-869-5300

Fax 416-360-8877

Fees/Taxes/Payment

Statutory Registration Fee \$69.00

Total Paid \$69.00

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

File Number

Party To Client File Number : 54655-3 (AM/LR/TV)

GENERAL ASSIGNMENT OF RENTS AND LEASES

THIS ASSIGNMENT made as of the 21 day of December, 2022

B E T W E E N:

2265132 ONTARIO INC. and 1384274 ONTARIO INC.

(hereinafter collectively called the "**Assignor**")

OF THE FIRST PART

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA

(hereinafter called the "**Assignee**")

OF THE SECOND PART

WHEREAS:

i) The Assignor is the registered owner of the lands and premises situate, lying and being in the City of Ottawa, Province of Ontario, the boundaries of which are more particularly described in Schedule "A" annexed hereto and municipally known by the parties as 636 Prado Private, Ottawa, Ontario (the "**Property**");

ii) The Assignor has charged and mortgaged the Property to the Assignee to secure the repayment of the principal sum of SIXTY-THREE MILLION TWO HUNDRED THOUSAND DOLLARS (\$63,200,000.00) and interest thereon at the interest rate therein expressed pursuant to a Charge in that principal amount issued by the Assignor to the Assignee dated the same date as this Assignment, registered on the same date as this instrument, being the immediately preceding instrument number in the Land Registry Office for the Land Titles Division of Ottawa/Carleton (No. 4) (the "**Charge**");

iii) The Property is or will be leased by the Assignor, or its property manager, from time to time to one or more tenants.

iv) The Assignor has agreed as a condition precedent to the Assignee advancing the principal sum secured by the Charge to execute and deliver this Assignment for the purpose of collaterally securing the performance and observance of the Assignor's promise to pay and other obligations under the Charge.

1. NOW THEREFORE this Assignment witnesses that in consideration of the premises and other good and valuable consideration paid by the Assignee to the Assignor (the receipt and sufficiency whereof is hereby acknowledged) the Assignor hereby assigns, grants, transfers and sets over to the Assignee:

- (a) any existing and future leases of, and agreements to lease of, the whole or any portion of the Property;
- (b) every existing and future tenancy, agreement as to use or occupation, and licence in respect of the whole or any part of the Property, whether or not in writing;
- (c) every existing and future guarantee of all or any of the obligations of any existing or future tenant, subtenant, occupier or licensee of the whole or any portion of the Property;
- (d) a security interest in each lease or agreement to lease of the whole or any part of the Property; and
- (e) all rents and other monies and benefits and advantages to be derived by the Assignor (collectively the "**Rents**") from every existing and future lease of, agreement to lease of, agreement as to use or occupation and licence in respect of the whole or any part of the Property.

Every existing and future lease of, agreement to lease of, agreement as to use or occupation and licence in respect of the whole or any part of the Property shall hereinafter be referred to as

the "**Leases**". The within assignment of Leases and Rents in favour of the Assignee is given as security for the payment of the principal sum, interest and other monies payable by the Assignor to the Assignee pursuant to the Charge and for the performance of all of the covenants of the chargors pursuant to the Charge. The within assignment and grant includes all the Assignor's right to demand, sue for, collect and receive all Rents, and otherwise to enforce (either in the name of the Assignor or the Assignee) the Assignor's rights under any Lease consequent on any default by the tenant thereunder whether such rights arise under such Lease or by statute or at law or in equity, including without limitation the Assignor's rights to distrain.

2. THE ASSIGNEE acknowledges that this Assignment is being executed and delivered as a continuing and additional security for the performance and observance of the Assignor's promise to pay and other obligations pursuant to the Charge and neither the execution and delivery of the Assignment nor anything done pursuant thereto shall in any way impair and diminish the obligation of the Assignor as landlord of the Leases.

3. NO PROVISION contained in this Assignment shall be deemed to have the effect of making the Assignee responsible for the collection of any Rents, or any part thereof or for the performance or observance of any of the covenants, terms, conditions or other obligations imposed upon either party to any of the Leases.

4. THE ASSIGNEE shall not by virtue of this Assignment be deemed to be a mortgagee in possession of the Property and upon the payment of the principal sum, interest and other monies secured by the Charge, this Assignment shall terminate and the Assignee shall execute and deliver at the expense of the Assignor a reassignment of the Leases to the Assignor. It is further agreed that a full and complete discharge (but not a partial discharge) of the Charge from title to the Property shall operate as a full and complete release of the Assignee's interest and rights hereunder.

5. IT IS UNDERSTOOD and agreed that the Assignee shall be liable to account for only such monies as may actually come into its hands by virtue of this Assignment less proper collection and management charges and that such monies when so received by the Assignee shall be applied pro rata on account of the principal sum, interest and other monies secured by the Charge.

6. ALTHOUGH IT IS the intention of the parties that this Assignment shall be a present assignment, effective immediately upon execution, it is expressly understood and agreed that the Assignee shall not exercise any of the rights or powers herein conferred upon it until an event of default (as defined in the Charge) shall occur under the terms and provisions of the Charge. Upon such event of default occurring: (i) the Assignee shall be entitled, upon written notice to the tenants of the Property, to collect and receive all Rents under the Leases and (ii) this Assignment shall constitute an irrevocable direction and authorization of the Assignor to such tenants to pay such amounts to the Assignee or as the Assignee shall direct otherwise in writing without proof of any event of default by the Assignor. Without limiting the generality of the foregoing, such tenants are hereby irrevocably authorized and directed to rely upon and comply with, and to be fully protected in so doing, any notice or demand by the Assignee for the payment to the Assignee of any rent, or for the performance of any other obligation of the tenants under the Leases and the tenants shall not be required to or be under any duty to inquire as to whether any event of default under the Charge has actually occurred or is then existing. Until an Event of Default occurs, the Assignor can continue to collect rents and deal with the Leases in the ordinary course of business.

7. THE ASSIGNOR covenants and agrees that:

- (a) there is no outstanding encumbrance or assignment of the Leases in priority to this Assignment or the rents payable or receivable thereunder;
- (b) it shall at all times perform and observe all of the Landlord's obligations contained in the Leases;
- (c) it now has full power and absolute authority to assign its interest in the Leases and Rents and all benefits and advantages to be derived therefrom to the Assignee according to the intention of this Assignment; and
- (d) it shall forthwith on demand enter into, execute and deliver to the Assignee, at the Assignor's expense, such further assignments and assurances of the Leases and Rents as the Assignee shall reasonably require subject to reasonable review.

8. THE ASSIGNOR further covenants and agrees that it will not without the prior written consent of the Assignee:
- (a) (i) cancel or take any action to cancel any Lease; (ii) accept the surrender of any Lease; (iii) alter or amend or consent to or permit the altering, or amending of any term or provision of any Lease so as to decrease the Tenant's financial obligations or increase the responsibility of the Landlord thereunder; (iv) consent to or permit the assigning or subleasing of any Lease except in circumstances where the Landlord's consent cannot be unreasonably withheld or where no consent is required;
 - (b) collect or attempt to collect or permit either the payment or the prepayment of rent for a period greater than one (1) month or in any manner and at any time other than that stipulated in the Leases;
9. THE ASSIGNOR warrants and represents that, except as otherwise disclosed to the Assignee in writing:
- (a) each Lease is a valid and subsisting lease constituting the entire and only agreement between the Assignor and its tenant thereunder pertaining to the premises demised;
 - (b) the said tenants are occupying the premises described in each Lease and paying the full rent stipulated therein;
 - (c) no notice has been received from any Tenant indicating an intention to assign or sublet or indicating an intention to surrender the term or otherwise part with possession of the premises demised to it other than as specifically provided for herein; and
 - (d) no notice has been received by the Assignor from any tenant alleging default by the Assignor in the performance of its obligations as landlord pursuant to any Lease which notice has not been complied with by the Assignor to such tenant's reasonable satisfaction.
10. THE ASSIGNOR agrees that any and all rights of the Assignee pursuant to this Assignment may be exercised by any trustee or receiver appointed at the instance of or for the benefit of the Assignee. The Assignor further agrees that the Assignee is authorized (but is not obligated) in the name of the Assignor to take at any time any proceeding which in the opinion of the Assignee or its solicitors may be expedient or necessary for the purpose of enforcing any of the rights of the Assignor under the Leases and further to compromise or submit to arbitration any dispute which has arisen or may arise in respect of any Lease and any settlement arrived at shall be binding upon the Assignor. The Assignee is further authorized (but is not obligated) in the name and for the account of the Assignor to perform and observe any of the Assignor's obligations, as landlord, under the Leases, or any of them, and without limiting the generality of the foregoing, any amount paid by the Assignee in respect thereof as well as any other expense incurred by the Assignee shall be added pro rata to the monies secured by the Charge and shall bear interest at the interest rate stipulated therein.
11. THE TERM "**Leases**" shall extend to and include (i) the Leases as they may be extended or renewed or replaced; (ii) any amending agreement whether written or oral; and (iii) any guarantee whether included in the Leases or otherwise.
12. THE TERM "**tenants**" means and includes (i) the person, firm or corporation named as tenant or lessee in a Lease; and (ii) any person, firm or corporation who has guaranteed (whether as a primary debtor, surety or otherwise) the performance and observance of a tenant's covenants and other obligations pursuant to a Lease.
13. THE TERM "**Landlord**" means the Assignor, its successors and assigns and includes the person, firm or corporation named as landlord or lessor in a Lease.
14. THE TERM "**Rent**" or "**Rents**" shall extend to and include all monies that the Assignor is entitled to receive under the terms of the Leases including without limitation insurance proceeds, arbitration awards and the proceeds arising from any guarantee or other security held by the Assignor.
15. THE RIGHTS, remedies and security given to the Assignee hereunder are cumulative and are not in substitution for any rights, remedies or security to which the Assignee may be entitled, either under the Charge or under any other security or at law.

16. THE ASSIGNOR acknowledges receiving a true copy of this Assignment.

17. THIS ASSIGNMENT shall be binding upon and enure to the benefit of and shall be enforceable by the respective successors and assigns of the parties hereto and all words and phrases shall be taken to include the singular or plural or masculine, feminine or neuter gender as the circumstances shall require.

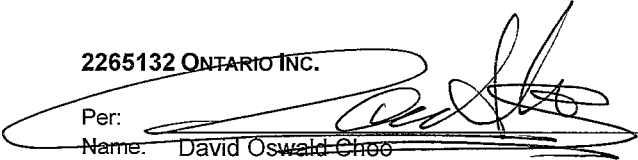
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19. This ASSIGNMENT may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall be deemed to constitute one and the same instrument.

[Signature Page Follows]

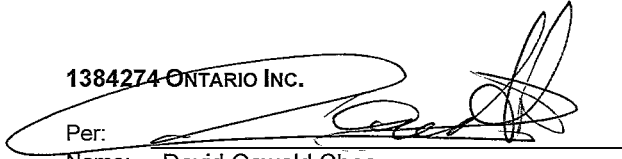
IN WITNESS WHEREOF the Assignor has executed this Assignment by the hands of its duly authorized officer in that behalf on the day and year first written above.

2265132 ONTARIO INC.

Per: 
Name: David Oswald Choo
Title: President

I have authority to bind the corporation.

1384274 ONTARIO INC.

Per: 
Name: David Oswald Choo
Title: President

I have authority to bind the corporation.

SCHEDULE "A"

(the Property)

Municipal Address: 636 Prado Private, Ottawa, ON

Legal Description: PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794. SUBJECT TO AN EASEMENT OVER PART 21 PLAN 4R25794 AS IN NS45154. SUBJECT TO AN EASEMENT OVER PARTS 8, 21 AND 46 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; SUBJECT TO AN EASEMENT AS IN OC1435034; TOGETHER WITH AN EASEMENT OVER ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794 AS IN OC1451771; CITY OF OTTAWA


PIN: 04052-0799 (LT)

Legal Description: ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4,5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42,43, 44, 50, 51, 52 AND 54 PLAN 4R25794. SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1, 16, 17, 18, 23, 24, 27 AND 28 PLAN 4R25794 AS IN OC881843.SUBJECT TO AN EASEMENT OVER PARTS 3, 4, 5, 6, 7, 10, 11, 14, 15, 20, 26, 32, 33,34, 35, 39, 40, 41 AND 54 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS INOC1254247; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 12 PLAN4M1327, PART 19 PLAN 4R25794 AS IN OC1451770; SUBJECT TO AN EASEMENT IN FAVOUR OF PART OF BLOCKS 10 AND 25 PLAN 4M1327, PARTS 2, 22, 25, 29, 30, 31,36 AND 53 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9,21, 45 AND 46 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS12, 13, 38, 47, 48 AND 49 PLAN 4R25794 AS IN OC1451771; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1560118; CITY OF OTTAWA

PIN: 04052-0801 (LT)

Registry Office: Land Titles Division of Ottawa/Carleton (No. 4)

This is Exhibit “J” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', is written above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

COVENANT AND POSTPONEMENT OF CLAIM

TO: Computershare Trust Company of Canada (the "**Chargee**"), as trustee and title holder for ACM Commercial Mortgage Fund ("**ACM**" and collectively with the Chargee, the "**Lender**")

RE: First Mortgage Loan to 2265132 Ontario Inc. and 1384274 Ontario Inc. (collectively, the "**Chargor**") on the security of 636 Prado Private, Ottawa, Ontario (the "**Property**") and as guaranteed by Alavida Lifestyles Inc. and David Choo (collectively, the "**Covenantor**")

DATED: December 21, 2022

WHEREAS the Lender has agreed to extend a loan to the Chargor pursuant to a Commitment Letter issued by ACM Advisors Ltd. on behalf of the Lender and addressed to the Chargor dated November 25, 2022, accepted by the Chargor and Covenantor setting out the terms of the loan secured by a first charge in favour of the Chargee as trustee and title holder for the Lender (the "**Charge**"), as it may be amended from time to time (the "**Commitment**").

AND WHEREAS the loan contemplated by the Commitment is secured by the Charge of the Property securing the principal amount of SIXTY-THREE THOUSAND TWO HUNDRED THOUSAND (\$63,200,000.00) entered into between the Chargee and the Chargor and the collateral security contemplated by the Commitment and Charge (collectively the "**Security**").

AND WHEREAS as a condition of making the loan to the Chargor, the Lender requires the delivery of this Covenant by the Covenantor.

IN CONSIDERATION OF the Lender making the loan to the Chargor and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the Covenantor) the Covenantor hereby covenant in favour of the Lender:

- (a) to be jointly and severally liable with the Chargor and any other covenantor as principal debtor, and not as surety, for the due payment of all amounts owing under the Security (the "**Indebtedness**") at the times and in the manner herein provided; and it is the express intention of the parties hereto that the Covenantor is and shall be liable to the Lender in the same manner and to the same extent as if the Covenantor had executed the Security as Chargor;
- (b) that if the Indebtedness is not recoverable under paragraph (a) for any reason whatsoever, the Covenantor unconditionally guarantees the full performance and discharge of all of the obligations to be fulfilled by the Chargor pursuant to the provisions of the Security at the times and in the manner provided in the Security;
- (c) that if the Indebtedness is not recoverable under paragraphs (a) and (b) for any reason whatsoever, the Covenantor agrees to indemnify and save harmless the Lender against and from all losses, damages, costs, charges and expenses which the Lender may sustain, incur, or be or become liable for by reason of:

- (i) the failure, for any reason whatsoever, of the Chargor to pay the Indebtedness, or
 - (ii) the Chargor's failure, for any reason whatsoever, to do and perform any other act, matter or thing, required to be done or performed pursuant to the Security, or
 - (iii) the Chargor's failure to refrain from any act, matter or thing required not to be done or performed by it pursuant to the Security, or
 - (iv) any act, action or proceeding of or by the Lender for or in connection with the recovery of the Indebtedness or the obtaining of performance by the Chargor or the Covenantor of any other act, matter or thing pursuant to the Security or restraining the Chargor from any act, matter or thing required not to be done or performed pursuant to the Security;
- (d) that the Lender may at any time and from time to time and without notice to the Covenantor, or obtaining any consent of the Covenantor, make any compromise, settlement, extension, renewal or variation in the terms of the Security, including any variation or increase of the interest rate or any renewal or extension of the Security between the Chargor or any successor and the Lender, or take surrender of the Security or any collateral security or a part thereof, and that no such thing done by the Lender, nor any carelessness or neglect by the Lender in asserting its rights, nor the Lender's loss of any right by operation of law, nor the loss or destruction of any security, nor the lack of validity or enforceability of the Security or any collateral security or any portion thereof shall in any way release or diminish the liability of the Covenantor under the Security as long as any Indebtedness remains unpaid or the Lender has not been reimbursed for all such losses, damages, costs, charges and expenses as aforesaid;
- (e) that the Lender shall not be obliged to proceed against the Chargor or to enforce or exhaust any security before proceeding to enforce the obligations of the Covenantor and that enforcement of such obligations may take place before, after or contemporaneously with the enforcement of any debt or obligation of the Chargor or the enforcement of any security for any such debt or obligation;
- and that the Lender may elect to enforce the obligations against different Covenantors at different times and shall not be obligated to enforce against all Covenantors.
- (f) that nothing but payment and satisfaction in full of the Indebtedness and the due performance and observation of all covenants, agreements and provisos in the Security and any other security to be given to the Lender shall release the Covenantor of this Covenant;
- (g) this covenant shall be assignable by the Lender and that assignment of the Security shall constitute assignment of this covenant and that this covenant shall not be deemed to have been waived, released, discharged, impaired or affected by reason of the assignment and/or reassignment of the Security at any time;
- (h) to hereby waive all notices of default, non-performance, non-payment and non-observance on the part of the Chargor of the terms, covenants and provisos contained in the Security;

- (i) that the Security would not have been entered into by the Lender without this covenant;
- (j) that the liability of each Covenantor under this covenant shall not be impaired or discharged by reason of the Lender taking further or other security for payment of the Indebtedness or by any transfer of the Property or any approval thereof by the Lender or any assumption of the Security by any transferee of the Property, or by the Lender at any time releasing any security or partial security hereunder, or by any extension or renewal of the term of the Security, or the release or partial release of the Chargor, any Covenantor or guarantor of the Security whether by the Lender or by operation of law, or by any other act or thing whereby, as guarantor, the Covenantor will or might be released in whole or in part;
- (k) that any payment by the Covenantor of any monies under this covenant shall not in any event be taken to affect the liability of the Chargor for payment thereof, but such liability shall remain unimpaired and enforceable by the Covenantors against the Chargor and the Covenantor shall, to the extent of any such payments made by it, in addition to all other remedies, be subrogated as against the Chargor to all the rights, privileges and powers to which the Lender was entitled prior to payment by the Covenantor, provided, nevertheless, that the Covenantor shall not be entitled in any event to rank for payment against the Property or any collateral security in competition with the Lender and shall not, unless and until the whole of the Indebtedness has been paid, be entitled to any rights or remedies whatsoever in subrogation to the Lender;
- (l) to hereby waive any right of set-off the Covenantor may have in respect of any payment to be made under this covenant;
- (m) that the Covenantor have received a fully executed copy of the Security;
- (n) that this Covenant shall be binding upon the Covenantor and their respective successors and assigns;
- (o) that upon the discharge of the Security this Covenant will be deemed to be automatically discharged and released; and
- (p) the undersigned assigns and postpones in favour of the Lender all debts and liabilities that the Chargor now owes or later may from time to time owe to the undersigned until the Indebtedness has been paid in full and in the event that the undersigned receives any monies in payment of any such debts and liabilities, the undersigned will hold them in trust for, and will immediately pay them to, the Lender without reducing any liability under this Covenant.

THIS Covenant and Postponement of Claim may be executed and delivered in counterparts. The failure of any Covenantor to execute shall not affect the liability of any other Covenantor that has executed this Covenant and Postponement of Claim.

[Signature Page Follows]

DATED on the day and year first written above.

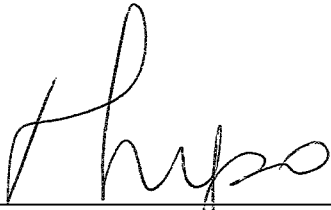
ALAVIDA LIFESTYLES INC.

Per: 

Name: David Oswald Choo

Title: President

I have authority to bind the corporation.

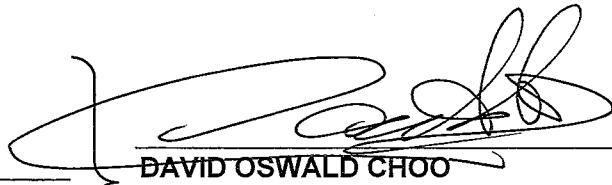


Witness signature

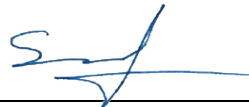
Name:

D. Scali-ayo

(please print)


DAVID OSWALD CHOO

This is Exhibit “K” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

Vancouver Office
210 - 1140 Homer Street
Vancouver, BC V6B 2X6 Canada
T 604 682 4865 F 604 682 3265

Toronto Office
804 - 80 Richmond Street West
Toronto, ON M5H 2A4 Canada
T 416 860 6242 F 604 682 3265

Montreal Office
400 - 3 Place Ville Marie
Montreal, QC H3B 2E3 Canada
T 1 855 682 4865 F 604 682 3265

www.acma.ca

TERM LOAN COMMITMENT

November 2, 2017

2195186 Ontario Inc.
c/o R2Crowd,
100 King Street West, Suite 1600
Toronto ON M5X 1G3

ATTENTION: MR. CHAD GEMMELL

RE: SECOND MORTGAGE FINANCING
101 CHAMPAGNE AVE, OTTAWA, ONTARIO

We are pleased to inform you that, on the basis of the information and the documents supplied by you with your request for mortgage financing, we hereby submit to you this offer of mortgage financing (the "Commitment") in connection with the Property (described below), on the following terms and conditions:

1. BORROWER/BENEFICIAL OWNER

2195186 Ontario Inc. (the "Borrower" or the "Beneficial Owner").

2. GUARANTORS

Envie Enterprises Inc. will provide a full guarantee for all obligations under the Loan and Mr. David Choo will provide a guarantee limited to fifty percent (50%) of the Loan Amount (as defined below), (individually or collectively as applicable, the "Guarantor").

3. BORROWING ENTITIES

The Borrower, Beneficial Owner and Guarantor are hereinafter referred to, individually or collectively as applicable, as the "Borrowing Entities".

4. LENDER

ACM CMF Services Ltd., as trustee for ACM Commercial Mortgage Fund (in such capacity referred to herein as the "Lender"). Computershare Trust Company of Canada ("Computershare") will act as title holder for the benefit of ACM CMF Services Ltd.

5. PORTFOLIO MANAGER

ACM Advisors Ltd. (the "Portfolio Manager") is the representative of ACM Commercial Mortgage Fund for the purposes of this Commitment and the acts of the Lender as contemplated by it.

6. AMOUNT OF LOAN

The mortgage financing (the "Loan") shall be in the principal amount of Eleven Million Two Hundred Thousand Dollars (\$11,200,000), (the "Loan Amount").



A large, handwritten signature in black ink, appearing to be a stylized 'S' or similar character, located in the bottom right corner of the page.

7. **PURPOSE OF THE LOAN**

The Loan will be used to provide second mortgage financing for a 29-storey high rise student apartment building containing 185 suites municipally known as 101 Champagne Avenue South, Ottawa, Ontario and having a legal description as Part Lots 7, 8, 9, 10, 11 and Part Lane as closed by Order CR234928, Plan 131037, Part 1, Plan 4R29600, City of Ottawa, PIN: 04102-0340 (the "Property").

8. **ADVANCE OF LOAN**

The Loan shall be made available in a single advance when the Conditions Precedent (as defined below) are satisfied and the advance of funds under the Loan (such date the "Date of Advance") is to occur not later than November 30, 2017 (the "Commitment Expiry Date").

9. **TERM**

Subject to earlier acceleration as provided below, the Loan shall be co-terminus with the New First Mortgage (as defined below).

10. **INTEREST**

Six and twenty-five one hundredths of one percent (6.25%) per annum, compounded semi-annually (the "Interest Rate").

Interest on the Loan shall be calculated and payable as follows:

- (a) calculated on a daily basis from the date of advance of the proceeds of the Loan to but excluding the Interest Adjustment Date and payable on the Interest Adjustment Date with such payment deducted from the proceeds of the Loan at the time of the advance; and
- (b) thereafter calculated semi-annually not in advance, from and including the Interest Adjustment Date for the term of the Loan and payable monthly in the manner hereinafter described.

For the purposes hereof, the "Interest Adjustment Date" shall be the first day of the month following the advance of the proceeds of the Loan, unless the Date of Advance is made on the first day of a month, in which case, the Interest Adjustment Date shall be the Date of Advance.

11. **REPAYMENT**

The Loan will be repaid as follows:

- (a) Commencing on the first day of the month following the Interest Adjustment Date and continuing on the first day of each month until the first (1st) anniversary of the Interest Adjustment Date, the Loan will be repaid in monthly instalments of interest only based on the Interest Rate;
- (b) Commencing on the first day of the month following the first (1st) anniversary of the Interest Adjustment Date and continuing on the first day of each month until the Maturity Date, the Loan will be repaid in monthly instalments of principal and interest based on the Interest Rate and an amortization period of thirty-five (35) years; and
- (c) The outstanding balance of the principal and interest will be paid in full on Maturity Date.

In the event the Borrower fails to repay all outstanding amounts due under the Loan on the Maturity Date, and provided that there are no arrears in principal and interest under the Loan, then the Lender may, at its sole option, unilaterally extend the mortgage for a period of one (1) month from the maturity date (the "Overhold



Period"), at an interest rate being the greater of ten percent (10.0%) or a rate equivalent to the Prime Rate plus five percent (5.0%), to be calculated and payable interest only on a monthly basis. A processing fee of the greater of two-tenths of one percent (0.2%) of the Loan Amount and Two Thousand Dollars (\$2,000) shall be automatically added to the principal balance if this extension is granted. The monies owed may be paid in full on the Maturity Date or at any time during the Overhold Period in full without notice, bonus or penalty. In the event that repayment of the Loan has not been made in full on the Maturity Date or by the end of the Overhold Period if the extension has been granted, then the Lender may exercise any remedies available to it under the Loan and the Security (as defined below).

12. PREPAYMENT

Provided that the Borrower is not in default under the Loan, the Borrower may prepay all or a portion of the amount outstanding under the Loan prior to the Maturity Date only if the Borrower also pays to the Lender the compensating amount (the "Prepayment Fee") being the amount which is the greater of:

- (a) an additional three (3) months interest on the amount prepaid, calculated at the Interest Rate under the Loan; and
- (b) the positive number, if any, obtained by subtracting the amount prepaid from the present value of all monthly payments of principal and interest, including the principal and interest due on the Maturity Date, which would have been made under the Loan in respect of the amount prepaid on and after the date of prepayment, had such prepayment not been made, such present value to be based on the Discount Rate. For the purpose of this part, the "Discount Rate" shall mean the yield to a purchaser of a non-callable Government of Canada bond selected by the Portfolio Manager with a term to maturity approximately equal to the remaining period of the term for such Loan had the Loan not been prepaid, calculated by the Portfolio Manager as of 12:01 p.m. Toronto time on the business day immediately prior to the date of prepayment, expressed as a rate per annum, compounded semi-annually.

All amounts so prepaid shall be in addition to and not in lieu of the instalments payable under the "Repayment" heading above.

The Borrower shall also pay the Prepayment Fee in the event that the Loan or any portion thereof becomes due or repayable prior to the Maturity Date as a result of a breach or default of the terms of the Commitment or of the Security.

13. RESERVE FUND FOR REALTY TAXES

The Security shall provide that the Borrower shall remit to the Lender on the first (1st) day of each month during the term of the Loan, in addition to the monthly mortgage instalments as set out under the "Repayment" heading above, a monthly instalment for realty taxes in an amount determined from time to time by the Lender to be sufficient to allow the Lender to accumulate in such reserve fund all amounts necessary for the full payment of all real property taxes, levies, assessments, improvement charges and other taxes affecting the Property, on the date these taxes become due. The sums thereby accumulated shall form part of the security of the Lender for the Loan and shall not bear any interest in favour of the Borrower.

Provided, however, that so long as the Borrower is not in default pursuant to the Loan, the Borrower, at the Lender's sole discretion, may be permitted to pay the said taxes subject to the Lender's standard tax waiver agreement, provided that the Borrower provides the Lender with receipted tax bills evidencing full payment of all taxes then due and owing levied against the Property prior to December 31st of each year of the term of the Loan.

Notwithstanding the foregoing, the Borrower shall not be required to remit monthly property tax payments to

the Lender if the Borrower is remitting monthly property tax payments under the respective municipal tax instalment payment plan or to the New First Mortgage Lender (as defined below).

14. METHOD OF PAYMENT OF MONTHLY INSTALMENTS

During the term of the Loan, the Borrower shall remit each monthly payment to the Lender by way of preauthorized debits to the Lender or as the Lender may otherwise direct.

15. SECURITY

The following security and other documentation for the Loan shall be granted in favour of the Lender or Computershare on behalf of the Lender, as the case may be, in form and content satisfactory to the Lender and its solicitors (hereinafter collectively referred to as the "Security"):

- (a) Registered second mortgage and assignment of rents in favour of Computershare on behalf of the Lender creating a second fixed charge over the Property in the Loan Amount;
- (b) Guarantee of the indebtedness and obligations of the Borrower to Computershare on behalf of the Lender as set out above under the heading "Guarantor," executed by the Guarantor;
- (c) Environmental Indemnity Agreement in favour of Computershare on behalf of the Lender from the Borrowing Entities;
- (d) General security agreement from the Borrower in favour of Computershare on behalf of the Lender creating a second fixed charge over all present and after acquired personal property (including, without limitation, accounts, equipment, appliances and fixtures) owned by the Borrower and located at or used in connection with the Property; and
- (e) All resolutions, certificates, opinions and such other documentation as deemed appropriate by Lender's solicitors.

16. ADVANCE OF THE PROCEEDS OF THE LOAN

The advance of funds under the Loan shall be conditional upon:

- (a) The Lender receiving and approving, to its complete satisfaction and that of its solicitors, the following documents in conformity with the applicable requirements that are set out in the other parts of this Commitment:
 - (i) An appraisal, prepared within the last eighteen (18) months, setting out the current fair market value of the Property, prepared by a qualified professional appraiser and accompanied by a transmittal letter that authorizes the Lender and Portfolio Manager to rely on the appraisal for mortgage lending purposes for the Property as if the Lender had retained such appraiser;
 - (ii) A environmental audit of the Property (as completed for the construction of the Property) and an update letter to the environmental audit of the Property satisfactory to the Portfolio Manager, prepared by a qualified professional engineer and accompanied by a transmittal letter that authorizes the Lender and Portfolio Manager to rely on the report for mortgage lending purposes for the Property as if the Lender had retained such consultant (environmental report received and accepted);
 - (iii) A policy of title insurance provided by Chicago Title Insurance that insures the interest of the Lender in the amount of the Loan, in the form satisfactory to the Lender;



- (iv) One copy of the "as built" plans and specifications for the Property;
- (v) A Surveyor's or architect's certificate quantifying the leasable area of the Property;
- (vi) A copy of any and all parking, reciprocal, cost-sharing, access or other agreements affecting the operation of the Property, as available;
- (vii) All risk insurance for the Property, including business interruption, boiler and general liability coverage, showing the Lender as second mortgagee and loss payee (property/boiler) and additional insured (liability) by way of standard mortgage endorsement. All insurance policies will be submitted to the Lender's insurance consultant for review at the Borrower's cost;
- (viii) An up-to-date rent roll of the Property certified by a senior financial officer of the Borrower;
- (ix) Historic operating statements of the Property for the month ended September 30, 2017;
- (x) A copy of the 2017/2018 operating budget for the Property (received and accepted);
- (xi) Full details of the existing financing on the Property (received and accepted);
- (xii) Schedule of accounts receivable at the Property with respect to rental payments, as available;
- (xiii) A copy of the Borrower's standard lease for the Property;
- (xiv) As at the Date of Advance, the Property's leases are providing for total annual Property net operating income of not less than 1.20 times the total sum of the monthly instalments of principal and interest payable annually under the Loan and the New First Mortgage to be provided by People's Trust Company (the "New First Mortgage Lender");
- (xv) A copy of the shareholder/ownership/partnership agreement for the Borrower or trust declaration, trust agreement or similar document if the Borrower is a trustee and nominee;
- (xvi) A copy of the property management agreement for the Property, if one exists;
- (xvii) Annual review engagement financial statements of each of the corporate Borrowing Entities for the most current year along with a current detailed list of all assets owned and debt outstanding thereon;
- (xviii) Up-to-date certified net worth statement of Mr. David Choo, including a current detailed list of all assets owned and debt outstanding thereon (received and accepted);
- (xix) A copy of the documentation pertaining to the New First Mortgage to be provided by the New First Mortgage Lender, with written confirmation that (i) the principal amount shall not exceed \$55,634,035, (ii) the interest rate is set at 2.96%; (iii) an amortization period of thirty (30) years; (iv) that it approves a second mortgage for the Loan in the Loan Amount; and (v) a sixty (60) day standstill agreement is required with the Lender;
- (xx) A copy of the CMHC Special Conditions to Insure relating to the New First Mortgage and satisfaction of all conditions set out therein (received and accepted);
- (xxi) Evidence that the Property is in compliance with all applicable legislative and regulatory standards and in particular but without limitation, those relating to zoning unless such is covered by title insurance policy detailed above;

- (xxii) Satisfactory results of the Lender's due diligence based on the information provided under the heading "Identification and Verification" and compliance with the requirement of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* and regulations thereunder;
 - (xxiii) The Security and any other documents relating to the Loan that the Lender and its solicitors may deem necessary, duly executed and registered and perfected, as the case may be, and all approvals required by the Lender or its solicitors shall have been given;
 - (xxiv) On or about the Date of Advance, a favourable opinion of the Lender's solicitors on all matters with respect to which such solicitors are acting on the Lender's behalf;
 - (xxv) On or about the Date of Advance, a favourable opinion of the Borrower's solicitors relating to the due incorporation of the Borrower and as to the corporate status, power and authority, due execution of this Commitment and the Security and that the Commitment and the Security constitute legal and binding obligations of the Borrower enforceable in accordance with their terms;
 - (xxvi) On or about the Date of Advance, a substantially similar opinion for the Guarantor, as applicable; and
 - (xxvii) On or about the Date of Advance, a certificate of the Borrower confirming the truth and survival of the representations and warranties contained herein.
- (b) Confirmation to the satisfaction of the Lender that the Borrower is in compliance with each of the terms and conditions of this Commitment;
 - (c) The required insurance being in place pursuant to the provisions under the heading "Insurance" below; and
 - (d) No material adverse change to any of the Borrowing Entities or Property having occurred.

The Borrower authorizes the Lender, upon fulfilment of all conditions for the advance of the proceeds of the Loan to the satisfaction of the Lender, to advance the proceeds of the Loan to the Lender's solicitors in trust, with instructions to advance such proceeds in the manner and subject to the fulfilment of all conditions for the advance of the proceeds of the Loan.

17. DATES OF EXPIRY

The Security shall be executed and delivered to the Lender's solicitors at least five (5) business days prior to the Date of Advance.

If the Loan has not been advanced on or before the Commitment Expiry Date for any reason whatsoever, this Commitment shall terminate and the rights of the parties hereto with respect to the Commitment Fee shall be determined in accordance with the provisions under the heading "Commitment Fee" below, which shall survive such termination.

Notwithstanding the foregoing, the Lender may, at its sole option from time to time, elect to extend the above mentioned date by which the Security are to be executed and registered and/or postpone the termination of this Commitment to a date that it may determine, in its sole discretion, subject to its receipt of an extension fee in an amount that will be determined by the Lender in its sole discretion. Time shall remain of the essence of this Commitment and all other terms and conditions shall remain unchanged.

18. TITLE TO THE PROPERTY AND OTHER REQUIREMENTS

The Borrower shall be the legal owner and the beneficial owner of the Property and shall have good and marketable title thereto. The personal property owned by the Borrower used for the operation of the Property, if any, and the Property shall also be free and clear of all security interests, charges, liens, mortgages, claims or other financial encumbrances, with the exception of the security provided for in this Commitment, the whole to the complete satisfaction of legal counsel for the Lender.

Except for utilities supplied to tenants by the supplier, all utility charges, taxes, other levies and charges affecting the Property shall have been paid prior to advance of the Loan, failing which they shall be paid from the proceeds of the Loan.

The Borrower shall also have fulfilled all its obligations under any laws entitling a creditor to exercise rights against the Property. In this respect, the Borrower shall provide to the appropriate taxation, municipal, utilities and other authorities an authorization by which the Lender or any person authorized by them as their solicitors, agent or manager, shall be able to obtain, in the name of the Borrower, a confirmation from such authorities that all payments, declarations and other filings of the Borrower are up to date, whether the authorities concerned have issued or will issue a default notice or demand for payment to the Borrower and whether any such notice concerns arrears. This authorization shall remain in effect until the Loan has been fully repaid.

The Borrower represents and warrants that it is not in arrears in employee source deductions, employer pension contributions and/or statutory remittances (collectively the "Employment Contributions") and there are no claims, actions or proceeding brought forward by a third party in connection with the *Wage Earner Protection Program Act* and corresponding amendments to the *Bankruptcy and Insolvency Act* and the *Companies' Creditors Arrangement Act*, as amended or in connection with Employment Contributions.

19. TITLE REPORT AND OTHER DOCUMENTS

The title report, Security and all other documents relating to the financing shall be prepared by the law firm of Bogart Robertson & Chu LLP, located at 20 Adelaide Street East, Suite 303, Toronto, Ontario, M5C 2T6; Tel: (416) 601-1991, Fax: (416) 601-0006, Attention: Mr. Brian Chu (email: bwchu@bogart-robertson-chu.com).

As soon as possible after acceptance of this Commitment, the Borrower shall deliver to the aforementioned Lender's solicitor the following documents:

- (a) required insurance policies and/or certificate of insurance (within seven (7) days);
- (b) evidence that the tax accounts have been duly paid; and
- (c) any other documents required hereunder and requested by the Lender's solicitors.

20. COMPLIANCE

As a condition of the Loan, the Property shall, prior to the date of the advance of the proceeds of the Loan, be in compliance with all applicable legislative and regulatory standards, and in particular but without limitation, those relating to zoning. No notice of non-compliance, orders to comply, deficiency notices or similar orders, notices or deficiency reports shall have been delivered in connection with the Property by any federal, provincial, municipal or other authority having jurisdiction over the Property and no litigation or judicial or administrative proceeding affecting the Borrower or the Property shall be pending or threatened. Any non-compliances which are the result of or the responsibility of tenants shall be considered reasonably by the Lender in the context of their materiality and the actions being taken by the landlord to enforce compliance pursuant to the Leases.

21. HAZARDOUS MATERIALS

Prior to the advance of the proceeds of the Loan, the Lender requires that no hazardous materials, within the meaning of the laws, both federal and provincial, relating to the environment, exists on the Property in a manner which is in violation of any law, regulation, ordinance, approval, judgment or decision relating to it. The Borrowing Entities represent and warrant that, to the best of their knowledge and belief, no hazardous materials, within the meaning of the laws, both federal and provincial, relating to the environment, exists on the Property in a manner which is in violation of any such law, regulation, ordinance, approval, judgement or decision relating to it having the force of law.

The Borrowing Entities shall indemnify and save harmless the Lender from any loss or liability whatsoever arising from any violation whatsoever of any law, regulation, ordinance, judgment, approval or decision in connection with hazardous materials or environmental risks.

22. LEASES AND REVENUES

The tenants shall, under the terms of such leases affecting the real property, have taken possession of their respective premises and pay the rent specified therein. The Lender shall require on closing an up-to-date rent roll certified by a senior financial officer of the Borrower

The Lender shall have no liability with respect to any rent owing by a tenant. No new offers to lease or leases nor any modifications with respect to an existing lease may be made at a rent or upon terms other than such as would be made by a prudent owner of a similar property in the circumstances, without prior written consent of the Lender and no rent may be paid more than one (1) month in advance.

Any security interest granted by a tenant in favour of the Borrower will be deemed assigned and transferred to and in favour of the Lender under the terms of the assignment of leases and rentals granted to the Lender.

23. REPORTING

During the term of the Loan, the Borrower will provide to the Lender such financial and supporting information as the Lender may require including the following:

- (a) annual income and expense statement of the Property within one hundred twenty (120) days after fiscal year end;
- (b) annual rent roll for the Property within one hundred twenty (120) days after fiscal year end, certified by a senior financial officer of the Borrower;
- (c) schedule of accounts receivable at the Property with respect to rental payments;
- (d) annual review engagement financial statements, including a current detailed list of all assets owned and debt outstanding thereon, of each of the (corporate) Borrowing Entities within one hundred twenty (120) days after fiscal year end;
- (e) annual certified statement of net worth, including a current detailed list of all assets owned and debt outstanding thereon, from Mr. David Choo within one hundred twenty (120) days of calendar year end;
- (f) annual appraisal reports for the Property, as available;
- (g) copies of any new commercial leases at the Property;
- (h) annually a Certificate of Status or equivalent document confirming the continued existence of the Borrower as a corporation

- (i) receipted tax bills evidencing full payment of all taxes levied against the Property within thirty (30) days of the date on which such taxes are due; and
- (j) annual renewed and updated insurance certificate of the Property.

In addition, the Borrowing Entities shall supply to the Lender from time to time, on its request (such request not to be unreasonably made), any financial information pertaining to the Borrowing Entities and Property including, without limitation, financial statements prepared as aforesaid.

24. TRANSFER OF OWNERSHIP

If any of the Borrowing Entities sells, transfers or otherwise disposes of all or any part of the Property or if ownership or control of the any of the Borrowing Entities is changed, without a mortgage assumption agreement and the prior written consent of the Lender (such consent is at the sole discretion of the Lender), or if the Property is mortgaged or charged in favour of another creditor the Lender may, in its sole discretion, demand immediate repayment of the Loan in full together with accrued interest to the date of reimbursement together with Prepayment Fee as set out under the "Prepayment" heading above.

25. CHANGE OF CONDITIONS

Should a material adverse change occur in the information supplied or in the financial stability of any of the Borrowing Entities, the Property prior to the Date of Advance, the Lender shall be entitled to terminate its obligations under the terms of this Commitment and the Commitment Fee shall be dealt with in accordance with the "Commitment Fee" heading which shall survive such termination. In such event this Commitment will become null and void and of no further effect without recourse by either party against the other.

26. INSURANCE

The Borrower shall obtain and maintain during the term of the Loan the following insurance coverage with respect to all insurable property situate in, upon and under the Property as follows:

- (a) Property Insurance: Broad Form/All Risks coverage for 100% of the reconstruction cost, including blanket bylaws, earthquake, flood and sewer backup, subject to replacement cost (same site restriction deleted) which coverage shall include stated amount coinsurance. The amount of coverage shall be for the full replacement cost of the property including debris removal, and without deduction for foundations or footings. The policy shall also include inflation protection. The Lender shall be shown as second Mortgagee and Loss Payee, subject to the IBC Standard Mortgage Clause;
- (b) Boiler and Machinery Insurance: Equipment breakdown insurance on a Comprehensive form with coverage on all electrical and mechanical equipment, air conditioning and refrigeration equipment, as well as all pressure vessels; such policy shall contain a rider with the standard mortgage clause approved by the Canadian Boiler and Machinery Underwriters' Association, with proceeds payable to the Lender as second ranking mortgage creditor;
- (c) Deductibles and Self-Insured Insurance: The insurance certificate shall indicate all deductibles and self-insured retentions, including that for the basic building, earthquake, flood, sewer backup, boiler, liability, excess and umbrella coverage;
- (d) Liability Insurance: General liability insurance in an amount of not less than Five Million Dollars (\$5,000,000) per occurrence and will list the Lender as an additional insured. The policy shall include limited pollution coverage (if applicable);
- (e) Rental Insurance: A rental income insurance policy for an amount equal to at least One Hundred

Percent (100%) of the gross annual rents (or the base rent plus the additional rent), with a 24 month indemnity period estimated at \$6,900,000 annually; and

- (f) Such other form or forms of insurance as the Lender or their insurance consultant may require from time to time in their discretion.

All insurance policies must show the Lender as the second Mortgagee and Loss Payee and the provisions relating to cancellation of the said policies, including the mortgage clause, shall provide that a notice of not less than thirty (30) days must in such event be given to the Lender.

The Borrower shall provide to the Lender such evidence as the Lender may reasonably request that all of the above required insurance is in place prior to any advance of the Loan being made.

All above required insurance policies shall be forwarded to the Lender's insurance consultant for verification and approval prior to the advance of the proceeds of the Loan. All costs for such verification and approval shall be borne by the Borrower.

27. MANAGEMENT

The Property shall be managed by the Borrower, by a company affiliated with the Borrower or by a professional arm's length manager approved by the Lender. The Borrower shall not entrust the management of the Property to a person other than those mentioned above without the prior written consent of the Lender. For the purposes hereof, "affiliated" shall have the same meaning as given thereto in the *Canada Business Corporations Act*. The Lender reserves the right to give the Borrower written notice requiring that the management of the Property be improved to the Lender's reasonable satisfaction, failing which the Lender may correct the situation to its satisfaction at the Borrower's expense, including terminating the current property manager and retaining on the Borrower's behalf a replacement property manager satisfactory to the Lender.

A management fee, not to exceed prevailing market rates, may be paid to the manager of the Property.

28. COSTS, FEES AND EXPENSES

The Borrower agrees to pay, regardless of whether any portion of the Loan is advanced, all costs, fees and expenses in connection with the transaction contemplated by this Commitment including, without limitation:

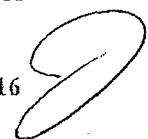
- (a) engineering, appraisal, title insurance, site inspection, architectural, credit information, insurance review and survey fees;
- (b) legal fees and disbursements of the Lender's solicitors; and
- (c) registration, recording and filing fees, transfer and mortgage taxes and the like with regard to all documents required by the Lender's solicitors to be registered, recorded or filed.

29. PROCESSING FEE

The processing fee for evaluation and processing the Loan is One Hundred and Forty Thousand Dollars (\$140,000), which is now earned and non-refundable. The Borrower has paid to the Lender a portion of the processing fee in the amount of Fifty-Six Thousand Two Hundred Fifty Dollars (\$56,250) with the balance of the Eighty-Three Thousand Seven Hundred Fifty Dollars (\$83,750) processing fee be due and payable with the execution of the Commitment Letter.

30. COMMITMENT FEE

In consideration of the issuance of this Commitment, the Borrower shall remit, together with its acceptance of



this Commitment, a commitment fee (the "Commitment Fee") in the amount of One Hundred and Twelve Thousand Dollars (\$112,000) by way of a cheque, or wire transfer, payable to ACM CMF Services Ltd. In Trust For ACM Commercial Mortgage Fund, which sum shall not bear any interest while in the possession of the Lender and shall be retained by the Lender until full advance of the proceeds of the Loan. The Commitment Fee will be refunded to the Borrower upon the advance of the Loan by the Lender.

In the event the Loan is not advanced due to the non-satisfaction of a condition of advance set out above, the Lender shall be entitled, at its sole option, to cancel its obligations under this Commitment and to retain the Commitment Fee as liquidated damages and a transaction fee and in such event, the agreement constituted by the acceptance of this Commitment shall be null and void and of no further effect, without any further recourse, claim, remedy or action by either party against the other.

31. BORROWING ENTITIES' WARRANTIES AND REPRESENTATIONS

Each of the Borrowing Entities warrants and represents to the Lender that as at the Date of Advance:

- (a) Title - the Borrower shall be the legal owner and the beneficial owner of the Property with good and marketable title thereto;
- (b) Compliance - the Property complies and will continue to comply in all material respects with all applicable building, zoning, planning, development, environmental, occupation and use requirements;
- (c) Disclosure - all information pertaining to the current use and viability of the Property and the financial condition of each of the Borrowing Entities and Property has been fully disclosed to the Lender. There is no legal action instituted, threatened or pending against the Borrower pertaining to the Property or against the Property itself, and the Borrower has no notice of any work orders, deficiency notices or notices of violation pertaining to the Property. The building has been built in accordance with plans and specifications in a good and workmanlike manner and does not, and never has, contained UFFI, PCB's or asbestos in any form;
- (d) Environmental Matters - to the best of the Borrower's knowledge and belief after due enquiry, the Property and its existing uses comply with all laws, regulations, orders and approvals of all governmental authorities having jurisdiction with respect to environmental matters applicable to the ownership, use, maintenance and operation of the Property (collectively, the "Environmental Laws") and, without limiting the generality of the foregoing:
 - (i) the Property has never been used as a land fill site or to store hazardous substances either above or below ground, in storage tanks or otherwise;
 - (ii) all hazardous substances used in connection with the business conducted at the Property have at all times been received, handled, used, stored, treated, shipped and disposed of in strict compliance with all Environmental Laws;
 - (iii) no hazardous substances have been released into the environment or deposited, discharged, placed or disposed of at, on or near the Property in violation of Environmental Laws as a result of the conduct of business on the Property; and
 - (iv) no notices of any violation of any matters referred to above relating to the Property or its use have been received by the Borrower and with respect to the Borrower or, so far as it is aware, with respect to any other person, there are no directions, writs, injunctions, orders or judgments outstanding, no lawsuits, claims, proceedings or investigations pending or threatened, relating to the ownership, use, maintenance or operation of the Property nor is there any basis for such lawsuits, claims, proceedings or investigations being instituted or filed.

For the purposes of this Commitment, a hazardous substance includes but is not limited to contaminants, pollutants, dangerous substances, gasoline, oil, liquid wastes, industrial wastes, whole liquid wastes, toxic substances, hazardous wastes, hazardous materials and hazardous substances, as defined in or pursuant to any applicable Environmental Law.

- (e) Tenant - except as set out or explained by the Borrower in the certified rent roll, each of the tenants has accepted its respective leased space, is occupying its premises in the Property pursuant to an arm's length fully executed lease, is in occupancy, has paid and is paying rent as required under its respective lease, is not claiming any deduction or set-off from the rent payable, and has not prepaid more than one (1) month's rent; and
- (f) No Construction - the Loan is not being borrowed to fund any construction on the Property. There are no construction liens outstanding and there is no possibility of a construction lien arising with respect to the original construction of the building situate upon the Property. The foregoing does not extend to any work or services performed by or on behalf of any tenant of the Property, unless the Borrower has received notice of such work pursuant to the provisions of the *Construction Lien Act* (Ontario).

All of the representations and warranties contained in the Commitment and otherwise made by each of the Borrowing Entities to the Lender shall remain true and accurate as of the Date of Advance.

32. BORROWER'S COVENANTS

The Borrower covenants to the Lender that:

- (a) Subordinate Financing - no subordinate financing of the Property is permitted;
- (b) Change of Use - no changes in the use of the Property and no material alterations; and
- (c) New First Mortgage - during the term of the Loan, the first mortgage financing of the Property is not to exceed \$55,634,035 at an interest rate of 3.15% with an amortization period of thirty (30) years

The Borrower covenants and agrees with the Lender that it will provide or execute the documentation referred to in this Commitment and subsequently will accept the advance of the Loan and that all representations made by or on behalf of the Borrower to the Lender in connection with this Loan are deemed to be representations set out and contained in this Commitment.

33. EVENTS OF DEFAULT

For the purposes of this Commitment the Loan documentation shall include, without limitation, any one or more of the following events as an "Event of Default", whether such event of default shall be voluntary or involuntary or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or other rule or regulation of any administrative or governmental body:

- (a) the Borrower fails to pay on the date upon which the same is due and payable any regular payment of principal and/or interest under the Loan;
- (b) the Borrower fails to pay on the date upon which the same is due and payable any other monies payable hereunder or under the Security, and such failure continues for a period of fifteen (15) days;
- (c) default is made in the performance or observance of any other of the terms and conditions contained in this Commitment or in any of the Security and such default is not remedied within thirty (30) days of notice of such default by the Lender;



- (d) there is a default under any of the Security which is not remedied within the applicable cure periods under such Security;
- (e) there is a default under any loan provided to any of the Borrowing Entities by the Lender or any fund managed by the Portfolio Manager;
- (f) any of the Borrowing Entities sells, transfers or otherwise disposes of any interest in the Property without the prior written consent of the Lender;
- (g) there is a sale and/or change of control of any of the (corporate) Borrowing Entities;
- (h) any representation or warranty contained in this Commitment, in the Security or in any other document or certificate furnished to the Lender in connection herewith or pursuant hereto shall prove at any time to be materially incorrect, as of the date made;
- (i) a resolution is passed or an order is made for the liquidation or winding-up of any of the Borrowing Entities;
- (j) any of the Borrowing Entities makes a proposal or general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, or a bankruptcy petition is filed or presented against it, or any of the Borrowing Entities shall be subject to any proceeding under any other provision of the Bankruptcy and Insolvency Act or any other Act for the benefit of creditors and the same not be in good faith disputed by it;
- (k) a receiver, receiver-manager or receiver and manager of any of the Borrowing Entities, or of any material part of its properties, assets or undertakings, is appointed.

If any Event of Default shall have occurred and be continuing then the Lender may declare all amounts outstanding under the Loan, including all interest and fees, if any, and all other amounts payable under this Commitment to be immediately due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower.

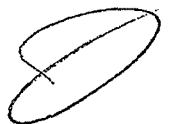
34. PRIVACY

In the course of providing you with this Commitment and the resulting Loan, the Portfolio Manager will collect personal information about you, which may include your contact information (mailing address, e-mail address, telephone number, fax number), information relating to your financial status (existing debts, personal net worth, credit history), date of birth, place of employment, your social insurance number (but only when you opt to provide it), financial statements of your company or companies, as well as annual operating statements and rent rolls for the real estate securing the Loan. The Portfolio Manager will collect your personal information directly from you as well as from financial institutions with whom you have had a relationship, references provided by you, and credit bureaus.

The Portfolio Manager will use your personal information solely for the purposes of processing and administering the Loan. To fulfil these stated purposes or as required by law, the Portfolio Manager may disclose your personal information to its external auditors.

Your personal information will be physically stored at the Portfolio Manager's office and electronically on the Portfolio Manager's secure servers for the term of the Loan.

The Portfolio Manager will at all times handle your personal information in accordance with applicable privacy laws.



The Borrower consents to the Portfolio Manager's inclusion of information relating to the Loan and the Property in its marketing material including, but not limited to: the name of the Borrower; Property information including its location and property type; and loan information including, but not limited to, its size and priority type; along with the use of photographic images of the Property.

35. **APPLICABLE LAW**

The terms and conditions of this Commitment as well as all other documents relating to the execution of the transactions provided for by this Commitment shall be governed by and interpreted in accordance with the laws of the Province of Ontario.

36. **IDENTIFICATION AND VERIFICATION**

The Borrowing Entities and other entities are required to produce information and in certain circumstances identification acceptable to the Lender, Portfolio Manager and its solicitors for the purpose of compliance with the provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* and regulations thereunder prior to any funds being advanced. The Borrower's solicitors are required to certify at the time the mortgage documentation is signed that all persons signing as or on behalf of the Borrowing Entities have been identified and verified as prescribed by the aforementioned legislation.

37. **WAIVER NO MERGER**

The terms and conditions contained in this Commitment are inserted for the exclusive benefit of the Lender and may be waived in whole or in part by the Lender at any time. This Commitment shall not merge with the Loan documentation or the advance of the Loan, but shall remain in full force and effect. In the event of inconsistency or conflict between the provisions hereof and that of the Security, the terms of the Commitment shall prevail. Silence in either the Commitment Letter or the Security, but addressed in the other shall not be deemed an inconsistency.

38. **AMENDMENT**

The terms or requirements of this Commitment or any Security may not be waived or varied orally, or by any course of conduct of any officer, employee or agent of the Lender. Any amendment to this Commitment must be in writing and signed by a duly authorized officer of the Lender and the Borrower; provided, however, that the Lender may unilaterally extend the date for return of this Commitment or receipt of any documentation upon written notice to the Borrower.

39. **NO ASSIGNMENT**

This Commitment and the monies payable pursuant thereto are not assignable in any manner by the Borrower.

40. **TIME**

Time shall be of the essence of this Commitment and the agreement created by the acceptance thereof.

41. **ENUREMENT**

This Commitment shall be binding upon the Borrower and its successors and shall enure to the benefit of the Lender and its successors and assigns.

42. **TIME FOR ACCEPTANCE**

This Commitment must be accepted and received by the Lender together with the Commitment Fee, no later than 1:00 pm Toronto time, November 9, 2017 failing which this Commitment shall become null and void



without further notice.

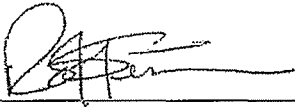
43. UNENFORCEABILITY

If any clause or paragraph of this Commitment shall be held to be unenforceable, such clause or paragraph shall be deleted here from without impairing the enforceability of the remainder hereof.

Sincerely,

ACM Advisors Ltd.

on behalf of ACM Commercial Mortgage Fund

Per: 

Rob Stevens
Associate Vice President -- Investments

Per: 

Chad Mallow
President

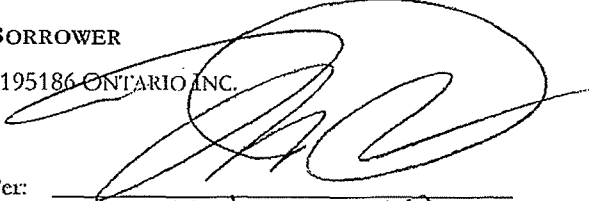


ACCEPTANCE

We hereby accept the terms and conditions set out in this Commitment on this 27 day of November, 2017.

BORROWER

2195186 ONTARIO INC.

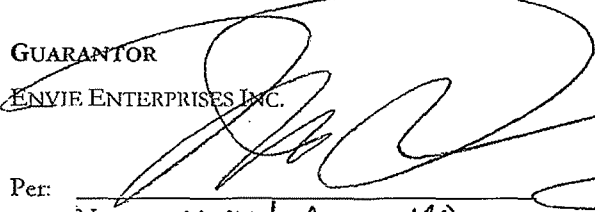
Per: 
Name: MANNY DIFILIPPO
Title: CFO

Per: _____
Name: MANNY DIFILIPPO
Title: CFO

I / We have authority to bind the corporation

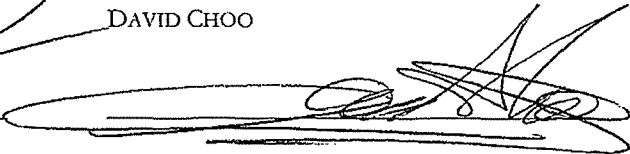
GUARANTOR

ENVIE ENTERPRISES INC.

Per: 
Name: MANNY DIFILIPPO
Title: CFO

GUARANTOR

DAVID CHOO



Per: _____
Name:
Title:

I / We have authority to bind the corporation

This is Exhibit "L" referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

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

yyyy mm dd Page 1 of 31

Properties

PIN 04102 - 0340 LT *Interest/Estate* Fee Simple
Description PART LOTS 7, 8, 9, 10, 11 AND PART LANE, AS CLOSED BY ORDER CR234928 PLAN 131037, PART 1 PLAN 4R29600; SUBJECT TO AN EASEMENT AS IN OC1804530; CITY OF OTTAWA
Address 101 CHAMPAGNE AVENUE SOUTH
 OTTAWA

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 2195186 ONTARIO INC.
Address for Service 18 Antares Drive
 Suite 102
 Nepean, Ontario
 K2E 1A9

I, David Choo, 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 COMPUTERSHARE TRUST COMPANY OF CANADA
Address for Service c/o ACM CMF Services Ltd.
 210 - 1140 Homer Street
 Vancouver, British Columbia
 V6B 2X6

Statements

Schedule: See Schedules

Provisions

Principal \$ 11,200,000.00 *Currency* CDN
Calculation Period half-yearly not in advance
Balance Due Date 2028/03/01
Interest Rate 6.25% per annum
Payments
Interest Adjustment Date 2017 12 01
Payment Date 1st monthly
First Payment Date 2018 01 01
Last Payment Date 2028 03 01
Standard Charge Terms
Insurance Amount full insurable value
Guarantor

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

Signed By

Kendra Jeri Hiltz	20 Adelaide Street East Suite 303 Toronto M5C 2T6	acting for Chargor(s)	Signed	2017 11 24
Tel	416-601-1991			
Fax	416-601-0006			

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

Submitted By

BOGART, ROBERTSON & CHU LLP	20 Adelaide Street East Suite 303 Toronto M5C 2T6		2017 11 24
Tel	416-601-1991		
Fax	416-601-0006		

Fees/Taxes/Payment

Statutory Registration Fee	\$63.65
Total Paid	\$63.65

File Number

Chargee Client File Number : 8023-025

SCHEDULE

Article I. INTERPRETATION

Section 1.01 Definitions

In this Indenture, unless there is something in the subject matter or text inconsistent therewith,

- (a) "Additional Security" means all additional security delivered to the Chargee to secure the Loan as required by the Commitment.
- (b) "Architect" means a person engaged in architectural work and a member or licensee in good standing of the Ontario Association of Architects or any successor association.
- (c) "Borrowing Entities" means the Chargor and the Indemnitor.
- (d) "Building" means the 29-storey high rise student apartment building containing 185 suites owned by the Chargor, municipally described as 101 Champagne Avenue South, Ottawa, Ontario, and constructed and located upon the Lands described in Section 2.01, and includes any other buildings and all structures, facilities and other improvements, other than buildings, structures, facilities and other improvements owned by someone other than the Chargor or removable by tenants or subtenants thereof under the Leases, including parking areas, located from time to time in, on and upon the Lands (or any additional lands which may become subject to this Charge), including any and all alterations, reconstruction or expansion thereto or thereof and any repairs or replacements during the term of this Charge.
- (e) "this Charge", "this Indenture", "these presents", "hereto", "herein", "hereof", "hereby", "hereunder", and any similar expressions refer to this Indenture and not to any particular Article, Section or other portion hereof, and includes any and every instrument supplemental or ancillary hereto or in implementation hereof.
- (f) "Charged Premises" means the Lands, Buildings and all appurtenances thereto.
- (g) "Chargee" means Computershare Trust Company of Canada as title holder for the Lender.
- (h) "Chargor" means 2195186 Ontario Inc. and its successors and permitted assigns.
- (i) "Chattels" means the goods and chattels owned by the Chargor located on or used in connection with the Charged Premises.
- (j) "City" means the City of Ottawa.
- (k) "Commitment" means the letter of commitment issued by the Lender to, *inter alios*, the Chargor, dated November 2, 2017, as amended in writing from time to time.
- (l) "Counsel" means any barrister or solicitor or firm of barristers and solicitors retained by the Chargee with regard to this Charge.
- (m) "Event of Default" shall have the meaning ascribed thereto in Section 6.01 of this Charge.
- (n) "Indemnitor" means the guarantors of the Loan as set out in the Commitment.
- (o) "Interest Adjustment Date" means the interest adjustment date set out on the first page of this Charge.
- (p) "Interest Rate" means the interest rate set out on the first page of this Charge.

- (q) "Land Registry Office" means the Land Registry Office for the Land Titles Division of Ottawa/Carleton (No. 4).
- (r) "Lands" means the lands and premises more particularly described in Section 2.01.
- (s) "Leases" and "Lease" mean, respectively, all and any present and future leases and agreements to lease of the whole or any portion of the Lands or of the whole or any part of the Building and all and any present or future licences whereby the Chargor (or any authorized representative of the Chargor) gives any other person the right to use or occupy the whole or any part of the Charged Premises, in each case for the time being in effect, and all revisions, alterations, modifications, amendments, extensions, renewals, replacements or substitutions thereof or therefor which may hereafter be effected or entered into, but do not include registered easements or rights in the nature of easements.
- (t) "Lender" means ACM CMF Services Ltd. as trustee for ACM Commercial Mortgage Fund.
- (u) "Loan" means the loan made by the Lender to the Chargor pursuant to the terms of the Commitment.
- (v) "Maturity Date" means the balance due date indicated on the first page of this Charge.
- (w) "Permitted Encumbrances" means:
- (i) all current Leases;
 - (ii) any registered subdivision, development and site plan agreements with the City revealed by the registered title to the Lands; and
 - (iii) restrictions, easements and rights in the nature of easements and other instruments revealed by the registered title to the Lands;
 - (iv) a first Charge/Mortgage in favour of Peoples Trust Company (the "**First Mortgagee**"), being Instrument No. OC1952534 registered on the 24th day of November, 2017 (the "**First Charge**"), provided that the principal amount outstanding under the First Charge does not exceed \$55,634,035.00 and the interest rate is set at 2.965% with an amortization period of thirty (30) years, together with any related general assignment of rents and leases, and other security granted by the Chargor in connection therewith as of the date of this Charge.
- (x) "Person" means a corporation, an association, a partnership, an organization, a business, an individual, a government or political subdivision thereof or a government agency.
- (y) "Portfolio Manager" means ACM Advisors Ltd. and its successors and permitted assigns.
- (z) "Principal Sum" means the amount of principal money outstanding from time to time and secured by this Charge.
- (aa) "Replacement Cost" means the cost of repairing, replacing or reinstating any item of property with materials of like kind and quality on the same or a similar site, including municipal by-laws extension, if applicable, and without deduction for physical, accounting or other depreciation.
- (bb) "Taxes" means all taxes, rates and assessments, municipal, local, parliamentary or otherwise, which now are or may hereafter be imposed, charged or levied upon the Charged Premises.

Section 1.02 Headings

The headings of all the Articles and Sections hereof are inserted for convenience of reference only and shall not affect the construction or interpretation of this Charge.

Section 1.03 Interpretation

Whenever in this Indenture a particular Article, Section or other portion thereof is referred to then, unless otherwise indicated, such reference pertains to an Article, Section or portion thereof contained herein.

Section 1.04 Currency

All dollar amounts expressed herein are expressed as being lawful money of Canada.

Section 1.05 Applicable Laws

This Indenture and the rights and obligations of the parties hereto shall be interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 1.06 Obligations Joint and Several

If more than one Person is named as, or otherwise becomes liable for or assumes the obligations and liabilities of, the Chargor hereunder, then the obligations and liabilities of all such Persons so named or who subsequently become liable for such obligations and liabilities shall be joint and several.

Section 1.07 Number and Gender

This Indenture shall be construed with all changes in number and gender required by the circumstances.

Article II. SECURITY

Section 2.01 Charge

In consideration of other good and valuable consideration and the sum of TEN DOLLARS (\$10.00) now paid by the Chargee to the Chargor, the receipt and sufficiency whereof is hereby by the Chargor acknowledged, the Chargor does hereby CHARGE unto the Chargee, its successors and assigns forever, the Chargor's interest in All and Singular that certain parcel or tract of lands and premises situate, lying and being in the City of Ottawa, more particularly described as Part of Lots 7, 8, 9, 10, 11 and Part Lane, as closed by Order CR234928, Plan 131037, designated as Part 1, 4R29600, subject to an easement as in OC1804530, City of Ottawa, being PIN 04102-0340 (LT), INCLUDING the Building and all structures, facilities and improvements (other than structures, facilities and improvements owned by someone other than the Chargor or removable by tenants or subtenants thereof under the Leases), including parking areas, now or hereafter erected or located therein and thereon and all fixed machinery, plant, equipment, apparatus and fittings and other fixtures incorporated, or now or hereafter erected or located therein or thereon, including all machines, motors, pumps, tanks, elevators, boilers, furnaces and air-conditioning units (other than any fixed machinery, plant, equipment, apparatus and fittings and other fixtures owned by someone other than the Chargor or removable by tenants or subtenants thereof under the Leases) which shall for the purposes of this Charge be fixtures and form part of the security hereunder.

Section 2.02 No Obligation to Advance and Charge for Costs

The Chargor agrees that neither the preparation, execution nor registration of this Charge shall bind the Chargee to advance the Principal Sum hereby secured, and that the advance of the Principal Sum, or any part thereof, from time to time, shall be in the full discretion of the Chargee; but nevertheless the lien or charge hereby created will take effect forthwith upon the execution of these presents by the Chargor, and in any event whether any part of the Principal

Sum hereby secured shall or shall not be advanced, the reasonable costs and expenses on a substantial indemnity basis of the examination of the title and the preparation of this Charge and related security documentation, and the valuation and inspection charges in respect thereof, shall be a charge upon the Charged Premises and shall be chargeable to the mortgage account as principal money actually advanced and shall bear interest at the rate herein provided and shall be payable forthwith, and in default of payment shall constitute an Event of Default herein.

Section 2.03 Attornment and Distress

The Chargor hereby attorns to and becomes a tenant from year to year of the Chargee, from the date of the advance of the Principal Sum, at a monthly rental equivalent to, applicable in satisfaction of and payable at the same time as the monthly instalments to be paid pursuant to this Charge, the legal relation of landlord and tenant being hereby constituted between the Chargee and the Chargor; it is agreed, however, that nothing done by virtue of this Section shall render the Chargee a mortgagee in possession so as to be accountable for any moneys except those actually received; and the Chargee may, at any time after the occurrence of an Event of Default which is continuing, enter upon the Charged Premises, or any part thereof, and determine the tenancy hereby created, without giving the Chargor any notice to quit.

Section 2.04 Chargor Failure to Perform

If the Chargor shall fail to perform any covenant on its part herein contained, the Chargee may, in its discretion, but need not, perform such covenant capable of being performed by it and, if such covenant requires the payment or expenditure of money, it may make such payment or expenditure with its own funds acting reasonably, but shall be under no obligation to do so; and all such payments shall be at once payable by the Chargor and shall bear interest at the same rate calculated in the same manner as interest payable hereunder, and shall be secured hereby, but no such performance or payment shall be deemed to relieve the Chargor from any Event of Default hereunder.

Section 2.05 Prepayment

Provided that the Chargor is not in default under the Loan, the Chargor may prepay all or a portion of the amount outstanding under the Loan prior to the Maturity Date only if the Chargor also pays to the Chargee the compensating amount (the "**Prepayment Fee**") being the amount which is the greater of:

- (a) an additional three (3) months interest on the amount prepaid, calculated at the Interest Rate under the Loan; and
- (b) the positive number, if any, obtained by subtracting the amount prepaid from the present value of all monthly payments of principal and interest, including the principal and interest due on the Maturity Date, which would have been made under the Loan in respect of the amount prepaid on and after the date of prepayment, had such prepayment not been made, such present value to be based on the Discount Rate. For the purpose of this part, the "**Discount Rate**" shall mean the yield to a purchaser of a non-callable Government of Canada bond selected by the Portfolio Manager with a term to maturity approximately equal to the remaining period of the term for such Loan had the Loan not been prepaid, calculated by the Portfolio Manager as of 12:01 p.m. Toronto time on the business day immediately prior to the date of prepayment, expressed as a rate per annum, compounded semi-annually.

The Chargor shall also pay the Prepayment Fee in the event that the Loan or any portion thereof becomes due or repayable prior to the Maturity Date as a result of a breach or default of the terms of the Commitment or the Additional Security.

Section 2.06 Overhold Period

If the Chargee is of the reasonable belief that the Chargor will not carry out its covenant pursuant to Subsection 3.01(b) hereof, the Chargee may, at its sole option extend the Maturity Date for a

period of one (1) month which extended date shall thereafter be deemed to be the Maturity Date (such extension period referred to as the “**Overhold Period**”).

During the Overhold Period, interest shall accrue on the Principal Sum at a rate equal to the greater of ten percent (10%) or a rate equivalent to the Royal Bank of Canada Prime Rate (as defined below) plus five percent (5.0%), to be calculated and payable interest only on a monthly basis. A processing fee of the greater of two-tenths of one percent (0.2%) of the Loan Amount and Two Thousand Dollars (\$2,000.00) shall be automatically added to the Principal Sum upon the Chargee providing notice to the Chargor of the Overhold Period. Notwithstanding anything to the contrary in this Charge, during the Overhold Period, the Chargor may prepay all amounts (but not a part thereof) secured by this Charge without notice, bonus or penalty. All other terms and conditions hereunder shall continue to be in full force and effect during the Overhold Period.

For the purposes of this section, “Royal Bank of Canada Prime Rate” means the rate of interest, expressed as a percentage per annum, published and quoted by the Royal Bank of Canada at its head office in Toronto, Ontario and commonly known and referred to as the prime lending rate for commercial loans in Canadian Dollars, as determined by the Chargee as at the first Banking Day of the month in which the Maturity Date occurs. “Banking Day” means a day on which the Toronto head office for the Royal Bank of Canada is open for business and which is not a Saturday, Sunday or a civic or statutory holiday.

Article III. COVENANTS BY CHARGOR

Section 3.01 Covenants

The Chargor covenants and agrees with the Chargee:

- (a) on the first date of the month following the Interest Adjustment Date and continuing on the first date of each month until the first anniversary of the Interest Adjustment Date, that it shall pay or cause to be paid to the Chargee monthly installments of interest only based on the Interest Rate;
- (b) on the first day of the month following the first anniversary of the Interest Adjustment Date and continuing on the first day of each month until the Maturity Date, that it shall pay or cause to be paid to the Chargee monthly installments of principal and interest based on the Interest Rate and an amortization period of thirty-five (35) years;
- (c) that it shall pay or cause to be paid to the Chargee the Principal Sum on the Balance Due Date of this Charge;
- (d) that it, at the time of the execution and delivery hereof, is lawfully seized of a good and marketable legal and beneficial title to the Chattels and to the Charged Premises (other than any fixed machinery, plant, equipment, apparatus and fittings and other fixtures owned by someone other than the Chargor, or removable by tenants or subtenants thereof under the Leases) and of, on and in every part and parcel thereof without any manner of trusts, reservations, limitations, provisos or conditions except the Permitted Encumbrances;
- (e) that, subject to the Permitted Encumbrances, it has good right, full power and lawful authority to charge the Charged Premises and the Chattels to the Chargee in the manner provided in Section 2.01 and according to the true intent and meaning of this Charge;
- (f) that from and after the occurrence of an Event of Default, if it shall fail to cure such Event of Default, then subject to the provisions of Article VII, and in every such case, the Chargee shall be lawfully entitled to peaceably and quietly enter into, have, hold, use, occupy, possess and enjoy the Charged Premises (other than any fixed machinery, plant, equipment, apparatus and fittings and other fixtures owned by someone other than the Chargor, or removable by tenants or subtenants thereof under the Leases) without hindrance, interruption or denial by the Chargor or any other Person or Persons whomsoever, subject to Permitted Encumbrances;

- (g) that it will repair or cause to be repaired and will keep or cause to be kept in good order and repair the Charged Premises from time to time to the standard as would be done by a prudent owner of similar property in the circumstances, and will at all reasonable times and upon reasonable prior notice, subject to the provisions of the Leases and the rights of the tenants pursuant thereto, allow the Chargee or its duly authorized representatives access to the same in order to view the state and condition thereof;
- (h) that it will forthwith and from time to time execute and do all such assurances, contracts and things (including instruments supplemental or ancillary hereto) as in the opinion of Counsel, acting reasonably, are necessary for validly giving to the Chargee the mortgage and charge hereby intended to be created and all such assurances shall be in such form as shall be reasonably required for such purpose;
- (i) that, subject to the Permitted Encumbrances, it will not create or assume or purport or attempt to create or assume any mortgage or other security on the Charged Premises or any part thereof, or on the Additional Security, ranking in priority to or *pari passu* with this Charge or the Additional Security;
- (j) that it will not remove or destroy or permit to be removed or destroyed any of the plant, machinery and equipment which are the property of the Chargor and are located on the Charged Premises without the prior written approval of the Chargee, such approval not to be unreasonably withheld or delayed; provided that nothing herein shall prevent the removal of any such property from one part of the Charged Premises to another or the temporary removal of any such property for purposes of repair and provided further that the Chargor may remove, dismantle, sell, exchange or otherwise dispose of any plant, machinery or equipment which has become obsolete, worn out, unserviceable or unnecessary for use in the conduct of the business on the Charged Premises if such plant, machinery or equipment is replaced by plant, machinery or equipment of at least equal value;
- (k) that it will not permit waste to be committed or suffered on the Charged Premises and that it will not remove or attempt to remove the Building, or any part thereof, from the Charged Premises;
- (l) that it will perform all of its obligations under the Permitted Encumbrances and the Leases;
- (m) that it will use its best efforts to have any default on the part of a tenant or sub-tenant of the Charged Premises under its Lease cured as promptly as possible;
- (n) that it will not undertake any material change, expansion or alteration of the Building or access thereto without the prior written approval of the Chargee, such approval not to be unreasonably withheld or delayed;
- (o) that it will pay, or cause to be paid, as and when the same become due and payable, all Taxes, liens, charges, encumbrances or claims which are, or may become, charges or claims against the Additional Security or the Charged Premises, or any part thereof;
- (p) that it will provide, or cause to be provided, from time to time and at all times in, on or upon the Charged Premises, sufficient parking to cover all requirements of any governmental regulation or by-law, together with such additional parking spaces as may be required in any Leases or agreements by which the Chargor is bound; and
- (q) that it will maintain at all times professional property management for the Charged Premises acceptable to the Chargee and any change in the professional property management of Charged Premises shall be subject to the approval of the Chargee, such approval not to be unreasonably withheld. The Charged Premises shall be managed by the Chargor, by a company affiliated with the Chargor or by a professional arm's length manager approved by the Lender. It is agreed by the Chargor that if at any time the Chargee becomes dissatisfied, acting reasonably, with the current or future professional property management of the Charged Premises and if the reasons for such dissatisfaction are not remedied within thirty (30) days of receipt of notice by the Chargor from the

Chargee detailing the reasons for its dissatisfaction, then the Chargor shall, at the request of the Chargee, change the professional property management within a further thirty (30) days, to such other professional property management as is acceptable to the Chargee, otherwise all sums secured hereby, including the Principal Sum then outstanding together with all interest accrued thereon, shall, at the sole option of the Chargee, forthwith become due and payable in full.

Section 3.02 No Transfer Without Consent

The Chargor covenants and agrees with the Chargee that in the event of the sale, conveyance, transfer, disposition or entering into by the Chargor of an agreement for sale or transfer of the title to all or any part of the Charged Premises to a purchaser or transferee who has not been previously approved in writing by the Chargee, which consent is at the sole discretion of the Chargee, all sums secured hereby, including the Principal Sum then outstanding together with all interest accrued thereon, together with the Prepayment Fee, shall, at the sole option of the Chargee, forthwith become due and payable in full.

It is further agreed by the Chargor that (i) the Chargor shall provide to the Chargee such documentation as the Chargee may reasonably require in order to facilitate the giving of its consent to the proposed sale or transfer, including relevant financial information to establish the financial responsibility of the proposed purchaser or transferee, and (ii) the Chargee may require that any purchaser or transferee hereunder execute an assumption agreement in favour of the Chargee agreeing to assume this Charge and any security agreements collateral hereto; and it is further provided that there shall be no release of the covenants of the Chargor notwithstanding any sale or transfer or assumption of the Chargor's obligations pursuant to this Section.

Section 3.03 Change of Control

The Chargor covenants and agrees with the Chargee that if the controlling interest in the shares of the Chargor shall be sold, assigned or transferred, or if the shareholders of the Chargor (or any of them) shall enter into an agreement of purchase and sale wherein the controlling interest of the Chargor is to be acquired by a Person not approved in writing by the Chargee, all sums secured hereby, including the Principal Sum then outstanding together with all interest accrued thereon, together with the Prepayment Fee, shall, at the sole option of the Chargee, forthwith become due and payable in full.

Section 3.04 No Subsequent Encumbrance

The Chargor covenants and agrees with the Chargee that it will not create or assume or purport or attempt to create or assume any mortgage, lien, charge, encumbrance or other security on the Charged Premises or any part thereof, other than the Permitted Encumbrances, without the prior written consent of the Chargee, and any breach of this covenant shall constitute an Event of Default hereunder and all sums secured hereby, including the Principal Sum then outstanding together with all interest accrued thereof, shall, at the sole option of the Chargee, forthwith become due and payable in full.

Section 3.05 Environmental Representations

The Chargor represents and warrants that, to the best of the Chargor's knowledge and belief after due enquiry, the Charged Premises and its existing uses comply with all laws, regulations, orders and approvals of all governmental authorities having jurisdiction with respect to environmental matters applicable to the ownership, use, maintenance and operation of the Charged Premises (collectively the "**Environmental Laws**") and, without limiting the generality of the foregoing:

- (a) the Charged Premises has never been used as a land fill site or to store hazardous substances either above or below ground, in storage tanks or otherwise;
- (b) all hazardous substances used in connection with the business conducted at the Charged Premises have at all times been received, handled, used, stored, treated, shipped and disposed of in strict compliance with all Environmental Laws;

- (c) no hazardous substances have been released into the environment or deposited, discharged, placed or disposed of at, on or near the Charged Premises as a result of the conduct of business on the Charged Premises;
- (d) no notices of any violation of any matters referred to above relating to the Charged Premises or its use have been received by the Chargor and with respect to the Chargor or, so far as it is aware, with respect to any other person, there are no directions, writs, injunctions, orders or judgments outstanding, no law suits, claims, proceedings or investigations pending or threatened, relating to the ownership, use, maintenance or operation of the Charged Premises nor is there any basis for such lawsuits, claims, proceedings or investigations being instituted or filed;
- (e) that the Charged Premises do not contain contaminants, pollutants, dangerous substances, gasoline, oil, liquid wastes, industrial wastes, whole liquid wastes, toxic substances, radioactive substances, hazardous wastes, hazardous materials and hazardous substances, as set out in or pursuant to any applicable Environmental Law and shall include without limitation, such items as friable asbestos in any form, urea formaldehyde, polychlorinated bi-phenyls (PCB's) or products treated with PCB's, that has been determined to be injurious to human life or health (hereinafter referred to as a "**Hazardous Substance**").

Section 3.06 Hazardous Substance

- (a) If any Hazardous Substance is found in or upon the Charged Premises prior to an advance of funds hereunder, other than outlined or disclosed in the Environmental Reports, the Chargee shall, be relieved of its obligation to make such an advance and the fees payable by the Chargor to the Chargee shall immediately be forfeited to the Chargee. Other than outlined or disclosed by the Environmental Reports, if any Hazardous Substance is found in or upon the Charged Premises after funds have been advanced by the Chargee to the Chargor, and the Chargor fails to implement immediate measures satisfactory to the Chargee for the removal/treatment of such Hazardous Substance, then at the Chargee's sole option the funds so advanced together with all other amounts payable pursuant to this Charge including the Yield Maintenance (as defined below) shall become immediately due and payable by the Chargor to the Chargee.
- (b) The Chargor agrees to indemnify the Chargee against any loss, costs and expenses whatsoever (including legal fees and costs incurred in the investigation, defence and settlement of a claim) arising out of the presence, handling, storage or transportation of any Hazardous Substances. The amount of any such loss shall bear interest from the time it occurs at the same rate and in the same way as the Principal Sum and shall be a charge on the Charged Premises.
- (c) With adequate prior written notice, the Chargee shall have the right to inspect the Charged Premises annually.
- (d) If deemed necessary by the Chargee, acting reasonably, the Chargee reserves the right to request an environmental audit to be performed at the expense of the Chargor.
- (e) The Chargor's obligations and liability for any loss to the Chargee under this Section 3.06 shall survive the repayment of the Principal Sum and all other moneys outstanding from time to time hereunder and shall survive this Charge.

Section 3.07 Financial Reporting

The Chargor agrees that it will provide to the Chargee the following statements certified by a responsible officer of the Chargor attesting to the accuracy of the information contained therein:

- (a) annual income and expense statement of the Charged Premises within one hundred and twenty (120) days after fiscal year end;
- (b) annual rent roll for the Charged Premises within one hundred and twenty (120) days after fiscal year end, certified by a senior financial officer of the Chargor;

- (c) schedule of accounts receivable at the Charged Premises with respect to rental payments;
- (d) annual review engagement financial statements, including a current detailed list of all assets owned and debt outstanding thereon, of each of the corporate Borrowing Entities within one hundred and twenty (120) days after fiscal year end;
- (e) annual certified statement of net worth, including a current detailed list of all assets owned and debt outstanding thereon, from the personal Indemnitor within one hundred and twenty (120) days of calendar year end;
- (f) annual appraisal reports for the Charged Premises, as available;
- (g) copies of any new commercial leases at the Charged Premises;
- (h) annually a Certificate of Status or equivalent document confirming the continued existence of the Chargor as a corporation;
- (i) receipted tax bills evidencing full payment of all taxes levied against the Charged Premises within thirty (30) days of the date on which such taxes are due;
- (j) annual renewed and updated insurance certificate of the Charged Premises; and
- (k) such other information relating to the operation of the Charged Premises as the Chargee may reasonably request.

Section 3.08 Further Assurances

The Chargor shall also deliver additional security instruments, assurances and support documents that Counsel may reasonably from time to time deem necessary or advisable.

Section 3.09 Compliance

The Chargor covenants and agrees that it will comply with all municipal building, zoning and other by-laws, statutory requirements and regulations (save and except any such non-compliance which is, in good faith, contested by the Chargor with the City or other body having jurisdiction until the final disposition thereof against the Chargor) governing the Charged Premises and all rezoning applications will be submitted to the Chargee for its prior written approval, which approval shall not be unreasonably withheld or delayed. If the Chargor fails to comply with the zoning by-laws governing the Charged Premises, or if the Chargor shall attempt to rezone the Charged Premises without the prior written approval of the Chargee, the Chargee may, in its sole discretion, declare all sums secured hereby together with accrued interest thereon and any other moneys outstanding hereunder to forthwith become due and payable in full.

Section 3.10 Construction Lien Act

- (a) The Chargor covenants with the Chargee to provide such additional security, information, documentation and assurances as may be reasonably required from time to time by the Chargee prior to the repayment of all amounts secured by this Charge, to determine and to establish and preserve, in all respects the priority of this Charge and all advances made hereunder of any rights of lien claimants pursuant to the provisions of the *Construction Lien Act*, R.S.O. 1990, C.30, as amended and/or restated from time to time, hereinafter referred to in this Section 3.05 as the "Act".
- (b) At the time of each advance there shall have been full and complete compliance with all requirements of the Act. The Chargor agrees that the Chargee shall be entitled to withhold from any advance, or pay into court as an advance, such amounts as the Chargee, acting reasonably, considers advisable to protect its interests from subordination under the provisions of the Act, and to secure the priority of the Charge over any actual or potential construction liens. Nothing in this Charge shall be construed to make the Chargee an "owner" or "payer" as defined by the Act, nor shall there be, or be deemed to be, any obligation by the Chargee to retain any holdback or otherwise or to

maintain on the Chargor's behalf any holdback which may be required to be made by the owner or payer. Any such obligation shall remain solely the Chargor's obligation. The Chargor hereby covenants and agrees to comply in all respects with the provisions of the Act.

- (c) The Chargor covenants and agrees that all improvements to the Charged Premises shall comply in all respects with the provisions of the said Act and if a construction lien is filed against all or part of the Charged Premises, then within ten (10) business days after receipt of notice thereof, the Chargor shall have the lien vacated or discharged. If the Chargor fails to do so, then in addition to its other rights provided herein, the Chargee shall be entitled to pay into court a sum sufficient to obtain an order vacating such lien or to purchase a financial guarantee bond in the form prescribed under the said Act. All reasonable costs, charges and expenses incurred by the Chargee in connection with such payment into court or in connection with the purchase of a financial guarantee bond or in connection with any legal proceedings described below, together with interest thereon at the Interest Rate, shall be added to the indebtedness and secured by the Charge and shall be payable forthwith by the Chargor to the Chargee. If any person that performs work, labour or services or that provides materials to or for the Charged Premises, names the Chargee as a party to any legal proceedings which it takes to enforce a construction lien or trust claim, then the Chargor agrees to reimburse the Chargee for, and indemnify the Chargee against any and all reasonable legal expenses (on a substantial indemnity basis) incurred by the Chargee in such legal proceedings. If any person that performs work, labour or services or that provides materials to or for the Charged Premises, names the Chargee as a party to any legal proceedings which it takes to enforce a construction lien or trust claim, then the Chargor agrees to reimburse the Chargee for, and indemnify the Chargee against any and all reasonable legal expenses (on a substantial indemnity basis) incurred by the Chargee in such legal proceedings.

Article IV. TAXES

Section 4.01 Taxes

The Chargor covenants with the Chargee that it will pay or cause to be paid, promptly as they fall due, all Taxes and will, within thirty (30) days following the date when each instalment thereof becomes due and payable, provide the Chargee with evidence reasonably satisfactory to it of payment thereof; PROVIDED THAT, subject to the terms of the Commitment:

- (a) whenever and so long as the Chargee so requires, provided that monthly tax instalments are not being paid by the Chargor to the First Mortgagor pursuant to the First Charge, the Chargor shall, on the first day of each and every month or each of the monthly instalment payment dates, pay to the Chargee, in addition to all other moneys hereby required to be paid by the Chargor, such sum as the Chargee may from time to time estimate to be required in order to provide funds sufficient to pay in full the unpaid Taxes and Taxes next becoming due and payable with regard to the then current calendar year and shall transmit to the Chargee all tax bills and other notices relative to the imposition of Taxes on the Charged Premises forthwith after receipt thereof by it;
- (b) all payments so made by the Chargor to the Chargee pursuant to this covenant shall at the option of the Chargee be either credited to an account relating to this Charge (hereinafter called the "tax account") on the Chargee's books of account or applied against the Principal Sum or other moneys due and owing hereunder;
- (c) so long as the Chargee requires such additional payments to be made, the Chargee shall, so long as no Event of Default has occurred which is continuing, pay the Taxes as they fall due or at such earlier time as the Chargee deems fit and the amount thereby expended shall be debited to the tax account to the extent that the amount in the tax account is sufficient;
- (d) any debit balance from time to time in the tax account shall not bear interest; and
- (e) the amount, if any, by which the aggregate of the Taxes which have been paid by the Chargee exceed at any time and from time to time the aggregate of all payments which

have been made by the Chargor to the Chargee pursuant to this covenant shall be payable by the Chargor forthwith on demand, failing which the Chargee may at its option either debit to the tax account or add to the Principal Sum hereof, the amount, if any, by which the tax account is insufficient.

Article V. INSURANCE

Section 5.01 Insurance Coverages

The Chargor will effect and maintain with respect to each property comprising the Charged Premises and all insurable property from time to time forming part of the Building:

- (a) insurance in a stated amount equal to the full Replacement Cost from time to time thereof against loss or damage by fire, explosion, impact by aircraft or vehicles, lightning, riot, vandalism or malicious acts, smoke, leakage from fire protective equipment, windstorm, earthquake, flood or hail, hostile fire and other perils now or hereafter from time to time embraced by or defined on a standard fire insurance policy either with extended or additional perils or alternatively perils of "All Risk", without deduction for footings, foundations or other property below ground;
- (b) comprehensive broad form boiler and machinery insurance to cover all electrical and mechanical equipment, air conditioning and refrigeration equipment, as well as hot water heating and all pressured vessels in an amount sufficient to meet industry standards for types of buildings equivalent to the Building;
- (c) rental income insurance in an amount equal to at least One Hundred Percent (100%) of the gross annual rents (or the base rent plus additional rent), with a 24 month indemnity period estimated at \$6,900,000.00 annually;
- (d) comprehensive general liability insurance against claims for personal injury, death or property damage suffered by others upon or in or about the Charged Premises and the adjoining streets and passageways by reason of the use or ownership by the Chargor of the Charged Premises with such exclusions and to such inclusive limits of not less than Five Million Dollars (\$5,000,000.00) with respect to each occurrence (with or without a retained limit) as will reasonably protect the Chargor against such loss or damage or such greater limits as the Chargee may reasonably require from time to time; and
- (e) such other form or forms of insurance as the Chargee or their insurance consultant may require from time to time in their discretion.

Section 5.02 Co-Insurance

If any policies for the insurance referred to in Section 5.01 shall contain any co-insurance clause, the Chargor shall cause any such co-insurance clause to be waived or maintain or cause to be maintained at all times a sufficient amount of such insurance to meet the requirements of any such co-insurance clause so as to prevent the Chargor from becoming a co-insurer under the terms of such policy. With respect to any co-insurance clause which is not waived as aforesaid, the Chargor shall arrange for the customary "stated amount co-insurance clause" insurance and shall in this regard file values as required under such clause.

Section 5.03 Additional Coverages

In addition to the insurance which the Chargor is required to maintain pursuant to Section 5.01, the Chargee shall be entitled to require coverage from time to time with respect to the Charged Premises for such other risks and perils and in such form or forms of insurance as may be reasonable and prudent at such time for similar properties.

Section 5.04 Premiums and Cancellations

The Chargor shall duly and punctually pay or cause to be paid all premiums and other sums of money payable for maintaining all insurance required to be maintained and effected under Section 5.01 and shall cause the Chargee to be added as "second mortgagee and loss payee" or

“additional insured with respect to the claims arising out of the operations of the insured” as applicable. Every policy of insurance shall be effected on such terms and with such insurer as may be approved by the Chargee, which approval will not be unreasonably withheld or delayed, and in the case of insurance required to be maintained pursuant to Subsection 5.01 shall have attached thereto the Insurance Bureau of Canada mortgage clause 3000 and a mortgage clause providing that such policies may not be cancelled except after thirty (30) days' notice to the Chargee or such lesser notice as may be reasonably acceptable to the Chargee. In addition, there shall be attached to each policy of insurance maintained in pursuance of the provisions hereof a specific endorsement providing that the insurer shall provide to the Chargee thirty (30) days' prior written notice of cancellation, adverse material change and/or non-renewal. In the event of failure on the part of the Chargor to maintain or cause to be maintained any insurance required by Section 5.01, the Chargee may effect such insurance and the Chargor covenants to repay to the Chargee all of the premiums paid by the Chargee, the amount thereof to be added to the Principal Sum, to bear interest at the same rate from the time of payment by the Chargee and to be payable at the time of the then next ensuing monthly payment of interest, or interest and principal. The Chargor shall deposit with the Chargee (whether or not a request has been made) either certified copies of all policies of insurance or certificates of all such policies signed by the insurers, setting forth with reasonable particularity the terms of all policies of insurance which are required to be maintained hereunder and evidencing compliance with the provisions of Sections 5.01, 5.02 and 5.04. The Chargor shall maintain the original copies of all such policies at the Chargor's address for notices hereunder and the Chargee or its authorized representative shall be entitled during normal business hours to have access thereto for the purpose of reviewing such policies and making extracts therefrom or copies thereof. The Chargor shall provide to the Chargee, on each anniversary of the Interest Adjustment Date, satisfactory evidence of all insurance coverages.

Section 5.05 Insurance Proceeds

- (a) Subject to the terms of the Commitment, and subject to the rights of the First Mortgagee pursuant to the First Charge, all proceeds of insurance from insurance policies maintained by the Chargor pursuant to Section 5.01 shall be paid to the Chargee and held by it as part of the security hereunder and, upon the occurrence of an Event of Default that is continuing, the Chargee shall have the right to apply such proceeds wholly or in part:
- (i) in reduction of the outstanding Principal Sum notwithstanding that the Principal Sum or any part thereof may not otherwise be due and payable under the Charge at that time; and/or
 - (ii) in repayment of any legal expenses and costs, on a substantial indemnity basis, incurred by the Chargee in connection with the disbursement or application of such insurance proceeds; and/or
 - (iii) in payment of any other sums owing by the Chargor to the Chargee; and/or
 - (iv) in meeting the cost of repair or reconstruction of the Charged Premises;

but unless the amount received by the Chargee is applied expressly by it in the reduction of the Principal Sum, the receipt by the Chargee of such proceeds shall not operate as payment of the Principal Sum. The Chargor further agrees to furnish, at its own expense, all necessary proofs and do all things necessary to enable the Chargee to obtain payment of the insurance proceeds to the Chargee and the production of this Charge shall be sufficient authority for the insurer to pay such proceeds to the Chargee and the insurer is hereby directed to pay same to the Chargee.

- (b) Notwithstanding Subsection 5.05(a) hereof, and subject to the provisions of Section 5.08 hereof, all proceeds of insurance from insurance policies maintained pursuant to Subsection 5.01 shall be paid to the Chargee and held by it as part of the security hereunder and, so long as an Event of Default shall not have occurred and be continuing, the insurance proceeds shall be subject to withdrawal by the Chargor, in instalments on a cost to complete basis, as the repairs or replacement progress, at the written request of the Chargor, each such request to be accompanied by the following:

- (i) a certificate signed by a senior officer of the Chargor dated not more than thirty (30) days prior to such request, said certificate to be reasonably acceptable to the Chargee, setting forth the following:
- 1) that the sum then requested either has been paid by the Chargor or is justly due to contractors, subcontractors, materialmen, engineers, architects or other persons who have rendered services or furnished materials for the repair or replacement therein specified, the names and addresses of such persons, a brief description of such services and materials, and the several amounts so paid or due to each of the said persons in respect thereto;
 - 2) that except for the amount, if any, stated in such certificate to be due for services or materials, there is no outstanding indebtedness known to the Chargor, after due inquiry, which is then due for labour, wages, materials, supplies or services in connection with such repairs or replacements and which, if unpaid, might become the basis of a contractor's lien by reason of such repair or replacement;
 - 3) that the quality of the materials used and the quality of construction following the completion of such repair or replacement is at least equivalent to the quality of the materials used and the quality of construction prior to the damage or destruction in respect of which the proceeds of insurance were then held by the Chargee; and
 - 4) that the Chargor has made arrangements satisfactory to the Chargee for financing any costs of the repairs or replacement which are not fully covered by the insurance proceeds;
- (ii) an Architect's, engineer's or cost consultant's certificate certifying the value of the work in place and the cost to complete the repairs and replacement;
- (iii) such certificates or declarations of the general contractor or general contractors effecting the repairs or replacements as the Chargee may reasonably require pertaining to previous payments made to those contractors;
- (iv) an opinion of Counsel to the effect that the property repaired or replaced is subject to the security of this Charge and that there has not been filed with respect to the Charged Premises, or any part thereof, any contractor's lien which has not been discharged except such as will be discharged by payment of the amount then requested;

PROVIDED, HOWEVER, that the Chargee shall not be obligated to disburse any insurance proceeds as provided in this Section 5.05 unless the balance of funds remaining in its hands, subsequent to each disbursement, shall be sufficient to fully complete such repair or replacement;

PROVIDED, FURTHER, that the Chargee shall be entitled to retain from such proceeds the amount required to be retained by the Chargor or the Chargee during the holdback period under any present or future act of the Legislature of the Province of Ontario as protection against construction liens. The Chargor shall pay to the Chargee, on receipt of an invoice therefor, the reasonable out-of-pocket expenses of the Chargee, including legal fees, with respect to the administration of such insurance proceeds. Failing receipt thereof, the Chargee shall be entitled to deduct the amount of such expenses from amounts requested for withdrawal. Pending withdrawal of the proceeds of such insurance such proceeds shall be invested in investments designated by the Chargor, which investments shall be for a period not in excess of one (1) year and shall be limited to the bonds, debentures or other evidence of indebtedness of or guaranteed by the Government of Canada or a Province thereof, or deposit certificates of "Canadian Schedule "1" chartered banks". Unless an Event of Default shall have occurred and be continuing, all income and other distributions on such investments shall be paid to the Chargor upon request therefor and when such interest is payable on the designated investments.

Section 5.06 Disbursement of Insurance Proceeds

Upon substantial completion of the repairs or replacement and prior to the final disbursement of the insurance proceeds, the Chargor shall provide:

- (a) the certificates and opinions required under Sections 5.05;
- (b) an appraisal report prepared by a qualified appraiser reasonably acceptable to the Chargee certifying that the value of the Building following completion of the repairs or replacement is at least equivalent to the value of the Building immediately prior to the damage or destruction in respect of which the proceeds of insurance were then held by the Chargee; and
- (c) a certified or notarial copy of the published Certificate of Substantial Performance of the construction contract entered into for the performance of the repairs or replacement or other evidence of the substantial performance of the construction contract; and
- (d) evidence of the expiration of the construction lien holdback period with no outstanding claims for lien or certificates of action having been registered on title to the Charged Premises.

Section 5.07 Repair and Restoration Covenant

The Chargor covenants and agrees that if prior to the repayment of all amounts secured by this Charge the Building, or any part or parts thereof, are totally or partially damaged or destroyed by any cause whatsoever, the Chargor, promptly after any such damage or destruction, shall immediately give the Chargee notice thereof and the Chargor shall immediately commence and proceed with all due diligence to repair and restore, or cause to be repaired and restored, the property and replace or cause to be replaced, the Building with another Building of the same type and character and to as good a condition as that so damaged or destroyed.

Article VI. EVENTS OF DEFAULT

Section 6.01 Events of Default

In this Charge, "Event of Default" means, without limitation, each and every one of the following events:

- (a) if the Chargor fails to pay on the date upon which same is due and payable any regular payment of principal and/or interest under the Loan; or
- (b) if the Chargor fails to pay the Principal Sum and any other amounts secured by this Charge on and as of the Maturity Date; or
- (c) if the Chargor defaults in the payment of any other amount payable hereunder or any portion thereof, when the same becomes due under the provisions hereof and such default continues for a period of fifteen (15) days after notice in writing has been given by the Chargee to the Chargor; or
- (d) if the Chargor defaults in observing or performing any other covenant or condition contained in this Charge, the Additional Security or the Commitment after notice in writing has been given by the Chargee to the Chargor specifying in reasonable detail such default and requiring the Chargor to put an end to the same, the Chargor fails to make good such default within a period of thirty (30) days; or
- (e) if there is a default under any of the Additional Security which is not remedied within the applicable cure periods under such Additional Security; or
- (f) if any of the Borrowing Entities shall in any court file, or consent to the filing of, a petition in bankruptcy or insolvency, or for any reorganization, readjustment, arrangement, composition or similar relief under any Canadian or other applicable law,

or for the appointment of a receiver or trustee of all or a substantial portion of the Charged Premises, or make a general assignment for the benefit of creditors or a proposal under the *Bankruptcy and Insolvency Act* (Canada), or be declared by a court of competent jurisdiction bankrupt, or if a trustee, custodian, sequestrator, receiver or receiver and manager or any other officer with similar powers shall be appointed of any of the Borrowing Entities or of the Charged Premises or any substantial part thereof; or

- (g) if prior to the repayment of all amounts secured by this Charge, the Charged Premises shall at any time fail to comply with all applicable building, zoning and other municipal by-laws, statutory requirements and regulations (save and except any such non-compliance which is, in good faith, contested by the Chargor with the City or other body having jurisdiction until the final disposition thereof against the Chargor), and if, after notice in writing of any such non-compliance has been given by the Chargee to the Chargor specifying in reasonable detail such default and requiring the Chargor to put an end to the same, the Chargor fails to make good such default within a reasonable period of time; provided, however, that a legal non-conforming use shall be deemed to be in compliance with applicable building, zoning and other municipal by-laws, statutory requirements and regulations; or
- (h) if the Chargor or a representative of the Chargor attempts or applies to re-zone the Lands or any part thereof without the prior written approval of the Chargee; or
- (i) if the Chargor charges or otherwise encumbers the Charged Premises or any part thereof or interest therein or permits any lien, charge or encumbrance thereon in breach of Section 3.04 hereof; or
- (j) if the Charged Premises are transferred or sold in breach of Section 3.02 hereof or if there has been any breach of the covenants set out therein; or
- (k) if there is a change of control of any of the Borrowing Entities in breach of Section 3.03 hereof; or
- (l) if any default shall be made under an assignment of Leases or rents affecting the Charged Premises or under a security agreement affecting chattels on the Charged Premises which is not remedied by the Chargor within the applicable cure periods thereunder, which assignment and agreement are granted as additional or collateral security to the obligations of the Chargor hereunder; or
- (m) if any representation or warranty the Chargor has given or made or hereafter gives or makes to the Chargee (whether in this Charge or otherwise) in respect of the Charged Premises, this Charge, any Lease, the Principal Sum or the affairs of the Chargor is untrue in any material respect on the date made or given; or
- (n) if the Chargor fails to observe or perform its obligations contained in the Commitment or in any of the Permitted Encumbrances registered against the title to the Charged Premises, not including the First Charge; or
- (o) if there is registered any construction lien against the interest of the Chargor in the Charged Premises or issuance of any statement of claim derived therefrom in which any priority over this Charge is asserted, unless such lien is discharged and/or vacated within forty-five (45) days of the Chargee requiring the same to be done by the Chargor (which the Chargor agrees to do); or
- (p) if an order shall be made by a court of competent jurisdiction or resolution of the directors or shareholders of any of the Borrowing Entities shall be passed for the dissolution, winding-up, or liquidation of any of the Borrowing Entities or if any application is made with respect to any of the Borrowing Entities under the *Companies' Creditors Arrangement Act* (Canada).

Section 6.02 Compound Interest

If and so long as the Chargor defaults in the payment, at the time or times herein provided for the payment thereof, of any sum of money due and payable to the Chargee under any provision hereof, the Chargor will, so long as the amount so in default or any part thereof remains in default, pay to the Chargee, in addition to any and all other sums of money payable hereunder, compound interest on the amount so in default or on so much thereof as may from time to time remain unpaid, computed from the time of such default at the rate and compounded as stipulated in this Charge for regular monthly payments and to become due and be paid on demand, and any interest which is payable under or by virtue of this Section 6.02 shall be secured hereby and shall be a charge upon the Charged Premises until paid.

Article VII. REMEDIES IN CASE OF DEFAULT

Section 7.01 Acceleration

The Chargor hereby covenants and agrees with the Chargee that upon the occurrence of an Event of Default which is continuing, the Chargee may, in its discretion and in addition to any remedy set forth or invoked pursuant to Section 7.03 hereof, declare the Principal Sum, together with interest thereon and other moneys (if any) owing hereunder, including but not limited to the Prepayment Fee, to be due and payable and the same shall forthwith become immediately due and payable to the Chargee on demand and the Chargor shall and will pay forthwith to the Chargee on demand the Principal Sum and interest then accrued hereunder and all other moneys secured hereby and interest thereon, and interest upon overdue interest as herein provided until payment is received by the Chargee, and such payment when made shall be deemed to have been made on account of the moneys due and owing under this Charge.

Section 7.02 Waiver

The Chargee may in writing at any time or times waive an Event of Default after the occurrence thereof upon such terms and conditions as it shall prescribe; provided, however, that any such waiver shall apply only to the particular Event of Default waived and shall not operate as a waiver of any other or future Event of Default.

Section 7.03 Remedies

Upon the occurrence of an Event of Default, the Chargee may, in its discretion:

- (a) take possession of all or any parts of the Charged Premises with power to exclude the Chargor and its agents and servants therefrom; complete and/or preserve and maintain the Charged Premises and make such replacements and additions thereto as they shall deem judicious; receive the rents, incomes and profits thereof of any kind whatsoever and pay therefrom all expenses of maintaining, preserving, protecting and operating the Charged Premises and all charges against the Charged Premises ranking in priority to this Charge or payment of which may be necessary to preserve or protect the Charged Premises, and pay out the remainder of the money so received, and not required for any of the purposes provided for in this Section 7.03, in accordance with the provisions of Section 8.01; in accordance with prudent real estate practice, lease any vacant space in the Charged Premises and renew from time to time any or all of the Leases; and enjoy and exercise all powers necessary to the performance of all functions provided for in this Subsection 7.03(a), including, but not in limitation thereof, the power to purchase on credit, borrow money, advance its own moneys at such rates of interest as shall be reasonable and enter into contracts and undertake obligations for the foregoing purposes upon the security hereof; provided that the Chargee shall, upon all Events of Default being made good, or waived as herein provided, restore the Charged Premises to the Chargor subject to the Charge created by this Indenture as if no Event of Default had occurred; and/or
- (b) take all such steps as the Chargee may consider necessary or desirable for the purposes of completing the Charged Premises and/or any improvements or additions thereto as the Chargee may determine and for such purposes may enter into all such contracts and undertake all such obligations as the Chargee may determine, and may give security

therefor upon the Charged Premises; provided that the Chargee shall not be under any obligation to complete the Building and/or any additions or improvements thereto; and/or

- (c) apply to a Court of competent jurisdiction for the appointment of a receiver or receiver and manager to take possession of all or such part or parts of the Charged Premises as the Chargee shall designate, with such duties, powers and obligations as the Court making the appointment shall confer; and the Chargor hereby consents to the appointment of such receiver or receiver and manager; and/or
- (d) with or without entry into possession of the Charged Premises or any part thereof, by writing duly executed by the Chargee, appoint a receiver, which term shall include a receiver and manager, 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 its stead and upon the appointment of any such receiver or receivers from time to time the following provisions shall apply:
 - (i) every such receiver shall, to the extent permitted by law, be the irrevocable agent or attorney of the Chargor for the collection of all rents falling due in respect of the Charged Premises or any part thereof whether in respect of any tenancies created in priority to this Charge or subsequent hereto;
 - (ii) every such receiver may, in the discretion of the Chargee and by writing under its corporate seal, be vested with all or any of the powers and discretions of the Chargee;
 - (iii) the Chargee may from time to time by such writing fix the reasonable remuneration of every such receiver who shall be entitled to deduct the same out of the receipts from the Charged Premises or the proceeds thereof;
 - (iv) every such receiver shall, so far as concerns the responsibility for its acts or omissions, be deemed the agent or attorney of the Chargor and in no event the agent of the Chargee;
 - (v) the appointment of every such receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the receiver in any respect and such appointment or anything which may be done by any such receiver or the removal of any such receiver or the termination of any such receivership shall not have the effect of constituting the Chargee a mortgagee in possession in respect of the Charged Premises or any part thereof;
 - (vi) every such receiver shall from time to time have the power to lease, in accordance with prudent real estate practice, any portion of the Charged Premises for such term and subject to such provisions as it may deem advisable or expedient and in so doing every such receiver shall act as the attorney or agent of the Chargor and it shall have authority to execute under seal any Lease of any such premises in the name of and on behalf of the Chargor and the Chargor undertakes to ratify and confirm whatever any such receiver may do in the premises;
 - (vii) every such receiver shall have full power to manage, operate, amend, repair, alter, complete or extend the Charged Premises or any part thereof in the name of the Chargor for the purpose of securing the payment of the Principal Sum and interest thereon;
 - (viii) no such receiver shall be liable to the Chargor to account for moneys other than cash received by it in respect of the Charged Premises or any part thereof and every such receiver shall apply such cash so received to pay in the following order:
 - 1) its reasonable remuneration as aforesaid;

- 2) all expenses properly made or incurred by it in connection with the management, operation, amendment, repair, alteration, completion or extension of or to the Charged Premises or any part thereof;
 - 3) money which may from time to time be or become charged upon the Charged Premises in priority to this Charge, and all Taxes, insurance premiums and every other proper expenditure made or incurred by it in respect of the Charged Premises or any part thereof;
 - 4) all interest due or falling due, other moneys (if any) on account of proper expenditures made or incurred by or for the Chargee and the Principal Sum, or the balance thereof, secured by this Charge; and
 - 5) thereafter any surplus remaining in the hands of every such receiver to the Chargor or its assigns; and
- (ix) the Chargee may at any time and from time to time terminate any such receivership by notice in writing, duly executed by the Chargee, to the Chargor and to any such receiver; and/or
- (e) subject to the provisions of any applicable legislation, with or without taking possession, sell all or part of the Charged Premises either as a whole or in separate parcels, at public auction or by public tender, at such time and places, subject to adjournment from time to time by the Chargee, on such reasonable terms and conditions as to upset or reserve bid or price and as to payment as the Chargee shall appoint; and if there is no purchase at such auction or tender, the Chargee may sell at private sale without further notice; and/or
- (f) realize all or any part or parts of the security hereby constituted by any other means of any nature or kind whatsoever that a Court of competent jurisdiction shall approve as being just and expedient in the circumstances having regard to the nature of the operations carried on in the Charged Premises, including any other action, suit, remedy or proceeding authorized or permitted by this Charge or by law or in equity, and not necessarily limited to those means of realization which the Court is given jurisdiction to approve by statute; and/or
- (g) with or without taking possession, take any action or proceedings to enforce the performance of any covenant contained in any of the Leases; and/or
- (h) take any action or proceedings to enforce payment of the Principal Sum and interest and other moneys secured hereunder or performance of any other covenant contained herein, or to enforce the security hereby constituted, and to bring to sale the Charged Premises or any part or parts thereof under a judgment or decree of a Court or Courts of competent jurisdiction or by the enforcement of any other legal remedy which the Chargee shall deem most effectual to protect and enforce any of its rights hereunder.

Section 7.04 Remedies Not Exclusive

No remedy herein conferred upon or reserved to the Chargee is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now existing or hereafter to exist by law or by statute as modified herein. Without limiting the generality of the foregoing, the taking of judgment or judgments on any of the covenants herein contained shall not operate as a merger of the said covenants.

Section 7.05 No Liabilities

Save and except as to claims at law or in equity to an accounting, the Chargee shall not, nor shall any receiver or receiver and manager appointed by it, be responsible or liable, otherwise than as a trustee, for any debts contracted by it, for damages to persons or property, or for salaries or non-fulfilment of contracts during any period wherein the Chargee or such receiver or receiver

and manager shall manage the Charged Premises or any part thereof upon or after entry, as herein provided.

Section 7.06 Judicial Proceedings

The Chargor covenants and agrees with the Chargee that, in the case of any judicial or other proceedings to enforce the security hereby created, judgment may be rendered against the Chargor in favour of the Chargee for any amount which may remain due in respect of the Principal Sum, interest thereon and other moneys (if any) owing hereunder after the application to the payment thereof of the proceeds of any sale of the Charged Premises or any part thereof or any Additional Security therefor.

Section 7.07 Further Assurances

In the event of any sale in accordance with the provisions of this Article VII, whether by the Chargee or under judicial proceedings, the Chargor agrees that it will execute and deliver to the purchaser on demand any instrument or assurance reasonably necessary to confirm to the purchaser the title of the property so sold, and, in the case of any such sale, the Chargee is hereby irrevocably authorized by the Chargor to execute on its behalf any such confirmatory instrument or assurance.

Section 7.08 No Inquiry Required

No person dealing with the Chargee or its agents shall be concerned to inquire whether the powers which the Chargee or such agents are purporting to exercise have become exercisable, or whether any money remains due upon the security of this Charge, or as to the necessity or expediency of the stipulations and conditions subject to which any sale shall be made, or otherwise as to the propriety or regularity of any sale or of any other dealing by the Chargee with the Charged Premises or to see to the application of any money paid to the Chargee; and in the absence of fraud on the part of such person, such dealings shall be deemed, insofar as regards the safety and protection of such person, to be within the powers hereby conferred and to be valid and effectual accordingly.

Section 7.09 Costs

The Chargee may pay all costs, charges and expenses which may be reasonably incurred in taking, recovering, and keeping possession of the Charged Premises and all reasonable fees and expenses of Counsel for or in respect of the collection of any overdue interest, principal, insurance premiums or any other moneys whatsoever payable by the Chargor hereunder whether any action or judicial proceedings to enforce such payments has been taken or not 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 rate specified in this Charge, and shall be payable forthwith by the Chargor to the Chargee.

Article VIII. APPLICATION OF MONEYS

Section 8.01 Application of Moneys

Except as herein otherwise expressly provided, the moneys arising from the possession by the Chargee of the Charged Premises, or any Additional Security therefor, or from any sale or realization of the whole or any part of the Charged Premises (except by foreclosure), or any Additional Security therefor, pursuant to any proceedings based upon an Event of Default hereunder, whether under any sale by the Chargee or by judicial proceedings or otherwise, shall be applied in the first place to pay or reimburse to the Chargee the costs, charges, expenses and advances of the Chargee incurred in taking, recovering and keeping possession of the Charged Premises or any Additional Security therefor, or generally in any other proceedings taken hereunder in connection with or to realize upon the security hereof, with interest thereon as herein provided, and all Taxes, rent and all other charges ranking in priority to the security of this Charge. The residue of the said moneys shall be applied in the following order: towards payment of the accrued and unpaid interest upon overdue interest; towards payment of accrued and unpaid interest; towards payment of the Principal Sum outstanding on account of this Charge, unless the Chargee directs payments be made in accordance with any other order of

priority, or without priority as between the Principal Sum and interest, in which case such moneys shall be applied in accordance with such direction; and the surplus (if any) of such moneys shall be paid to the Chargor or its assigns.

Article IX. LEASES

Section 9.01 Chargee Approval

The Chargee shall have the right to approve the form and content of all proposed Leases and the Chargor's standard form of Lease and any proposed amendments thereto of a material nature from time to time, which approvals will not be unreasonably withheld or delayed.

Section 9.02 Further Assignment

Save and except any assignment granted in connection with the First Charge, the Chargor covenants and agrees with the Chargee that it will not at any time prior to the repayment of all amounts secured by this Charge assign, pledge or hypothecate any of the Leases or the rents and revenues due or to become due thereunder, or any portions thereof, unless such assignment, pledge or hypothecation is by its terms made subject and subordinate in all respects to this Charge and the Assignment of Rents collateral to this Charge which has been given by the Chargor to the Chargee.

Section 9.03 Specific Assignment of Leases

For the consideration recited in Section 2.01 and as further security for the repayment of the Principal Sum and interest thereon and for the performance of the covenants herein contained, the Chargor shall, from time to time and at any time, at the request of the Chargee, execute and deliver to the Chargee a specific assignment of any of the Leases in such form and on such terms as may be reasonably required by the Chargee.

Section 9.04 Lease Information

If requested by the Chargee, the Chargor shall, within ninety (90) days following the end of each Lease year, furnish to the Chargee an up-to-date rent roll for the Charged Premises, copies of all new Leases and a statement certified by an officer of the Chargor indicating whether or not the Leases are in good standing as of the end of such Lease year or, if not, the particulars of any default.

Section 9.05 Termination or Surrender of Lease

The Chargor covenants and agrees that it shall not terminate or forfeit or take any action to terminate or forfeit or suffer or permit anything allowing any Lessee under its Lease to terminate or accept or agree to the surrender of the Lease unless the prior written consent of the Chargee has been obtained.

Article X. EXPROPRIATION

Section 10.01 Expropriations

Should all or any part of the Charged Premises at any time or from time to time be taken by the exercise of any power of expropriation or under any other similar power or by sale in reasonable anticipation thereof, the Chargor shall deposit with the Chargee the compensation for such property to the extent that Persons other than the Chargor are not entitled thereto in priority to the Chargee and in the event the Chargor proposes, or proceeds, to sell any part of the Charged Premises in anticipation of expropriation, as aforesaid, it shall first obtain the written consent of the Chargee thereto, which consent shall not be unreasonably withheld or delayed.

Section 10.02 Representation

In any proceedings for the taking of any part of the Charged Premises by the exercise of any of the aforesaid powers, the Chargee shall be entitled to be represented by Counsel.

Section 10.03 Trust Moneys

For the purposes of this Article X, the term "Trust Moneys" means moneys deposited with the Chargee under Subsection 10.01, together with all income and profits from investments of Trust Moneys made by the Chargee pursuant to Section 10.04.

Section 10.04 Investment of Trust Moneys

All Trust Moneys from time to time received by the Chargee shall be held by it as part of the security for this Charge subject to application as provided for in this Article X. Pending such application, the Trust Moneys shall be held and invested in investments designated by the Chargor, which investments shall be for a period not in excess of one (1) year and be limited to bonds, debentures or other evidence of indebtedness of or guaranteed by the Government of Canada or a Province thereof on terms reasonably satisfactory to the Chargee, or deposit certificates of "Canadian Schedule "I" chartered banks".

Section 10.05 Application of Trust Moneys

In case the whole or substantially the whole of the Charged Premises shall be taken by exercise of any of the powers referred to in Section 10.01 or sold in reasonable anticipation thereof, the Trust Moneys shall be applied by the Chargee to the reduction of the Principal Sum outstanding. Should the Trust Moneys, together with all other assets held by the Chargee and available for the purpose, not be sufficient to pay off the outstanding Principal Sum and all interest thereon and other moneys (if any) outstanding thereunder, the Trust Moneys shall be applied to the reduction of the Principal Sum as aforesaid and the Chargor hereby covenants to pay to the Chargee an amount sufficient, together with the Trust Moneys and the said other assets, to effect the payment of all of the Principal Sum outstanding, interest thereon, and other moneys owing hereunder.

Section 10.06 Disbursement of Trust Moneys

Subject to Section 10.05, Section 10.07 and Section 10.09, and provided that no Event of Default has occurred which is continuing:

- (a) Trust Moneys received and retained by the Chargee may be withdrawn by the Chargor on request if the Trust Moneys in respect of any one exercise of such power of expropriation or sale in reasonable anticipation thereof do not exceed \$25,000.00;
- (b) Trust Moneys received and retained by the Chargee may be withdrawn by the Chargor on request, if the Trust Moneys in respect of any one exercise of such power of expropriation or sale in reasonable anticipation thereof exceed \$25,000.00, but only for the purpose of reimbursing the Chargor for the cost of constructing, reconstructing, repairing, altering or replacing the Building, the Lands or any part thereof, respectively, in which event the Chargee shall pay such moneys to or upon the written order of the Chargor upon receipt by it of:
 - (i) the certificate signed by the Chargor describing the purpose for which the moneys are required and stating the costs of constructing, reconstructing, repairing, altering or replacing, and a certificate from an Architect, engineer or cost consultant in charge of, or supervising, such construction, reconstruction, repair, alteration or replacement as to such costs and showing the computation thereof in reasonable detail; and
 - (ii) such evidence as the Chargee may reasonably require in support of such certificate of such costs and showing that such construction, reconstruction, repair, alteration or replacement, as the case may be, has been completed; and

- (iii) if required by the Chargee, an opinion of Counsel that the property constructed, reconstructed, repaired, altered or replaced, as the case may be, is, or prior to or contemporaneously with such payment will become, subject to this Charge, free of all other liens and encumbrances ranking *pari passu* or prior hereto, save for Permitted Encumbrances; and
- (c) Trust Moneys received and retained by the Chargee may be withdrawn pursuant to Subsection 10.06(b) in part at reasonable intervals by the Chargor from time to time as the work of constructing, reconstructing, repairing, altering or replacing the Building, the Lands or any part thereof, respectively, progresses for the purpose of paying or reimbursing it for the cost of work then done.

Any Trust Moneys referred to in Subsection 10.06(b) which are not withdrawn pursuant to Subsection 10.06(b) or(c) within ninety (90) days following the full completion of any and all constructing, reconstructing, repairing, altering or replacing the Building, the Lands or any part thereof, respectively, shall, at the option of the Chargee, either be applied by the Chargee to the reduction of the Principal Sum outstanding on account of this Charge or be repaid to the Chargor.

Section 10.07 Chargee Approval

Prior to the withdrawal of Trust Moneys by the Chargor pursuant to Section 10.06, the Chargor shall obtain from the Chargee, in writing, approval of any proposed construction, reconstruction, repair, alteration or replacement (which approval shall not be unreasonably withheld or delayed) except where the proceeds of expropriation or sale, in any one case, do not exceed \$500,000.00; provided, however, that the Chargee will only disapprove if in the reasonable assessment of the Chargee such proposed construction, reconstruction, repair, alteration or replacement will adversely affect the operation of the Charged Premises or the market value of the security of this Charge, including any Additional Security.

Section 10.08 Disbursement of Trust Moneys after Repayment of Charge

Upon the payment in full of all amounts owing on this Charge, the Chargee, subject to the proviso contained in Section 10.09, shall pay to the Chargor the balance of any Trust Moneys then remaining in its hands.

Section 10.09 Application of Trust Moneys

In no case shall the receipt of Trust Moneys by the Chargee be deemed to be a payment on account of this Charge nor shall the security created hereby be affected by reason of such receipt; provided, however, upon the occurrence of an Event of Default which is continuing, the Chargee shall be entitled, at its option, to apply Trust Moneys towards payment of the Principal Sum for the time being outstanding, and the accrued and unpaid interest thereon.

Section 10.10 Injurious Affection

Where and to the extent applicable, the provisions of this Article X shall extend to compensation for injurious affection.

Article XI. GENERAL

Section 11.01 Prior to Event of Default

It is hereby further expressly declared and agreed by and between the Chargor and the Chargee that until the occurrence of an Event of Default and while same is continuing, the Chargor shall peaceably and quietly have, hold, use, occupy, possess and enjoy the Charged Premises and the subject matter of the Additional Security and manage and operate the same and receive and take the rents, revenues and other profits thereof for its own use and benefit without hindrance, interruption or denial of or by the Chargee or any other Person or Persons whomsoever claiming by, from or under the Chargee.

Section 11.02 True Copy

The Chargor acknowledges receipt of a true copy of this Charge.

Section 11.03 Discharge

The Chargee shall, at the written request and expense of the Chargor, cancel and discharge this Charge and execute and deliver to the Chargor such instruments as shall be requisite to discharge this Charge and to release or reconvey to the Chargor any property subject to the lien hereof and to settle and discharge to the Chargor any Additional Security given with respect to this Charge relating to the Leases, Chattels or otherwise, provided that the Chargor shall have first paid to the Chargee the full Principal Sum and interest due hereunder in the manner and at the times herein provided, and also all other moneys payable hereunder by the Chargor; and provided further that the Principal Sum shall have matured either by effluxion of time or otherwise pursuant to this Charge or the Chargor is, or becomes, legally entitled to pay the Principal Sum secured under this Charge.

Section 11.04 Chargee Not Bound

The Chargee shall not be bound to do, observe or perform or to see to the observance or performance by the Chargor of any of the obligations herein imposed upon the Chargor, nor in any other way to supervise or interfere with the conduct of the Chargor's operations of the Charged Premises.

Section 11.05 No Merger of Commitment and Paramountcy

There shall not be deemed to be any merger of this Charge nor of the rights and interests of the Chargee hereunder with the Commitment, all of the terms and provisions of which shall survive the closing of the advance of the Principal Sum hereunder, provided however that in the event of any discrepancy, conflict or inconsistency between the terms and provisions of this Charge and the Commitment, the terms and provisions of the Commitment shall prevail.

Section 11.06 No Merger of Estates

There shall not be deemed to be any merger of this Charge nor of the rights and interests of the Chargee hereunder with the freehold or leasehold estates in the Lands nor with the reversion and rights and interests under any Lease by reason of the fact that the same Person may own or acquire, directly or indirectly, two or more of such estates, rights or interests.

Section 11.07 No Merger Upon Judgment

The obtaining of a judgment or judgments on any covenant herein contained shall not operate as a merger of such covenant or affect the Chargee's right to interest at the interest rate as herein provided.

Section 11.08 Severability

If any covenant or condition in this Charge contained shall be void for any reason, it shall be severed from the remainder of the provisions hereof and such remainder shall remain in full force and effect notwithstanding such severance.

Section 11.09 Remedies Not Exclusive

In the event that the Chargee, in addition to the Charged Premises secured hereunder, holds any further additional securities on account of the indebtedness secured herein, it is agreed that no single or partial exercise by the Chargee of any of the remedies specified in Article VII hereof or under any of such additional securities shall preclude any other and further exercise of any other right, power or remedy pursuant to this Charge or pursuant to any of such additional securities. The Chargee shall at all times have the right to proceed against all or any portion of the Charged Premises or such additional security in such order and in such manner as it shall in its discretion deem fit without waiving any rights which the Chargee may have with respect to any and all of

such additional securities, and the exercise of any such powers or remedies from time to time shall in no way affect any other powers or remedies which the Chargee may have pursuant to this Charge, any such additional security, or at law or in equity.

Section 11.10 Payments for Prior Encumbrances

In the event that the Chargee is at any time or from time to time prior to the repayment of all amounts secured by this Charge required to make a payment to defeat or honour the priority of a lien claimant, any such payment or payments, and the reasonable out-of-pocket expenses of the Chargee, including reasonable legal fees on a substantial indemnity basis, shall be at once payable by the Chargor and shall bear interest at the same rate calculated in the same manner as interest payable hereunder, and shall be secured hereby.

Section 11.11 Exclusion of Deemed Covenants

In accordance with Subsection 7(3) of the *Land Registration Reform Act* (Ontario) as amended from time to time, the covenants deemed to be included in a charge by Subsection 7(1) of the said *Land Registration Reform Act* are expressly excluded from this Charge.

Section 11.12 Criminal Rate of Interest

It is not the intention of this Charge to violate any provisions of the Interest Act (Canada), the Criminal Code (Canada) (the "Code") or any other statute dealing with permitted rates of interest in the Province of Ontario or in Canada. Notwithstanding any provisions set out herein, in no event shall the "interest" (as that term is defined in the Code) exceed the "criminal rate" (as defined therein) of interest on the "credit advanced" (as defined therein) stipulated under the said legislation. In the event that it is determined at any time that, by virtue of the Commitment, this Charge or any other document given as security for the herein contemplated loan, the payments of interest required to be made by the Chargor exceed the "criminal rate", then the Chargor shall only be required to pay interest at the highest rate permitted by law. Nothing herein shall invalidate any requirements for payment pursuant to the Commitment, this Charge, any Additional Security or such other security documents, and any excess interest paid to the Chargee shall be refunded to the Chargor and the provisions of this Charge shall in all respects be deemed to be amended accordingly.

Article XII. FUNDING

Section 12.01 Commitment Letter Provisions

The terms, covenants and conditions set forth and contained in the Commitment pertaining to the funding of the Principal Sum shall be deemed to be terms and conditions of this Charge as fully and effectively as if the same were herein set forth and contained.

Article XIII. NOTICE

Section 13.01 Notice

Any notice, election, demand, declaration or request which may or is required to be given or made pursuant to this Charge shall (unless otherwise required by law) be given or made in writing and may be served personally upon any officer of the party for whom it is intended or mailed by prepaid registered mail in Ontario:

- (a) in the case of the Chargor, addressed to or in care of:

18 Antares Drive
Suite 102
Nepean, Ontario
K2E 1A9

Attention: David Choo
Facsimile No.: (613) 226-7161

(b) in the case of the Chargee, addressed in care of:

ACM CMF Services Ltd. as trustee for
ACM Commercial Mortgage Fund
c/o ACM Advisors Ltd.
210-1140 Homer Street
Vancouver, British Columbia
V6B 2X6

Attention: Ishbel Buchan, Senior Vice President, Investments
Fax No.: (604) 682-3265

or such other address or in care of such other officer as a party may from time to time advise to the other party hereto by notice in writing, as aforesaid. The date of receipt of any such notice, election, demand, declaration or request shall be the date of delivery of such notice, election, demand, declaration or request if delivered personally or, if mailed as aforesaid, shall be deemed to be the fifth (5th) business day next following the date of such mailing. If at the date of any such mailing, there is a general interruption in the operation of the postal service of Canada which does or is likely to delay the delivery by mail of such notice, election, demand, declaration or request, it shall be served personally.

[End of Document]

ACM Commercial Mortgage Fund - Term Loan Amortization Schedule

Borrower : 2195186 Ontario Inc.
 Property : 10 Champagne Ave, Ottawa, ON

Loan Amount :	\$11,200,000.00	Loan Term :	10.25 years
Monthly Payment :	*As per schedule	Amortization Period :	*As per schedule
First Payment :	January 1, 2018	Nominal Rate :	6.250%
Final Payment :	March 1, 2028	Effective Annual Rate :	6.348%

PAYMENT NUMBER	DATE OF PAYMENT	TOTAL PAYMENT	INTEREST PORTION	PRINCIPAL PORTION	PRINCIPAL BALANCE
IAD					\$ 11,200,000.00
1	1-Jan-18	\$ 57,587.98	\$ 57,587.98	\$ -	\$ 11,200,000.00
2	1-Feb-18	\$ 57,587.98	\$ 57,587.98	\$ -	\$ 11,200,000.00
3	1-Mar-18	\$ 57,587.98	\$ 57,587.98	\$ -	\$ 11,200,000.00
4	1-Apr-18	\$ 57,587.98	\$ 57,587.98	\$ -	\$ 11,200,000.00
5	1-May-18	\$ 57,587.98	\$ 57,587.98	\$ -	\$ 11,200,000.00
6	1-Jun-18	\$ 57,587.98	\$ 57,587.98	\$ -	\$ 11,200,000.00
7	1-Jul-18	\$ 57,587.98	\$ 57,587.98	\$ -	\$ 11,200,000.00
8	1-Aug-18	\$ 57,587.98	\$ 57,587.98	\$ -	\$ 11,200,000.00
9	1-Sep-18	\$ 57,587.98	\$ 57,587.98	\$ -	\$ 11,200,000.00
10	1-Oct-18	\$ 57,587.98	\$ 57,587.98	\$ -	\$ 11,200,000.00
11	1-Nov-18	\$ 57,587.98	\$ 57,587.98	\$ -	\$ 11,200,000.00
12	1-Dec-18	\$ 57,587.98	\$ 57,587.98	\$ -	\$ 11,200,000.00
13	1-Jan-19	\$ 65,146.04	\$ 57,587.98	\$ 7,558.07	\$ 11,192,441.93
14	1-Feb-19	\$ 65,146.04	\$ 57,549.11	\$ 7,596.93	\$ 11,184,845.00
15	1-Mar-19	\$ 65,146.04	\$ 57,510.05	\$ 7,635.99	\$ 11,177,209.01
16	1-Apr-19	\$ 65,146.04	\$ 57,470.79	\$ 7,675.25	\$ 11,169,533.76
17	1-May-19	\$ 65,146.04	\$ 57,431.33	\$ 7,714.72	\$ 11,161,819.04
18	1-Jun-19	\$ 65,146.04	\$ 57,391.66	\$ 7,754.39	\$ 11,154,064.66
19	1-Jul-19	\$ 65,146.04	\$ 57,351.79	\$ 7,794.26	\$ 11,146,270.40
20	1-Aug-19	\$ 65,146.04	\$ 57,311.71	\$ 7,834.33	\$ 11,138,436.07
21	1-Sep-19	\$ 65,146.04	\$ 57,271.43	\$ 7,874.62	\$ 11,130,561.45
22	1-Oct-19	\$ 65,146.04	\$ 57,230.94	\$ 7,915.10	\$ 11,122,646.35
23	1-Nov-19	\$ 65,146.04	\$ 57,190.24	\$ 7,955.80	\$ 11,114,690.54
24	1-Dec-19	\$ 65,146.04	\$ 57,149.33	\$ 7,996.71	\$ 11,106,693.84
25	1-Jan-20	\$ 65,146.04	\$ 57,108.22	\$ 8,037.83	\$ 11,098,656.01
26	1-Feb-20	\$ 65,146.04	\$ 57,066.89	\$ 8,079.16	\$ 11,090,576.85
27	1-Mar-20	\$ 65,146.04	\$ 57,025.35	\$ 8,120.70	\$ 11,082,456.16
28	1-Apr-20	\$ 65,146.04	\$ 56,983.59	\$ 8,162.45	\$ 11,074,293.70
29	1-May-20	\$ 65,146.04	\$ 56,941.62	\$ 8,204.42	\$ 11,066,089.28
30	1-Jun-20	\$ 65,146.04	\$ 56,899.44	\$ 8,246.61	\$ 11,057,842.67
31	1-Jul-20	\$ 65,146.04	\$ 56,857.03	\$ 8,289.01	\$ 11,049,553.67
32	1-Aug-20	\$ 65,146.04	\$ 56,814.41	\$ 8,331.63	\$ 11,041,222.04
33	1-Sep-20	\$ 65,146.04	\$ 56,771.57	\$ 8,374.47	\$ 11,032,847.57
34	1-Oct-20	\$ 65,146.04	\$ 56,728.51	\$ 8,417.53	\$ 11,024,430.04
35	1-Nov-20	\$ 65,146.04	\$ 56,685.23	\$ 8,460.81	\$ 11,015,969.23
36	1-Dec-20	\$ 65,146.04	\$ 56,641.73	\$ 8,504.31	\$ 11,007,464.92
37	1-Jan-21	\$ 65,146.04	\$ 56,598.00	\$ 8,548.04	\$ 10,998,916.87

ACM Commercial Mortgage Fund - Term Loan Amortization Schedule

Borrower : 2195186 Ontario Inc.
 Property : 10 Champagne Ave, Ottawa, ON

Loan Amount :	\$11,200,000.00	Loan Term :	10.25 years
Monthly Payment :	*As per schedule	Amortization Period :	*As per schedule
First Payment :	January 1, 2018	Nominal Rate :	6.250%
Final Payment :	March 1, 2028	Effective Annual Rate :	6.348%

PAYMENT NUMBER	DATE OF PAYMENT	TOTAL PAYMENT	INTEREST PORTION	PRINCIPAL PORTION	PRINCIPAL BALANCE
38	1-Feb-21	\$ 65,146.04	\$ 56,554.05	\$ 8,591.99	\$ 10,990,324.88
39	1-Mar-21	\$ 65,146.04	\$ 56,509.87	\$ 8,636.17	\$ 10,981,688.71
40	1-Apr-21	\$ 65,146.04	\$ 56,465.47	\$ 8,680.58	\$ 10,973,008.13
41	1-May-21	\$ 65,146.04	\$ 56,420.83	\$ 8,725.21	\$ 10,964,282.92
42	1-Jun-21	\$ 65,146.04	\$ 56,375.97	\$ 8,770.07	\$ 10,955,512.85
43	1-Jul-21	\$ 65,146.04	\$ 56,330.88	\$ 8,815.17	\$ 10,946,697.68
44	1-Aug-21	\$ 65,146.04	\$ 56,285.55	\$ 8,860.49	\$ 10,937,837.19
45	1-Sep-21	\$ 65,146.04	\$ 56,239.99	\$ 8,906.05	\$ 10,928,931.14
46	1-Oct-21	\$ 65,146.04	\$ 56,194.20	\$ 8,951.84	\$ 10,919,979.30
47	1-Nov-21	\$ 65,146.04	\$ 56,148.17	\$ 8,997.87	\$ 10,910,981.42
48	1-Dec-21	\$ 65,146.04	\$ 56,101.91	\$ 9,044.14	\$ 10,901,937.29
49	1-Jan-22	\$ 65,146.04	\$ 56,055.40	\$ 9,090.64	\$ 10,892,846.64
50	1-Feb-22	\$ 65,146.04	\$ 56,008.66	\$ 9,137.38	\$ 10,883,709.26
51	1-Mar-22	\$ 65,146.04	\$ 55,961.68	\$ 9,184.37	\$ 10,874,524.90
52	1-Apr-22	\$ 65,146.04	\$ 55,914.45	\$ 9,231.59	\$ 10,865,293.31
53	1-May-22	\$ 65,146.04	\$ 55,866.99	\$ 9,279.06	\$ 10,856,014.25
54	1-Jun-22	\$ 65,146.04	\$ 55,819.28	\$ 9,326.77	\$ 10,846,687.48
55	1-Jul-22	\$ 65,146.04	\$ 55,771.32	\$ 9,374.72	\$ 10,837,312.76
56	1-Aug-22	\$ 65,146.04	\$ 55,723.12	\$ 9,422.93	\$ 10,827,889.83
57	1-Sep-22	\$ 65,146.04	\$ 55,674.67	\$ 9,471.38	\$ 10,818,418.46
58	1-Oct-22	\$ 65,146.04	\$ 55,625.97	\$ 9,520.08	\$ 10,808,898.38
59	1-Nov-22	\$ 65,146.04	\$ 55,577.02	\$ 9,569.03	\$ 10,799,329.35
60	1-Dec-22	\$ 65,146.04	\$ 55,527.81	\$ 9,618.23	\$ 10,789,711.12
61	1-Jan-23	\$ 65,146.04	\$ 55,478.36	\$ 9,667.68	\$ 10,780,043.44
62	1-Feb-23	\$ 65,146.04	\$ 55,428.65	\$ 9,717.39	\$ 10,770,326.05
63	1-Mar-23	\$ 65,146.04	\$ 55,378.69	\$ 9,767.36	\$ 10,760,558.69
64	1-Apr-23	\$ 65,146.04	\$ 55,328.46	\$ 9,817.58	\$ 10,750,741.11
65	1-May-23	\$ 65,146.04	\$ 55,277.98	\$ 9,868.06	\$ 10,740,873.05
66	1-Jun-23	\$ 65,146.04	\$ 55,227.24	\$ 9,918.80	\$ 10,730,954.25
67	1-Jul-23	\$ 65,146.04	\$ 55,176.24	\$ 9,969.80	\$ 10,720,984.45
68	1-Aug-23	\$ 65,146.04	\$ 55,124.98	\$ 10,021.06	\$ 10,710,963.39
69	1-Sep-23	\$ 65,146.04	\$ 55,073.46	\$ 10,072.59	\$ 10,700,890.81
70	1-Oct-23	\$ 65,146.04	\$ 55,021.66	\$ 10,124.38	\$ 10,690,766.43
71	1-Nov-23	\$ 65,146.04	\$ 54,969.61	\$ 10,176.44	\$ 10,680,589.99
72	1-Dec-23	\$ 65,146.04	\$ 54,917.28	\$ 10,228.76	\$ 10,670,361.23
73	1-Jan-24	\$ 65,146.04	\$ 54,864.69	\$ 10,281.35	\$ 10,660,079.88
74	1-Feb-24	\$ 65,146.04	\$ 54,811.82	\$ 10,334.22	\$ 10,649,745.66
75	1-Mar-24	\$ 65,146.04	\$ 54,758.69	\$ 10,387.36	\$ 10,639,358.30

E&OE

Please note that this schedule is only valid if each payment is made on its due date.

ACM Commercial Mortgage Fund - Term Loan Amortization Schedule

Borrower : 2195186 Ontario Inc.
 Property : 10 Champagne Ave, Ottawa, ON

Loan Amount :	\$11,200,000.00	Loan Term :	10.25 years
Monthly Payment :	*As per schedule	Amortization Period :	*As per schedule
First Payment :	January 1, 2018	Nominal Rate :	6.250%
Final Payment :	March 1, 2028	Effective Annual Rate :	6.348%

PAYMENT NUMBER	DATE OF PAYMENT	TOTAL PAYMENT	INTEREST PORTION	PRINCIPAL PORTION	PRINCIPAL BALANCE
76	1-Apr-24	\$ 65,146.04	\$ 54,705.28	\$ 10,440.77	\$ 10,628,917.54
77	1-May-24	\$ 65,146.04	\$ 54,651.59	\$ 10,494.45	\$ 10,618,423.09
78	1-Jun-24	\$ 65,146.04	\$ 54,597.63	\$ 10,548.41	\$ 10,607,874.68
79	1-Jul-24	\$ 65,146.04	\$ 54,543.40	\$ 10,602.65	\$ 10,597,272.03
80	1-Aug-24	\$ 65,146.04	\$ 54,488.88	\$ 10,657.16	\$ 10,586,614.87
81	1-Sep-24	\$ 65,146.04	\$ 54,434.08	\$ 10,711.96	\$ 10,575,902.91
82	1-Oct-24	\$ 65,146.04	\$ 54,379.00	\$ 10,767.04	\$ 10,565,135.87
83	1-Nov-24	\$ 65,146.04	\$ 54,323.64	\$ 10,822.40	\$ 10,554,313.47
84	1-Dec-24	\$ 65,146.04	\$ 54,268.00	\$ 10,878.05	\$ 10,543,435.42
85	1-Jan-25	\$ 65,146.04	\$ 54,212.06	\$ 10,933.98	\$ 10,532,501.44
86	1-Feb-25	\$ 65,146.04	\$ 54,155.84	\$ 10,990.20	\$ 10,521,511.24
87	1-Mar-25	\$ 65,146.04	\$ 54,099.33	\$ 11,046.71	\$ 10,510,464.53
88	1-Apr-25	\$ 65,146.04	\$ 54,042.53	\$ 11,103.51	\$ 10,499,361.02
89	1-May-25	\$ 65,146.04	\$ 53,985.44	\$ 11,160.60	\$ 10,488,200.42
90	1-Jun-25	\$ 65,146.04	\$ 53,928.06	\$ 11,217.99	\$ 10,476,982.43
91	1-Jul-25	\$ 65,146.04	\$ 53,870.38	\$ 11,275.67	\$ 10,465,706.77
92	1-Aug-25	\$ 65,146.04	\$ 53,812.40	\$ 11,333.64	\$ 10,454,373.12
93	1-Sep-25	\$ 65,146.04	\$ 53,754.12	\$ 11,391.92	\$ 10,442,981.20
94	1-Oct-25	\$ 65,146.04	\$ 53,695.55	\$ 11,450.49	\$ 10,431,530.71
95	1-Nov-25	\$ 65,146.04	\$ 53,636.67	\$ 11,509.37	\$ 10,420,021.34
96	1-Dec-25	\$ 65,146.04	\$ 53,577.49	\$ 11,568.55	\$ 10,408,452.79
97	1-Jan-26	\$ 65,146.04	\$ 53,518.01	\$ 11,628.03	\$ 10,396,824.76
98	1-Feb-26	\$ 65,146.04	\$ 53,458.22	\$ 11,687.82	\$ 10,385,136.94
99	1-Mar-26	\$ 65,146.04	\$ 53,398.13	\$ 11,747.92	\$ 10,373,389.02
100	1-Apr-26	\$ 65,146.04	\$ 53,337.72	\$ 11,808.32	\$ 10,361,580.70
101	1-May-26	\$ 65,146.04	\$ 53,277.01	\$ 11,869.04	\$ 10,349,711.66
102	1-Jun-26	\$ 65,146.04	\$ 53,215.98	\$ 11,930.07	\$ 10,337,781.60
103	1-Jul-26	\$ 65,146.04	\$ 53,154.64	\$ 11,991.41	\$ 10,325,790.19
104	1-Aug-26	\$ 65,146.04	\$ 53,092.98	\$ 12,053.06	\$ 10,313,737.13
105	1-Sep-26	\$ 65,146.04	\$ 53,031.00	\$ 12,115.04	\$ 10,301,622.09
106	1-Oct-26	\$ 65,146.04	\$ 52,968.71	\$ 12,177.33	\$ 10,289,444.75
107	1-Nov-26	\$ 65,146.04	\$ 52,906.10	\$ 12,239.94	\$ 10,277,204.81
108	1-Dec-26	\$ 65,146.04	\$ 52,843.16	\$ 12,302.88	\$ 10,264,901.93
109	1-Jan-27	\$ 65,146.04	\$ 52,779.90	\$ 12,366.14	\$ 10,252,535.79
110	1-Feb-27	\$ 65,146.04	\$ 52,716.32	\$ 12,429.72	\$ 10,240,106.07
111	1-Mar-27	\$ 65,146.04	\$ 52,652.41	\$ 12,493.63	\$ 10,227,612.43
112	1-Apr-27	\$ 65,146.04	\$ 52,588.17	\$ 12,557.87	\$ 10,215,054.56
113	1-May-27	\$ 65,146.04	\$ 52,523.60	\$ 12,622.44	\$ 10,202,432.12

ACM Commercial Mortgage Fund - Term Loan Amortization Schedule

Borrower : 2195186 Ontario Inc.
 Property : 10 Champagne Ave, Ottawa, ON

Loan Amount :	\$11,200,000.00	Loan Term :	10.25 years
Monthly Payment :	*As per schedule	Amortization Period :	*As per schedule
First Payment :	January 1, 2018	Nominal Rate :	6.250%
Final Payment :	March 1, 2028	Effective Annual Rate :	6.348%

PAYMENT NUMBER	DATE OF PAYMENT	TOTAL PAYMENT	INTEREST PORTION	PRINCIPAL PORTION	PRINCIPAL BALANCE
114	1-Jun-27	\$ 65,146.04	\$ 52,458.70	\$ 12,687.35	\$ 10,189,744.77
115	1-Jul-27	\$ 65,146.04	\$ 52,393.46	\$ 12,752.58	\$ 10,176,992.19
116	1-Aug-27	\$ 65,146.04	\$ 52,327.89	\$ 12,818.15	\$ 10,164,174.04
117	1-Sep-27	\$ 65,146.04	\$ 52,261.98	\$ 12,884.06	\$ 10,151,289.98
118	1-Oct-27	\$ 65,146.04	\$ 52,195.74	\$ 12,950.31	\$ 10,138,339.67
119	1-Nov-27	\$ 65,146.04	\$ 52,129.15	\$ 13,016.89	\$ 10,125,322.78
120	1-Dec-27	\$ 65,146.04	\$ 52,062.22	\$ 13,083.82	\$ 10,112,238.95
121	1-Jan-28	\$ 65,146.04	\$ 51,994.94	\$ 13,151.10	\$ 10,099,087.85
122	1-Feb-28	\$ 65,146.04	\$ 51,927.32	\$ 13,218.72	\$ 10,085,869.14
123	1-Mar-28	\$ 10,137,728.49	\$ 51,859.36	\$ 10,085,869.14	\$ -

This is Exhibit “M” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

GENERAL SECURITY AGREEMENT

SECURITY INTEREST

- 1) For value received and as additional security for a mortgage loan made between the Creditor and the Debtor pursuant to which Debtor gave a mortgage and charge dated the 24th day of November, 2017 (the "**Charge**") of the Property (as defined below) to Creditor under the Charge, 2195186 ONTARIO INC. (the "**Debtor**") hereby grants to COMPUTERSHARE TRUST COMPANY OF CANADA as title holder for the benefit of ACM CMF Services Ltd. as trustee for ACM Commercial Mortgage Fund (the "**Creditor**"), by way of mortgage, charge, assignment and transfer, a security interest (the "**Security Interest**") in all of the personal property and undertaking of Debtor and 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, investment property and securities now owned or hereafter owned or acquired by or on behalf of Debtor or in which Debtor has any interest whatsoever (including such as may be returned to or repossessed by Debtor) relating only to, located upon or used only in connection with the real property known municipally as 101 Champagne Avenue South, Ottawa, Ontario and legally described as Part of Lots 7, 8, 9, 10, 11 and Part Lane, as closed by Order CR234928, Plan I31037, designated as Part 1, 4R29600, subject to an easement as in OC1804530, City of Ottawa, being PIN 04102-0340 (LT) (the "**Property**") and in all proceeds and renewals thereof, accretions thereto and substitutions therefor (collectively, the "**Collateral**"), including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:
 - a) all inventory of whatever kind and wherever situate ("**Inventory**");
 - b) 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;
 - c) all accounts and book debts and generally all debts, dues, claims, chose 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 (the "**Debts**");
 - d) 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;
 - e) all contractual rights and insurance claims and all goodwill, patents, trademarks, copyrights, business names, logos and styles, and other industrial property;
 - f) all moneys other than trust moneys lawfully belonging to others; and
 - g) all other personal property of Debtor relating to, located upon or used in connection with the Property.
- 2) 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.
- 3) The terms "account", "goods", "chattel paper", "document of title", "equipment", "goods", "money", "personal property", "instruments", "intangibles", "investment property", "security", "proceeds", "inventory" and "accessions" and their respective plural forms whenever used herein shall be interpreted pursuant to their respective meanings as defined in the *Personal Property Security Act* (Ontario) 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. Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof."

INDEBTEDNESS SECURED

- 4) The Security Interest granted hereby secures payment, performance and satisfaction of any and all obligations, indebtedness and liability of Debtor to Creditor (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 separately or with another or others and whether as principal or surety (collectively called the "**Indebtedness**").

REPRESENTATIONS AND WARRANTIES OF DEBTOR

- 5) Debtor represents, warrants and covenants to and with Creditor and so long as this Security Agreement remains in effect Debtor shall be deemed to continuously represent, warrant and covenant to and with Creditor that:
 - a) the Collateral is owned by Debtor free of all security interests, mortgages, liens, claims, charges or other encumbrances (collectively called "**Encumbrances**");
 - b) 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 Creditor 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 defense, set off, claim or counterclaim against Debtor which can be asserted against Creditor, whether in any proceeding are to enforce Collateral or otherwise; and
 - c) the locations specified in Schedule "A" is accurate and complete and are the only locations of Debtor's business operations, records and goods (including Inventory) constituting Collateral save for goods in transit to such locations, and all fixtures or goods about to become fixtures will be situate at one of such locations.

COVENANTS OF THE DEBTOR

- 6) So long as this Security Agreement remains in effect Debtor covenants and agrees with Creditor:
 - a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to keep the Collateral free from all Encumbrances; and not to sell, exchange, transfer, assign, lease, or otherwise dispose of Collateral or any interest therein without the prior written consent of Creditor; provided always, that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and use moneys available to Debtor;
 - b) to notify Creditor 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 of or damage to Collateral;
 - v) any default by any Account Debtor in payment or other performance of his 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 now or hereafter in effect between Debtor and Creditor or any agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;
- d) to do, execute, acknowledge and deliver such financing statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by Creditor of or with respect to Collateral in order to give effect to the intention of this Security Agreement;
- e) to pay when due: (i) 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 and (ii) all amounts secured by any security interests, charges, encumbrances, liens and claims which rank or could rank in priority to or *pari passu* with the Security Interest;
- f) to insure the Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as Creditor shall reasonably direct with loss payable to Creditor and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor;
- 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 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 Creditor's request so as to indicate the Security Interest;
- i) to deliver to Creditor from time to time promptly upon request or provide access to:
 - 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 policies and certificates of insurance relating to Collateral; and
 - iv) such information concerning Collateral, the Debtor and Debtor's business and affairs as Creditor may reasonably request;
- j) to forthwith pay all reasonable costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) which may be incurred by the Creditor in:
 - i) inspecting the Collateral;
 - ii) negotiating, preparing, perfecting and registering this Security Agreement and other documents, whether or not relating to this Security Agreement;
 - iii) investigating title to the Collateral;
 - iv) taking, recovering and keeping possession of the Collateral; and

- v) all other actions and proceedings taken in connection with the preservation of the Collateral and the enforcement of this Security Agreement and of any other security interest held by the Creditor as security for the Indebtedness.

USE AND VERIFICATION OF COLLATERAL

- 7) Subject to compliance with Debtor's covenants contained herein, 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 Creditor shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner Creditor may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as Creditor may reasonably request in connection therewith and for such purpose to grant to Creditor or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

SECURITIES

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

COLLECTION OF DEBTS

- 9) After default under this Security Agreement, Creditor 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 Creditor. 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 Creditor and shall be turned over to Creditor upon request.

INCOME FROM AND INTEREST ON COLLATERAL

- 10) Until default, Debtor reserves the right to receive any moneys constituting income from or interest on Collateral and if Creditor receives any such moneys prior to default, Creditor shall either credit the same to the account of Debtor or pay the same promptly to Debtor.
- 11) After default, Debtor will not request or receive any moneys constituting income from or interest on Collateral and if Debtor receives any such moneys, without any request by Creditor, Debtor will pay the same promptly to Creditor.

INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

- 12) In the event of a default, Debtor authorizes Creditor:
 - i) to receive any increase in or profits on Collateral and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 11 hereof and dealt with accordingly; and
 - 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.

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

DISPOSITION OF MONEYS

- 14) Subject to any applicable requirements of the P.P.S.A., all moneys collected or received by Creditor 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 Creditor in its sole discretion deems best or, at the option of Creditor, may be held unappropriated in a collateral account or released to Debtor, all without prejudice to the liability of Debtor to Creditor or the rights of Creditor hereunder, and any surplus shall be accounted for as required by law.

EVENTS OF DEFAULT

- 15) The occurrence of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":
 - a) any Event of Default arising under the Charge; and
 - b) if any certificate, statement, representation, warranty, covenant or 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, warranties and covenants contained herein) or as an inducement to Creditor 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, statement, representation, warranty, covenant or report, which change shall not have been disclosed to Creditor at or prior to the time of such execution.

REMEDIES

- 16) Upon default, Creditor may appoint or re-appoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of Creditor or not, to be a receiver or receivers (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 stead. Any such Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of Debtor and not Creditor, and Creditor shall not be in any way responsible for any misconduct, negligence, or non-feasance on the part of any such Receiver, his servants, agents or employees. Subject to the provisions of the instrument appointing him, 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 him to carry on Debtor's business or otherwise, as such Receiver shall, in his sole discretion, determine. Except as may be otherwise directed by Creditor, all moneys received from time to time by such Receiver in carrying out his appointment shall be received in trust for and paid over to Creditor.
- 17) Upon default, Creditor may, either directly or through its agents or nominees, exercise all the powers and rights given to a Receiver by virtue of the foregoing Clause 16 hereof.
- 18) Creditor 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, Creditor 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 Creditor may seem reasonable.

- 19) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and Creditor and in addition to any other rights Creditor may have at law or in equity, Creditor shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that Creditor 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, Creditor 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 Creditor's possession and shall not be liable or accountable for failure to do so.
- 20) Debtor acknowledges that Creditor 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 Creditor or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.
- 21) Debtor agrees to pay all costs, charges and expenses reasonably incurred by Creditor 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 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 moneys owing as a result of any borrowing by Creditor or any Receiver appointed by it, as permitted hereby, shall be a second charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.
- 22) Unless the Collateral in question is perishable or unless Creditor believes on reasonable grounds that the Collateral in question will decline speedily in value, Creditor will give Debtor such notice 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.

MISCELLANEOUS

- 23) Debtor hereby authorizes Creditor to file such financing statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as Creditor may deem appropriate to perfect and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest, and Debtor hereby irrevocably constitutes and appoints any officer from time to time of the Creditor 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 the Creditor may deem it necessary or expedient to do so.
- 24) Without limiting any other right of Creditor, whenever Indebtedness is immediately due and payable or Creditor has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), Creditor may, in its sole discretion, set off against Indebtedness any and all moneys then owed to Debtor by Creditor in any capacity, whether or not due, and Creditor shall be deemed to have exercised such right of set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on Creditor's records subsequent thereto.
- 25) Upon Debtor's failure to perform any of its duties hereunder, Creditor may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to Creditor, forthwith upon written demand therefor, an amount equal to the expense incurred by Creditor in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate equal to the interest rate set out in the Charge.

- 26) Creditor 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 Creditor may see fit without prejudice to the liability of Debtor or Creditor's right to hold and realize the Security Interest. Furthermore, Creditor may demand, collect and sue on Collateral in either Debtor's or Creditor's name, at Creditor's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other instruments pertaining to or constituting Collateral.
- 27) No delay or omission by Creditor 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, Creditor 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 Creditor granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- 28) Debtor waives protest of any instrument constituting Collateral at any time held by Creditor on which Debtor is in any way liable or notice of any other action taken by Creditor.
- 29) This Security Agreement shall enure to the benefit of Creditor and its successors and assigns and shall be binding upon Debtor and its successors and assigns.
- 30) 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.
- 31) This Security Agreement and the transaction evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario as the same may from time to time be in effect, including, where applicable, the P.P.S.A.
- 32) Whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given if delivered to the party for whom it is intended at the last known address of such party or if sent by prepaid registered mail addressed to the party for whom it is intended at the last known address of such party. Either party may notify the other pursuant hereto of any change in such party's address to be used for the purposes hereof.
- 33) 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 Creditor and is, and is intended to be a continuing Security Agreement and shall remain in full force and effect until all Indebtedness contracted for or created, and any extensions or renewals thereof, together with interest accruing thereon shall be paid in full and this Security Agreement is discharged.
- 34) 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.
- 35) In this Security Agreement 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 dependant upon the person referred to being a male, female, firm or corporation.
- 36) 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.

- 37) Nothing herein contained shall in any way obligate Creditor to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.
- 38) The Debtor acknowledges that the Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor (or in the case of after acquired property, upon the date of acquisition), that value has been given, that the Debtor has rights in the Collateral and the parties have not agreed to postpone the time for attachment.

COPY OF AGREEMENT

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

[signature page follows]

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 10
day of November, 2017.

2195186 ONTARIO INC.

Per: 

Name: David Choo

Title: President

I have authority to bind the corporation

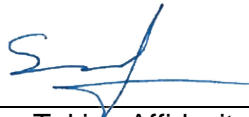
SCHEDULE "A"

BUSINESS LOCATIONS OF DEBTOR

1. 18 Antares Drive, Suite 102, Nepean, Ontario, K2E 1A9; and
2. 101 Champagne Avenue South, Ottawa, Ontario, and legally described as:

Part of Lots 7, 8, 9, 10, 11 and Part Lane, as closed by Order CR234928, Plan 131037, designated as Part 1, 4R29600, subject to an easement as in OC1804530, City of Ottawa, being PIN 04102-0340 (LT).

This is Exhibit “N” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

GENERAL ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT made as of the 10 day of November, 2017.

BETWEEN:

2195186 ONTARIO INC.

(hereinafter called the "**Assignor**")

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA

(hereinafter called the "**Assignee**")

WHEREAS:

- A. The Assignor is the registered owner of the lands and premises described as Part of Lots 7, 8, 9, 10, 11 and Part Lane, as closed by Order CR234928, Plan 131037, designated as Part 1, 4R29600, subject to an easement as in OC1804530, City of Ottawa, being PIN 04102-0340 (LT) and municipally known as 101 Champagne Avenue South, Ottawa, Ontario (the "**Property**");
- B. The Assignor has charged and mortgaged the Property to the Assignee to secure the repayment of a loan in the principal sum of \$11,200,000.00 and interest thereon at the interest rate therein expressed (the "**Loan**") secured by a Charge/Mortgage in that principal amount given by the Assignor to the Assignee (the "**Mortgage**") registered in the Land Registry Office of Ottawa/Carleton (No. 4);
- C. Portions of the Property are or will be leased to various Tenants (as defined herein); and
- D. The Assignor has agreed to execute and deliver this Assignment for the purpose of collaterally securing the performance and observance of the Assignor's promise to pay and other obligations under the Loan and the Mortgage.

NOW THEREFORE this Assignment witnesses that in consideration of the premises and other good and valuable consideration paid by the Assignee to the Assignor (the receipt and sufficiency whereof is hereby acknowledged):

1. **AS SECURITY** for the payment of the principal sum, interest and other monies payable by the Assignor to the Assignee pursuant to the Mortgage, the Assignor assigns, transfers and sets over to the Assignee:
 - (a) all present and future Rents (as defined herein) reserved or payable under the Leases (as defined herein);
 - (b) the Leases and all benefits and advantages to be derived by the Assignor from the Leases; and
 - (c) the benefit of any guarantee or indemnities relating to the said Rents or Leases.

The within assignment and transfer include all the Assignor's right to demand, sue for, collect and receive all Rents, and otherwise to enforce (either in the name of the Assignor or the Assignee) the Assignor's rights under a Lease consequent on any default by the Tenant thereunder whether such rights arise under the Lease or by statute or at law or in equity, including without limitation, the Assignor's right to distrain.

2. **THE ASSIGNOR** acknowledges that this Assignment is being executed and delivered as a continuing and additional security for the performance and observance of the Assignor's

promise to pay and other obligations pursuant to the Loan and neither the execution and delivery of this Assignment nor anything done pursuant hereto shall in any way impair or diminish the obligations of the Assignor as Landlord (as herein defined) of the Leases.

3. **NO PROVISION** contained in this Assignment shall be deemed to have the effect of making the Assignee responsible for the collection of any Rent, or any part thereof, or for the performance or observance of any of the covenants, terms, conditions or other obligations imposed upon either party to a Lease.

4. **THE ASSIGNEE** shall not by virtue of this Assignment be deemed to be a trustee or mortgagee in possession of the Property and upon the payment of the principal sum, interest and other monies secured by the Mortgage, this Assignment shall terminate and the Assignee shall execute and deliver at the expense of the Assignor a reassignment of the Leases to the Assignor. It is further agreed that a full and complete discharge (but not a partial discharge) of the Mortgage from title to the Property shall operate as a full and complete release of the Assignee's interest and rights hereunder.

5. **IT IS UNDERSTOOD** and agreed that the Assignee shall be liable to account for only such monies as may actually come into its hands by virtue of this Assignment less proper collection and management charges.

6. **ALTHOUGH IT IS** the intention of the parties that this Assignment shall be a present assignment, effective immediately upon execution, it is expressly understood and agreed that the Assignee shall not exercise any of the rights or powers herein conferred upon it until an event of default shall occur under the terms and provisions of the Mortgage. Upon such event of default occurring and during the time that such event of default is continuing and remains uncured (i) the Assignee shall be entitled, upon notice to the Tenants, to collect and receive all Rent under the Leases and (ii) this Assignment shall constitute an irrevocable direction and authorization of the Assignor to the Tenants to pay such amounts to the Assignee or as the Assignee shall direct otherwise in writing without proof of any event of default by the Assignee until such time as the Assignee shall direct the Tenants in writing to the contrary. Without limiting the generality of the foregoing, the Tenants are hereby irrevocably authorized and directed to rely upon and comply with, and to be fully protected in so doing, any notice or demand by the Assignee for the payment to the Assignee of any Rent or for the performance of any other obligation of the Tenants under the Leases and the Tenants shall not be required to or be under any duty to inquire as to whether any event of default under the Mortgage has actually occurred or is then existing and continuing.

7. **THE ASSIGNOR** represents and warrants to the Assignee that:

- (a) each Lease is a valid and subsisting lease constituting the entire and only agreement between the Landlord and Tenant thereto pertaining to the premises demised thereby;
- (b) the Tenants are occupying the premises described in each Lease and paying the full Rent stipulated therein;
- (c) no notice has been received from any Tenant indicating an intention to assign or sublet or indicating an intention to surrender the term or otherwise part with possession of the premises demised to it other than as specifically provided for herein;
- (d) no notice has been received by the Assignor from any Tenant alleging default by the Assignor in the performance of its obligations as Landlord pursuant to any Lease which notice has not been complied with by the Assignor to the Tenant's satisfaction;
- (e) there is no outstanding encumbrance or assignment of the Leases or the Rents payable or receivable thereunder except as may be permitted under this Assignment or as may be disclosed by the registered title to the Property; and

- (f) it now has full power and absolute authority to assign its interest in the Leases and all benefits and advantages to be derived from the Leases to the Assignee according to the intent of this Assignment.

8. **THE ASSIGNOR** covenants and agrees that:

- (a) it shall at all times perform and observe all of the Landlord's obligations contained in the Leases or imposed by law;
- (b) it shall forthwith on demand enter into, execute and deliver to the Assignee, at the Assignor's expense, such further assignments and assurances of the Leases as the Assignee shall reasonably require;
- (c) it hereby undertakes to provide the Assignee with copies of all amendments and new binding offers to lease and leases and all information relating thereto, which are entered into following the acceptance of this commitment and after the date of advance, but only upon request. The Assignee shall have no liability with respect to any rent owing by a tenant. No new offers to lease or leases nor any modifications with respect to an existing lease may be made at a rent or upon terms other than such as would be made by a prudent owner of a similar property in the circumstances, without prior written consent of the Assignee and no rent (base plus additional) may be paid more than one (1) month in advance; and
- (d) it shall give prompt notice to the Assignee of any notice of default on the part of the Assignor with respect to the Leases which is received from any Tenant and shall provide the Assignee with complete copies of such notices.

9. **THE ASSIGNOR** further covenants and agrees that it will not, without the prior written consent of the Assignee, which consent the Assignee shall not unreasonably withhold or delay:

- (a) collect or attempt to collect or permit either the payment or the prepayment of Rent for a period greater than one (1) month or in any manner and at any time other than that stipulated in the Leases; or
- (b) enter into any new offers to lease or leases or make any modifications with respect to an existing Lease at a rent or upon terms other than such as would be made by a prudent owner of a similar property in the circumstances; or
- (c) execute any other assignments of the Leases or any interest therein or Rents under the Leases.

10. **THE ASSIGNOR** agrees that any and all rights of the Assignee pursuant to this Assignment may be exercised by any trustee or receiver appointed at the instance of or for the benefit of the Assignee. The Assignor further agrees that the Assignee is authorized (but is not obligated) in the name of the Assignor to take at any time any proceeding which in the opinion of the Assignee or its solicitors, acting reasonably, may be expedient or necessary for the purpose of enforcing any of the rights of the Assignor under the Leases and further to compromise or submit to arbitration any dispute which has arisen or may arise in respect of any Lease and any settlement arrived at shall be binding upon the Assignor. The Assignee is further authorized (but is not obligated) in the name and for the account of the Assignor to perform and observe any of the Landlord's obligations under the Leases, and without limiting the generality of the foregoing, any amount paid by the Assignee in respect thereof as well as any other expense incurred by the Assignee shall be added to the monies secured by the Mortgage and bear interest at the interest rate stipulated therein.

11. **THE TERM "Leases"** shall extend to and include (i) all present and future leases, agreements to lease, licences or other agreements in respect of each and every present and future tenancy, right of use or occupation of or license granted by the Assignor in respect of all or any part of the Property as they may be extended or renewed or replaced (ii) any amending agreement whether written or oral and (iii) any present and future guarantee of or indemnity with respect to a Tenant's Lease obligations whether included in a Lease or contained in a separate instrument.

12. **THE TERM "Tenants"** means and includes (i) the person, firm or corporation named as tenant or lessee in a Lease and (ii) any person, firm or corporation who has guaranteed (whether as a primary debtor, surety or otherwise) the performance and observance of a Tenant's covenants and other obligations pursuant to a Lease.

13. **THE TERM "Landlord"** means the Assignor, its successors and assigns and includes the person, firm or corporation named as landlord or lessor in a Lease.

14. **THE TERM "Rent"** shall extend to and include all monies that the Landlord is entitled to receive under the terms of the Leases, including without limitation, insurance proceeds, arbitration awards and the proceeds arising from any guarantee or other security held by the Assignor.

15. **THE RIGHTS**, remedies and security given to the Assignee hereunder are cumulative and are not in substitution for any rights, remedies or security to which the Assignee may be entitled, either under the Mortgage or under any other security or at law.

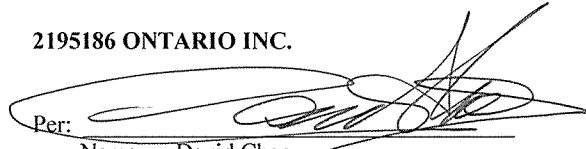
16. **THE ASSIGNOR** acknowledges receiving a true copy of this Assignment.

17. **THIS ASSIGNMENT** shall be binding upon and enure to the benefit of and shall be enforceable by the respective successors and assigns of the parties hereto and all words and phrases shall be taken to include the singular or plural or masculine, feminine or neuter gender as the circumstances shall require.

[signature page follows]

IN WITNESS WHEREOF the Assignor has hereunto caused this Assignment to be executed as of the date first written above.

2195186 ONTARIO INC.

Per: 
Name: David Choo
Title: President

I have authority to bind the corporation

This is Exhibit "O" referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

GUARANTEE

This Guarantee is made as of the 10 day of November, 2017.

WHEREAS ENVIE ENTERPRISES INC. (the "**Corporate Guarantor**") and **DAVID CHOO** (the "**Personal Guarantor**"), the undersigned (hereinafter collectively and individually referred to as the "**Guarantors**") have agreed to provide **COMPUTERSHARE TRUST COMPANY OF CANADA as title holder for ACM CMF SERVICES LTD. as trustee for ACM COMMERCIAL MORTGAGE FUND** (hereinafter referred to as the "**Lender**") with a guarantee of the Obligations (as hereinafter defined) of **2195186 ONTARIO INC.** (hereinafter referred to as the "**Obligor**");

AND WHEREAS the Guarantors have agreed that if the guarantee is not enforceable, the Guarantors will indemnify the Lender or be liable as primary obligors;

NOW THEREFORE THIS GUARANTEE WITNESSES that in consideration of the premises and the covenants and agreements herein contained, the sum of \$10.00 now paid by the Lender to the Guarantors and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantors covenant with the Lender as follows:

ARTICLE I. GUARANTEE

Section 1.01 Guarantee. The Guarantors hereby unconditionally and irrevocably guarantees payment of all the debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Obligor to the Lender or remaining unpaid by the Obligor to the Lender under, and the performance of obligations pursuant to, the Charge/Mortgage (the "**Mortgage**") of the lands and premises known municipally as 101 Champagne Avenue South, Ottawa, Ontario, in the original principal amount of \$11,200,000.00, and registered in the Land Registry Office for the Land Titles Division of Ottawa/Carleton (No. 4), (hereinafter collectively referred to as the "**Obligations**").

Section 1.02 Indemnity. If any or all of the Obligations are not duly paid or performed by the Obligor and are not recoverable under Section 1.01 for any reason whatsoever, the Guarantors will, as a separate and distinct obligation, indemnify and save harmless the Lender from and against all losses resulting from the failure of the Obligor to pay or perform such Obligations.

Section 1.03 Obligations Absolute. The liability of the Guarantors hereunder will be absolute and unconditional and will not be affected by:

- (a) any lack of validity or enforceability of any agreement between the Obligor and the Lender;
- (b) any impossibility, impracticability, frustration of purpose, illegality, *force majeure* or act of government;
- (c) the bankruptcy, winding-up, liquidation, dissolution or insolvency of the Obligor or any other person or the amalgamation of or any change in the status, function, control or ownership of the Obligor, the Guarantors, the Lender or any other person;
- (d) any lack or limitation of power, incapacity or disability on the part of the Obligor or of the directors, partners or agents thereof or any other irregularity, defect or informality on the part of the Obligor in its obligations to the Lender;
- (e) the dissolution of the Obligor; or
- (f) any other law, regulation or other circumstance that might otherwise constitute a defence available to, or a discharge of, the Obligor in respect of any or all of the Obligations.

Section 1.04 Limitation on Guarantee. Notwithstanding any of the other provisions in this Guarantee, the Personal Guarantor's liability shall be limited to fifty percent (50%) of the Obligations.

ARTICLE II. DEALINGS WITH OBLIGOR AND OTHERS

Section 2.01 No Release. The liability of the Guarantors hereunder will not be released, discharged, limited or in any way affected by anything done, suffered or permitted by the Lender in connection with any duties or liabilities of the Obligor to the Lender or any security therefor including any loss of or in respect of any security received by the Lender from the Obligor or others. Without limiting the generality of the foregoing and without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantor's liability hereunder, without obtaining the consent of or giving notice to the Guarantors, the Lender may:

- (a) discontinue, reduce, increase or otherwise vary the credit of the Obligor in any manner whatsoever;
- (b) make any change in the time, manner or place of payment under, or in any other term of, any agreement between the Obligor and the Lender or the failure on the part of the Obligor to carry out any of its obligations under any such agreement;
- (c) grant time, renewals, extensions, indulgences, releases and discharges to the Obligor;
- (d) take or abstain from taking or enforcing securities or collateral from the Obligor or from perfecting securities or collateral of the Obligor;
- (e) accept compromises from the Obligor;
- (f) apply all money at any time received from the Obligor or from securities upon such part of the Obligations as the Lender may see fit or change any such application in whole or in part from time to time as the Lender may see fit; and
- (g) otherwise deal with the Obligor and all other persons and securities as the Lender may see fit.

Section 2.02 No Exhaustion of Remedies. The Lender will not be bound or obligated to exhaust its recourse against the Obligor or other persons or any securities or collateral it may hold or take any other action before being entitled to demand payment from the Guarantors hereunder.

Section 2.03 Prima Facie Evidence. Any account settled or stated in writing by or between the Lender and the Obligor will be *prima facie* evidence that the balance or amount thereof appearing due to the Lender is so due.

Section 2.04 No Set-off. In any claim by the Lender against the Guarantors, the Guarantors may not assert any set-off or counterclaim that any of the Guarantors or the Obligor may have against the Lender.

ARTICLE III. DEMAND

Section 3.01 Demand. Upon the occurrence of an Event of Default (as defined in the Mortgage) that is continuing and has not been either cured or waived in accordance with the provisions of the Mortgage, the Lender will be entitled to make demand upon the Guarantors for payment of all Obligations up to the limits set out in Section 1.04 hereof.

Section 3.02 Interest. The Guarantors will pay interest to the Lender at the interest rate stipulated in the Mortgage on the unpaid portion of all amounts payable by the Guarantors under this Guarantee, such interest to accrue from and including the date of demand by the Lender on the Guarantors.

ARTICLE IV. ASSIGNMENT, POSTPONEMENT AND SUBROGATION

Section 4.01 Assignment and Postponement. All debts and liabilities, present and future, of the Obligor to the Guarantors are hereby assigned to the Lender and postponed to the

Obligations, and all money received by the Guarantors in respect thereof will be held in trust for the Lender and forthwith upon receipt will be paid over to the Lender, the whole without in any way lessening or limiting the liability of the Guarantors hereunder and this assignment and postponement is independent of this Guarantee and will remain in full force and effect until, in the case of the assignment, the liability of the Guarantors under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and paid in full.

Section 4.02 Subrogation. The Guarantors will not be entitled to subrogation until (i) the Guarantors perform or make payment to the Lender of all amounts owing by the Guarantors to the Lender under this Guarantee and (ii) the Obligations are performed and paid in full. Thereafter, the Lender will, at the Guarantor's request and expense, execute and deliver to the Guarantors appropriate documents, without recourse and without representation and warranty, necessary to evidence the transfer by subrogation to the Guarantors of an interest in the Obligations and any security held therefor resulting from such performance or payment by the Guarantors.

ARTICLE V. GENERAL

Section 5.01 Financial Statements. The Guarantors agree that it will provide to the Lender, not later than 120 days following the fiscal year-end of the Guarantors, annual review engagement financial statements for the Guarantors prepared by a recognized chartered accountant in accordance with generally accepted accounting principles, consistent with previous years signed by a responsible officer of the Guarantors attesting to the accuracy of the information contained therein.

Section 5.02 Binding Effect of the Guarantee. This Guarantee will be binding upon the heirs, executors, administrators, successors and assigns of each of the Guarantors and will enure to the benefit of the Lender and its successors and assigns.

Section 5.03 Joint and Several Obligations. Each of the persons executing and delivering this Guarantee and Indemnity to the Lender shall be jointly and severally liable to the Lender for the obligations of the Guarantor contained in this document.

Section 5.04 Entire Agreement. This Guarantee constitutes the entire agreement between the Guarantors and the Lender with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between such parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth herein. The Lender will not be bound by any representations or promises made by the Obligor to the Guarantors and possession of this Guarantee by the Lender will be conclusive evidence against the Guarantors that this Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with.

Section 5.05 Amendments and Waivers. No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantors and the Lender. No waiver of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.

Section 5.06 Severability. If any provision of this Guarantee is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.

Section 5.07 Notices. Any demand, notice or other communication to be given in connection with this Guarantee must be given in writing and may be given by delivery or by facsimile, addressed to the recipient as follows:

To the Guarantors:

18 Antares Drive
Suite 102
Nepean, Ontario
K2E 1A9

Facsimile No.: (613) 226-7161
Attention: David Choo

To the Lender:

c/o ACM CMF Services Ltd.
as trustee of ACM Commercial Mortgage Fund
210-1140 Homer Street
Vancouver, BC V6B 2X6

Facsimile No.: (604) 682-3265
Attention: Vice President, Investments

or such other address, individual or facsimile number as may be designated by notice given by any party to the others. Any demand, notice or other communication given by delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by facsimile, on the day of transmittal thereof if given on a business day or on the next business day if given by facsimile on a day that is not a business day.

Section 5.08 Discharge. The Guarantors will not be discharged from any of their obligations hereunder except by a release or discharge signed in writing by the Lender.

Section 5.09 Governing Law. This Guarantee will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 5.10 Headings. The division of this Guarantee into Articles and Sections and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Guarantee. The terms "hereof", "hereunder", and similar expressions refer to this Guarantee and not to any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Guarantee.

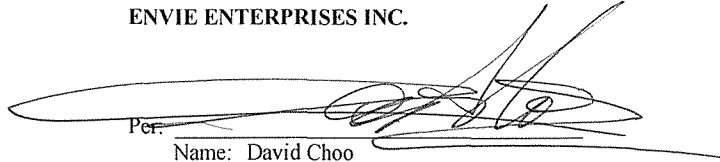
Section 5.11 Extended Meanings. In this Guarantee, words importing the singular number only include the plural and *vice versa*, words importing any gender include all genders and words importing persons include individuals, partnerships, associations, trusts, unincorporated organizations and corporations.

Section 5.12 Executed Copy. The Guarantors acknowledge receipt of a fully executed copy of this Guarantee.

[signature page follows]


IN WITNESS WHEREOF the Guarantors have signed and delivered this Guarantee as of the date first written above.

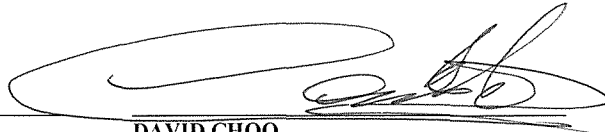
ENVIE ENTERPRISES INC.


Per: _____

Name: David Choo
Title: President

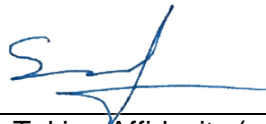
I have authority to bind the corporation


Witness: D. Zupo



DAVID CHOO

This is Exhibit "P" referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

**TAX CERTIFICATE / CERTIFICAT DE TAXES
CITY OF OTTAWA / VILLE D'OTTAWA**



Roll Number / Numéro du Rôle: 0614.084.804.00700.0000

Street Address / Adress Municipale:

110 CENTRAL PARK DR

Legal / Légale:

PLAN 4M1047 PT BLK 69 RP

4R20298 PARTS 9 TO 11 RP

4R21512 PART 5

IRREG

2.48AC 456.30FR 369.59D

Owner(s) / Propriétaire(s)
ASHCROFT DEVELOPMENT INC

Issued To / Envoyer à:

CASSELS BROCK LAWYERS
3200-40 TEMPERANCE ST
TORONTO ON
M5H 0B4

Certificate Number / Numéro de certificat: 399712

Tax Certificate Fee / Frais de certificat de taxes: \$ 74.00

Certified as at / Certifié en date du: DEC/DÉC 10, 2024

Your Reference / Votre référence: 54655-21

Remarks / Remarques

2024 VUT DECLARATION NOT REQUIRED

Pending Fees / Frais en suspens

STATEMENT OF TAX ARREARS / ÉTAT D'ARRÉRAGES DE TAXES

Year Année	Taxes Outstanding Taxes impayées	Interest Outstanding Intérêt impayé	Other Charges Autres frais	Balance Outstanding Solde dû
2023	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0.00	\$0.00	\$0.00	\$0.00
2021+	\$0.00	\$0.00	\$0.00	\$0.00
Prior Year Tax Levy / Taxes prélevées année précédente: \$33,681.61			Total Arrears / total des arrrages:	\$0.00

STATEMENT OF CURRENT TAXES / ÉTAT DES TAXES COURANTES

Taxes Levied Taxes prélevées	Penalty Added Pénalité imposée	Total including Penalty Total, pénalité comprise	Payments/Adjustments Paiements/Ajustements	Total Payable Montant total à payer
\$34,600.50	\$1,543.18	\$36,143.68	\$-17,032.50	\$19,111.18

Due Dates and Instalment Amounts / Dates d'échéance et versements

Interim Taxes / Provisoires	MAR/MARS 21, 2024	\$16,840.79
Final Taxes / Finales	JUN/JUIN 20, 2024	\$17,759.71

Local Improvements and Other Charges Levied / Améliorations locales et autres redevances prélevées

Local ID Code Code d'identification	Description	Year of Expiry Année d'expiration	Annual Charge Montant annuel
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TOTAL PAYABLE AS AT DATE OF CERTIFICATE / SOLDE À LA DATE DU CERTIFICAT: \$19,111.18

The penalty / interest rate on past due taxes and arrears is **1.250 % per month.**

La pénalité / le taux d'intérêt est de **1.250 % par mois** sur les taxes en souffrance et les arrrages.

(SEE BACK FOR IMPORTANT INFORMATION)

(VOIR AU VERSO POUR RENSEIGNEMENTS IMPORTANTS)

FOR THE TREASURER OR TAX COLLECTOR
POUR LE TRÉSORIER OU LE PERCEPTEUR DES TAXES

City of Ottawa, Revenue Services
100 Constellation Drive, 4th Floor, East
Ottawa ON K2G 6J8
Tel: 613-580-2444 Fax: 613-580-2457
TTY: 613-580-2401
E-mail: revenue@ottawa.ca
Web site: ottawa.ca

Ville d'Ottawa, Services des recettes
100, promenade Constellation, 4e étage est
Ottawa ON K2G 6J8
Tél.: 613-580-2444 Téléc.: 613-580-2457
ATS: 613-580-2401
Courriel: revenue@ottawa.ca
Site web: ottawa.ca

Important Information

Within 30 days of the issuance of a tax certificate, the requesting party may obtain a verbal update of the status of the relevant tax roll.

This certificate has been prepared in accordance with the provisions of Section 352 of the Municipal Act, 2001 R.S.O. 2001 c25 and may be subject to the following:

1. Penalty/Interest has been calculated to the date of issue of this certificate. Payments received after the end of the month or after the due dates may be subject to additional penalty/interest charges.
2. Adjustments authorized by statute not applied to the Collector's Roll at the date of certification may be added subsequently without further notice and may include:
 - a. Additional taxes and adjustments levied and made under the Assessment Act, R.S.O. 1990, c.A31; and
 - b. Tax adjustments, tax apportionments, local improvement charges, and any other charges made under the Municipal Act.
3. The information on this certificate is based on payments tendered being honoured by the bank upon which they are drawn.
4. Any credit balance appearing on this certificate is not verified and no adjustment should be made unless the credit balance is verified in writing as an overpayment.

I hereby certify this statement shows the current year's taxes and all arrears of taxes (prior years) against the above land.

Informations importantes

Dans les 30 jours suivant la délivrance d'un certificat d'impôts foncier, le demandeur peut obtenir une mise à jour verbale de l'état du rôle d'imposition pertinent.

Ce certificat a été préparé conformément aux dispositions de l'article 352 de la Loi de 2001 sur les municipalités L.R.O. 2001, chapitre 25, et peut être assujéti aux dispositions suivantes :

1. Pénalité/intérêt a été calculé à la date de réception de ce certificat; les paiements reçus après la fin du mois ou après la date d'échéance peuvent être soumis à des pénalités/frais d'intérêt supplémentaires;
2. Les rajustements autorisés par la loi qui n'ont pas été appliqués au rôle du percepteur à la date de certification peuvent être ajoutés par la suite sans avis préalable et peuvent inclure :
 - a. des taxes et rajustements supplémentaires imposés et perçus en vertu de la Loi sur l'évaluation foncière, L.R.O. 1990, chapitre A31;
 - b. des rajustements fiscaux, répartitions fiscales, taxes d'améliorations locales et tous autres frais imposés en vertu de la Loi sur les municipalités.
3. Les informations figurant sur ce certificat reposent sur le principe que les paiements effectués seront honorés par la banque où se trouve le compte sur lequel ils sont tirés.
4. Tout solde créditeur figurant sur ce certificat n'est pas vérifié, et aucun rajustement ne devrait être fait à moins que le solde créditeur ne soit vérifié par écrit en tant que versement excédentaire.

J'atteste par la présente que ce relevé indique les impôts de l'année en cours et tous les arriérés d'impôt (années précédentes) pour le terrain indiqué ci-dessus.

the 1990s, the number of people in the UK who are aged 65 and over has increased from 10.5 million to 13.5 million, and the number of people aged 75 and over has increased from 4.5 million to 6.5 million (Office for National Statistics 2002).

There is a growing awareness of the need to address the needs of older people, and the UK Government has set out a strategy for the 21st century (Department of Health 2001). The strategy is based on the principle of 'active ageing', which is defined as 'the process of optimising opportunities for health, participation in society, and security in old age' (Department of Health 2001, p. 1).

The strategy is based on three pillars: health, participation, and security. Health is defined as 'the state of being free from disease and illness, and having the ability to lead a full and active life' (Department of Health 2001, p. 1). Participation is defined as 'the ability to take part in the activities of everyday life' (Department of Health 2001, p. 1). Security is defined as 'the ability to meet the needs of everyday life' (Department of Health 2001, p. 1).

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**TAX CERTIFICATE / CERTIFICAT DE TAXES
CITY OF OTTAWA / VILLE D'OTTAWA**



Roll Number / Numéro du Rôle: 0614.084.804.00720.0000

Street Address / Adress Municipale:

112 CENTRAL PARK DR

Legal / Légale:

PLAN 4M1047 PT BLK 69 RP
4R21512 PARTS 1 TO 4 AND 6
IRREG
1.69AC 469.52FR D

Owner(s) / Propriétaire(s)
2067166 ONTARIO INC

Issued To / Envoyer à:	Certificate Number / Numéro de certificat: 399659
CASSELS BROCK LAWYERS 3200-40 TEMPERANCE ST TORONTO ON M5H 0B4	Tax Certificate Fee / Frais de certificat de taxes: \$ 74.00
	Certified as at / Certifié en date du: DEC/DÉC 09, 2024
	Your Reference / Votre référence: 54655-21

Remarks / Remarques

2024 VUT DECLARATION NOT REQUIRED

Pending Fees / Frais en suspens

STATEMENT OF TAX ARREARS / ÉTAT D'ARRÉRAGES DE TAXES

Year Année	Taxes Outstanding Taxes impayées	Interest Outstanding Intérêt impayé	Other Charges Autres frais	Balance Outstanding Solde dû
2023	\$166,915.54	\$40,624.95	\$26.70	\$207,567.19
2022	\$0.00	\$0.00	\$0.00	\$0.00
2021+	\$0.00	\$0.00	\$0.00	\$0.00
Prior Year Tax Levy / Taxes prélevées année précédente: \$166,915.54				
Total Arrears / total des arrérages:				\$207,567.19

STATEMENT OF CURRENT TAXES / ÉTAT DES TAXES COURANTES

Taxes Levied Taxes prélevées	Penalty Added Pénalité imposée	Total including Penalty Total, pénalité comprise	Payments/Adjustments Paiements/Ajustements	Total Payable Montant total à payer
\$170,691.51	\$16,148.96	\$186,840.47	\$5,775.09	\$192,615.56

Due Dates and Instalment Amounts / Dates d'échéance et versements

Interim Taxes / Provisoires	MAR/MARS 21, 2024	\$83,465.12
Final Taxes / Finales	JUN/JUIN 20, 2024	\$87,226.39

Local Improvements and Other Charges Levied / Améliorations locales et autres redevances prélevées

Local ID Code Code d'identification	Description	Year of Expiry Année d'expiration	Annual Charge Montant annuel
--	-------------	--------------------------------------	---------------------------------

TOTAL PAYABLE AS AT DATE OF CERTIFICATE / SOLDE À LA DATE DU CERTIFICAT: \$400,182.75

The penalty / interest rate on past due taxes and arrears is **1.250 % per month.** La pénalité / le taux d'intérêt est de **1.250 % par mois** sur les taxes en souffrance et les arrérages.

(SEE BACK FOR IMPORTANT INFORMATION)

(VOIR AU VERSO POUR RENSEIGNEMENTS IMPORTANTS)

FOR THE TREASURER OR TAX COLLECTOR
POUR LE TRÉSORIER OU LE PERCEPTEUR DES TAXES

City of Ottawa, Revenue Services
100 Constellation Drive, 4th Floor, East
Ottawa ON K2G 6J8
Tel: 613-580-2444 Fax: 613-580-2457
TTY: 613-580-2401
E-mail: revenue@ottawa.ca
Web site: ottawa.ca

Ville d'Ottawa, Services des recettes
100, promenade Constellation, 4e étage est
Ottawa ON K2G 6J8
Tél.: 613-580-2444 Téléc.: 613-580-2457
ATS: 613-580-2401
Courriel: revenue@ottawa.ca
Site web: ottawa.ca

Important Information

Within 30 days of the issuance of a tax certificate, the requesting party may obtain a verbal update of the status of the relevant tax roll.

This certificate has been prepared in accordance with the provisions of Section 352 of the Municipal Act, 2001 R.S.O. 2001 c25 and may be subject to the following:

1. Penalty/Interest has been calculated to the date of issue of this certificate. Payments received after the end of the month or after the due dates may be subject to additional penalty/interest charges.
2. Adjustments authorized by statute not applied to the Collector's Roll at the date of certification may be added subsequently without further notice and may include:
 - a. Additional taxes and adjustments levied and made under the Assessment Act, R.S.O. 1990, c.A31; and
 - b. Tax adjustments, tax apportionments, local improvement charges, and any other charges made under the Municipal Act.
3. The information on this certificate is based on payments tendered being honoured by the bank upon which they are drawn.
4. Any credit balance appearing on this certificate is not verified and no adjustment should be made unless the credit balance is verified in writing as an overpayment.

I hereby certify this statement shows the current year's taxes and all arrears of taxes (prior years) against the above land.

Informations importantes

Dans les 30 jours suivant la délivrance d'un certificat d'impôts foncier, le demandeur peut obtenir une mise à jour verbale de l'état du rôle d'imposition pertinent.

Ce certificat a été préparé conformément aux dispositions de l'article 352 de la Loi de 2001 sur les municipalités L.R.O. 2001, chapitre 25, et peut être assujéti aux dispositions suivantes :

1. Pénalité/intérêt a été calculé à la date de réception de ce certificat; les paiements reçus après la fin du mois ou après la date d'échéance peuvent être soumis à des pénalités/frais d'intérêt supplémentaires;
2. Les rajustements autorisés par la loi qui n'ont pas été appliqués au rôle du percepteur à la date de certification peuvent être ajoutés par la suite sans avis préalable et peuvent inclure :
 - a. des taxes et rajustements supplémentaires imposés et perçus en vertu de la Loi sur l'évaluation foncière, L.R.O. 1990, chapitre A31;
 - b. des rajustements fiscaux, répartitions fiscales, taxes d'améliorations locales et tous autres frais imposés en vertu de la Loi sur les municipalités.
3. Les informations figurant sur ce certificat reposent sur le principe que les paiements effectués seront honorés par la banque où se trouve le compte sur lequel ils sont tirés.
4. Tout solde créditeur figurant sur ce certificat n'est pas vérifié, et aucun rajustement ne devrait être fait à moins que le solde créditeur ne soit vérifié par écrit en tant que versement excédentaire.

J'atteste par la présente que ce relevé indique les impôts de l'année en cours et tous les arriérés d'impôt (années précédentes) pour le terrain indiqué ci-dessus.

This is Exhibit “Q” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', is positioned above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

Cassels

July 19, 2024

By Registered Mail and E-mail

amohajer@cassels.com
tel: +1 416-860-5218
file # 54655-21

2067166 Ontario Inc.
18 Antares Drive
Ottawa, Ontario K2E 1A9
Attention: David Choo

Dear Sir:

Re: 2067166 Ontario Inc. (the “Debtor”) first-ranking mortgage loan (the “Subject Loan”) from Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “Lender”) secured by a Charge/Mortgage of 120 Central Park Drive, Ottawa, Ontario (the “Real Property”) registered on December 21, 2022 as Instrument No. OC2564938 (the “Charge”) in favour of Computershare Trust Company of Canada, and as guaranteed by Alavida Lifestyles Inc. and David Choo (collectively, the “Covenantor”)

And Re: Commitment Letter dated November 25, 2022 issued to the Debtor, as amended by a Waiver and Amendment to the Commitment Letter dated December 13, 2022 (the “Commitment Letter”)

And Re: General Security Agreement dated December 21, 2022 delivered by the Debtor (together with the Charge, the Commitment Letter, and such other security agreements and other documents entered into between the Debtor and the Lender or delivered by the Debtor in connection with the Subject Loan from time to time, in each case, as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with their provisions, collectively the “Loan and Security Documents”)

We are the solicitors for the Lender. Terms not otherwise defined herein shall have the meaning provided for in the Charge.

The Subject Loan is in default because of, among other things (a) there is a continuing default under the mortgage loan to 2195186 Ontario Inc. secured against the property municipally known as 101 Champagne Avenue, Ottawa Ontario relating to the failure to pay to the Lender certain amounts when due as contemplated thereunder, including the amounts due on July 1, 2024, which payments have not been made by David Choo, as guarantor under said loan, pursuant to

a guarantee dated November 16, 2017 from, *inter alia*, David Choo in favour of the Lender (collectively, the “**Champagne Mortgage Default**”), and pursuant to the terms of the Charge and Commitment Letter, the Champagne Mortgage Default causes a default in respect of the Loan and Security Documents, and (b) there are realty tax arrears owing for the 2023 and 2024 tax years in respect of the Real Property in the aggregate amount of \$368,877.59 as reflected in a City of Ottawa municipal tax certificate current as of June 12, 2024.

As a result of the defaults in respect of the Loan and Security Documents, all amounts due and owing by the Debtor to the Lender in respect of the Subject Loan is immediately due and payable in accordance with the terms of the Commitment Letter and Charge including, specifically, all indebtedness under the Subject Loan, to the date of repayment in full (and for certainty, including without limitation all interest which accrues to such date of full payment and all legal fees and disbursements incurred by the Lender to such date of full payment) (collectively, the “**Outstanding Amount**”).

On behalf of the Lender, we hereby demand payment in full to the Lender of the Outstanding Amount. The Outstanding Amount as at July 18, 2024 is \$20,192,742.15. Interest continues to accrue under the Loan and Security Documents in accordance with each of their terms, and the Lender is also entitled to payment of all costs and expenses (including legal costs) previously or hereafter incurred by the Lender to the date of payment in full. The exact amount owing by the Debtor may be obtained at any time by the Debtor contacting our office. The following is a breakdown of the Outstanding Amount as at July 18, 2024:

Principal Balance	\$19,418,522.64
Accrued Interest (July 1/24 – July 18/24 inclusive)	\$61,799.43
Yield Maintenance Amount	\$705,948.24
Legal Costs	\$6,471.84
TOTAL:	\$20,192,742.15

Failure by the Debtor to pay in full all of the Outstanding Amount within 10 days of the date of this letter will result in the Lender taking whatever steps it deems necessary to recover the Outstanding Amount, including without limitation enforcement action by the Lender pursuant to the Loan and Security Documents delivered by the Debtor or the Covenantor. For certainty, the Outstanding Amount and applicable interest that continues to accrue until the date of payment in full is exclusive of legal and other expenses which the Debtor will also continue to be liable for pursuant to the terms of the Loan and Security Documents until such amounts are paid in full.

In this regard, we enclose and serve the Debtors with Notice of Intention to Enforce Security, pursuant to the *Bankruptcy and Insolvency Act* (Canada).

The Lender expressly reserves all rights, remedies and claims in their entirety, any of which may be exercised or pursued at any time and from time to time and without further notice, in the sole discretion of the Lender in accordance with the applicable Loan and Security Documents or at law or in equity.

Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in black ink, appearing to be 'Ardy Mohajer', is centered on a light blue rectangular background.

Ardy Mohajer
Partner

LEGAL*65426387.4

**NOTICE OF INTENTION TO ENFORCE SECURITY UNDER SECTION 244(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO:

2067166 Ontario Inc., an insolvent person

18 Antares Drive
Ottawa, Ontario K2E 1A9
Attention: David Choo

TAKE NOTICE THAT:

1. Under section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “**Secured Party**”) intends to enforce its security on the property of 2067166 Ontario Inc. (the “**Debtor**”) including without limitation, as described below:
 - a. The lands and premises municipally known as 120 Central Park Drive, Ottawa, Ontario, and legally described as:

PART OF BLOCK 69 ON 4M-1047 BEING PARTS 1,2,3,4 AND 6 4R-21512, OTTAWA.SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 1 TO 5 ON 4R-20298OVER PART 3 ON 4R-21512 AS IN OC487047. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 9 TO 11 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC494285.TOGETHER WITH A RIGHT-OF-WAY OVER PARTS 2 AND 5 ON 4R-20298AS IN OC487047.TOGETHER WITH A RIGHT-OF-WAY OVER PART 9 ON 4R-20298 ASIN OC494285. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512OVER PART 6 ON 4R-21512 AS IN OC654077.SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 4 ON 4R-21512 AS IN OC654077. SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 ON PLAN 4R-28152 AS IN OC1621378.; TOGETHER WITH AN EASEMENT OVER PART BLOCK 69 PLAN 4M1047PART 5 4R21512 AS IN OC1966865, being PIN 03998-1732 (LT)

(the “**Real Property**”); and
 - b. the undertaking of the Debtor and in all present and after acquired personal property owned or acquired by or on behalf of the Debtor relating to the Real Property and in all proceeds and renewals thereof, accretions thereto and substitutions therefor (collectively with the Real Property, the “**Collateral**”).
2. The security that is to be enforced (the “**Security**”) is in the form of:
 - a. a mortgage registered in the land registry office for Ottawa-Carleton in the Province of Ontario as Instrument No. OC2564938 on December 21, 2022 (the “**Mortgage**”);
 - b. a notice of assignment of rents-general registered in the land registry office for Ottawa-Carleton in the Province of Ontario as Instrument No. OC2564939 on December 21, 2022;
 - c. a general assignment of rents and leases by the Debtor dated December 21, 2022;
 - d. a general security agreement by the Debtor dated December 21, 2022;

- e. assignment of insurance by the Debtor dated December 21, 2022;
 - f. environmental warranties and indemnities by the Debtor, Alavida Lifestyles Inc. and David Choo undated; and
 - g. all other security delivered by the Debtor to the Secured Party, and all ancillary and supplemental documents thereto.
3. As of July 18, 2024, the total amount of indebtedness secured by the Security is \$20,192,742.15 (which amount includes all applicable interest up to July 18, 2024). All applicable interest continues to accrue under the Security in accordance with its terms, and the Secured Party is entitled to payment of all fees and expenses incurred by the Secured Party (including, without limitation, all legal costs and disbursements) to the date of payment in full.
4. The Secured Party will not have the right to enforce the Security until after the expiry of the ten-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement by returning to the Secured Party an executed copy of the enclosed consent.

DATED at Toronto, the 19th day of July, 2024.

**COMPUTERSHARE TRUST COMPANY
OF CANADA** as trustee and title holder for
ACM Commercial Mortgage Fund
By its Solicitors:
CASSELS BROCK & BLACKWELL LLP
Suite 3200, Bay Adelaide Centre- North
Tower
40 Temperance St.
Toronto, Ontario M5H 0B4



Per: _____

Ardy Mohajer

**CONSENT TO EARLIER ENFORCEMENT OF SECURITY UNDER SECTION 244(2) OF
THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

- TO:** Computershare Trust Company of Canada as trustee and title holder for ACM
Commercial Mortgage Fund (the "**Secured Party**")
- RE:** Notice of Intention to Enforce Security under Section 244(1) of the *Bankruptcy and
Insolvency Act* (Canada) (the "**Act**"), dated July 19, 2024 from the Secured Party (the
"**Notice**")
-

Capitalized terms used in this consent and waiver and not otherwise defined have meanings given to them in the Notice.


The undersigned hereby acknowledges that it has received the Notice and, in accordance with section 244(2) of the Act, it consents to earlier enforcement by the Secured Party of its Security on the Collateral.

Dated July 19, 2024.

2067166 Ontario Inc.

By: _____
Name:
Title:

This is Exhibit “R” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

Cassels

July 19, 2024

By Registered Mail and E-mail

Alavida Lifestyles Inc.
18 Antares Drive
Ottawa, Ontario K2E 1A9
Attention: David Choo

amohajer@cassels.com
tel: +1 416-860-5218
file # 54655-21

-and-

David Choo
18 Antares Drive
Ottawa, Ontario K2E 1A9

Dear Sir:

Re: 2067166 Ontario Inc. (the “Debtor”) first-ranking mortgage loan (the “Subject Loan”) from Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “Lender”) secured by a Charge/Mortgage of 120 Central Park Drive, Ottawa, Ontario (the “Real Property”) registered on December 21, 2022 as Instrument No. OC2564938 (the “Charge”) in favour of Computershare Trust Company of Canada, and as guaranteed by Alavida Lifestyles Inc. and David Choo (collectively, the “Covenantor”)

And Re: Commitment Letter dated November 25, 2022 issued to the Debtor, as amended by a Waiver and Amendment to the Commitment Letter dated December 13, 2022 (the “Commitment Letter”)

And Re: Covenant and postponement of claim dated December 21, 2022 by the Covenantor of all obligations of the Debtor pursuant to the Commitment Letter (the “Guarantee”, and together with the Charge, the Commitment Letter, and such other security agreements and other documents entered into between the Debtor and/or Covenantor, any one or more of them, and the Lender or delivered by the Debtor and/or Covenantor, any one or more of them, in connection with the Subject Loan from time to time, in each case, as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with their provisions, collectively the “Loan and Security Documents”)

We are the solicitors for the Lender. Terms not otherwise defined herein shall have the meaning provided for in the Charge.

The Subject Loan is in default because of, among other things (a) there is a continuing default under the mortgage loan to 2195186 Ontario Inc. secured against the property municipally known as 101 Champagne Avenue, Ottawa Ontario relating to the failure to pay to the Lender certain amounts when due as contemplated thereunder, including the amounts due on July 1, 2024, which payments have not been made by David Choo, as guarantor under said loan, pursuant to a guarantee dated November 16, 2017 from, *inter alia*, David Choo in favour of the Lender (collectively, the “**Champagne Mortgage Default**”), and pursuant to the terms of the Charge and Commitment Letter, the Champagne Mortgage Default causes a default in respect of the Loan and Security Documents, and (b) there are realty tax arrears owing for the 2023 and 2024 tax years in respect of the Real Property in the aggregate amount of \$368,877.59 as reflected in a City of Ottawa municipal tax certificate current as of June 12, 2024.

Enclosed is a copy of the demand letter and Notice of Intention to Enforce Security under the *Bankruptcy and Insolvency Act (Canada)* that we have sent on behalf of the Lender to the Debtor. We refer to the Guarantee pursuant to which you guaranteed the full and punctual payment when due of all Indebtedness (as defined in the Guarantee) which, for certainty, includes without limitation all obligations of the Debtor under or pursuant to the Loan and Security Documents.

As a result of the defaults in respect of the Loan and Security Documents, all amounts due and owing by the Covenantor to the Lender in respect of the Subject Loan is immediately due and payable in accordance with the terms of the Commitment Letter and Charge including, specifically, all indebtedness under the Subject Loan, to the date of repayment in full (and for certainty, including without limitation all interest which accrues to such date of full payment and all legal fees and disbursements incurred by the Lender to such date of full payment) (collectively, the “**Outstanding Amount**”).

Pursuant to the terms of the Guarantee, the Covenantor is and shall be liable to the Lender in the same manner and to the same extent as if the Covenantor had executed the Security as Chargor (as those terms are defined in the Guarantee). Payment under the Guarantee of all of the Indebtedness is therefore immediately due and payable as a result of the defaults in respect of the Loan and Security Documents.

On behalf of the Lender, we hereby demand payment in full to the Lender of the Outstanding Amount. The Outstanding Amount as at July 18, 2024 is \$20,192,742.15. Interest continues to accrue under the Loan and Security Documents in accordance with each of their terms, and the Lender is also entitled to payment of all costs and expenses (including legal costs) previously or hereafter incurred by the Lender to the date of payment in full. The exact amount owing by the Debtor may be obtained at any time by the Debtor contacting our office.

Failure by the Covenantor to pay in full all of the Outstanding Amount within 10 days of the date of this letter will result in the Lender taking whatever steps it deems necessary to recover the Outstanding Amount, including without limitation enforcement action by the Lender pursuant to

the Loan and Security Documents delivered by the Debtor and/or the Covenantor, or any one or more of them.

In this regard, we enclose and serve the Covenantor with Notice of Intention to Enforce Security, pursuant to the *Bankruptcy and Insolvency Act* (Canada).

The Lender expressly reserves all rights, remedies and claims in their entirety, any of which may be exercised or pursued at any time and from time to time and without further notice, in the sole discretion of the Lender in accordance with the applicable Loan and Security Documents or at law or in equity.

Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in black ink, appearing to read 'Ardy Mohajer', is written over a light blue rectangular background.

Ardy Mohajer
Partner

LEGAL*65426388.4

**NOTICE OF INTENTION TO ENFORCE SECURITY UNDER SECTION 244(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO:

Alavida Lifestyles Inc., an insolvent person (the “Debtor”)

18 Antares Drive

Ottawa, Ontario K2E 1A9

Attention: David Choo

TAKE NOTICE THAT:

1. Under section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “**Secured Party**”) intends to enforce its security on the debts and liabilities, present and future, of 2067166 Ontario Inc. (“**2067166**”) to the Debtor.
2. The security that is to be enforced (the “**Security**”) is in the form of
 - a. a covenant and postponement of claim by the Debtor in favour of the Secured Party dated December 21, 2022 of all present and future amounts owing by 2067166 to the Debtor, which contains an assignment to the Secured Party of all present and future amounts owing by 2067166 to the Debtor; and
 - b. all other security delivered by the Debtor to the Secured Party, and all ancillary and supplemental documents thereto.
3. As of July 18, 2024, the total amount of indebtedness secured by the Security is \$20,192,742.15 (which amount includes all applicable interest up to July 18, 2024). All applicable interest continues to accrue under the Security in accordance with its terms, and the Secured Party is entitled to payment of all fees and expenses incurred by the Secured Party (including, without limitation, all legal costs and disbursements) to the date of payment in full.
4. The Secured Party will not have the right to enforce the Security until after the expiry of the ten-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement by returning to the Secured Party an executed copy of the enclosed consent.

DATED at Toronto, the 19th day of July, 2024.

**COMPUTERSHARE TRUST COMPANY
OF CANADA** as trustee and title holder for
ACM Commercial Mortgage Fund

By its Solicitors:

CASSELS BROCK & BLACKWELL LLP

Suite 3200, Bay Adelaide Centre- North
Tower

40 Temperance St.

Toronto, Ontario M5H 0B4



Per: Ardy Mohajer

**CONSENT TO EARLIER ENFORCEMENT OF SECURITY UNDER SECTION 244(2) OF
THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

- TO:** Computershare Trust Company of Canada as trustee and title holder for ACM
Commercial Mortgage Fund (the "**Secured Party**")
- RE:** Notice of Intention to Enforce Security under Section 244(1) of the *Bankruptcy and
Insolvency Act* (Canada) (the "**Act**"), dated July 19, 2024 from the Secured Party (the
"**Notice**")
-

Capitalized terms used in this consent and waiver and not otherwise defined have meanings given to them in the Notice.

The undersigned hereby acknowledges that it has received the Notice and, in accordance with section 244(2) of the Act, it consents to earlier enforcement by the Secured Party of its Security on the Collateral.

Dated July 19, 2024.

Alavida Lifestyles Inc.

Cassels

July 19, 2024

By Registered Mail and E-mail

Alavida Lifestyles Inc.
18 Antares Drive
Ottawa, Ontario K2E 1A9
Attention: David Choo

amohajer@cassels.com
tel: +1 416-860-5218
file # 54655-21

-and-

David Choo
18 Antares Drive
Ottawa, Ontario K2E 1A9

Dear Sir:

Re: 2067166 Ontario Inc. (the “Debtor”) first-ranking mortgage loan (the “Subject Loan”) from Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “Lender”) secured by a Charge/Mortgage of 120 Central Park Drive, Ottawa, Ontario (the “Real Property”) registered on December 21, 2022 as Instrument No. OC2564938 (the “Charge”) in favour of Computershare Trust Company of Canada, and as guaranteed by Alavida Lifestyles Inc. and David Choo (collectively, the “Covenantor”)

And Re: Commitment Letter dated November 25, 2022 issued to the Debtor, as amended by a Waiver and Amendment to the Commitment Letter dated December 13, 2022 (the “Commitment Letter”)

And Re: Covenant and postponement of claim dated December 21, 2022 by the Covenantor of all obligations of the Debtor pursuant to the Commitment Letter (the “Guarantee”, and together with the Charge, the Commitment Letter, and such other security agreements and other documents entered into between the Debtor and/or Covenantor, any one or more of them, and the Lender or delivered by the Debtor and/or Covenantor, any one or more of them, in connection with the Subject Loan from time to time, in each case, as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with their provisions, collectively the “Loan and Security Documents”)

We are the solicitors for the Lender. Terms not otherwise defined herein shall have the meaning provided for in the Charge.

The Subject Loan is in default because of, among other things (a) there is a continuing default under the mortgage loan to 2195186 Ontario Inc. secured against the property municipally known as 101 Champagne Avenue, Ottawa Ontario relating to the failure to pay to the Lender certain amounts when due as contemplated thereunder, including the amounts due on July 1, 2024, which payments have not been made by David Choo, as guarantor under said loan, pursuant to a guarantee dated November 16, 2017 from, *inter alia*, David Choo in favour of the Lender (collectively, the “**Champagne Mortgage Default**”), and pursuant to the terms of the Charge and Commitment Letter, the Champagne Mortgage Default causes a default in respect of the Loan and Security Documents, and (b) there are realty tax arrears owing for the 2023 and 2024 tax years in respect of the Real Property in the aggregate amount of \$368,877.59 as reflected in a City of Ottawa municipal tax certificate current as of June 12, 2024.

Enclosed is a copy of the demand letter and Notice of Intention to Enforce Security under the *Bankruptcy and Insolvency Act (Canada)* that we have sent on behalf of the Lender to the Debtor. We refer to the Guarantee pursuant to which you guaranteed the full and punctual payment when due of all Indebtedness (as defined in the Guarantee) which, for certainty, includes without limitation all obligations of the Debtor under or pursuant to the Loan and Security Documents.

As a result of the defaults in respect of the Loan and Security Documents, all amounts due and owing by the Covenantor to the Lender in respect of the Subject Loan is immediately due and payable in accordance with the terms of the Commitment Letter and Charge including, specifically, all indebtedness under the Subject Loan, to the date of repayment in full (and for certainty, including without limitation all interest which accrues to such date of full payment and all legal fees and disbursements incurred by the Lender to such date of full payment) (collectively, the “**Outstanding Amount**”).

Pursuant to the terms of the Guarantee, the Covenantor is and shall be liable to the Lender in the same manner and to the same extent as if the Covenantor had executed the Security as Chargor (as those terms are defined in the Guarantee). Payment under the Guarantee of all of the Indebtedness is therefore immediately due and payable as a result of the defaults in respect of the Loan and Security Documents.

On behalf of the Lender, we hereby demand payment in full to the Lender of the Outstanding Amount. The Outstanding Amount as at July 18, 2024 is \$20,192,742.15. Interest continues to accrue under the Loan and Security Documents in accordance with each of their terms, and the Lender is also entitled to payment of all costs and expenses (including legal costs) previously or hereafter incurred by the Lender to the date of payment in full. The exact amount owing by the Debtor may be obtained at any time by the Debtor contacting our office.

Failure by the Covenantor to pay in full all of the Outstanding Amount within 10 days of the date of this letter will result in the Lender taking whatever steps it deems necessary to recover the Outstanding Amount, including without limitation enforcement action by the Lender pursuant to

the Loan and Security Documents delivered by the Debtor and/or the Covenantor, or any one or more of them.

In this regard, we enclose and serve the Covenantor with Notice of Intention to Enforce Security, pursuant to the *Bankruptcy and Insolvency Act* (Canada).

The Lender expressly reserves all rights, remedies and claims in their entirety, any of which may be exercised or pursued at any time and from time to time and without further notice, in the sole discretion of the Lender in accordance with the applicable Loan and Security Documents or at law or in equity.

Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in black ink, appearing to be 'Ardy Mohajer', is written over a light blue rectangular background.

Ardy Mohajer
Partner

LEGAL*65426388.4

**NOTICE OF INTENTION TO ENFORCE SECURITY UNDER SECTION 244(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO:

David Choo, an insolvent person (the “Debtor”)

18 Antares Drive

Ottawa, Ontario K2E 1A9

TAKE NOTICE THAT:

1. Under section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “**Secured Party**”) intends to enforce its security on the debts and liabilities, present and future, of 2067166 Ontario Inc. (“**2067166**”) to the Debtor.
2. The security that is to be enforced (the “**Security**”) is in the form of
 - a. a covenant and postponement of claim by the Debtor in favour of the Secured Party dated December 21, 2022 of all present and future amounts owing by 2067166 to the Debtor, which contains an assignment to the Secured Party of all present and future amounts owing by 2067166 to the Debtor; and
 - b. all other security delivered by the Debtor to the Secured Party, and all ancillary and supplemental documents thereto.
3. As of July 18, 2024, the total amount of indebtedness secured by the Security is \$20,192,742.15 (which amount includes all applicable interest up to July 18, 2024). All applicable interest continues to accrue under the Security in accordance with its terms, and the Secured Party is entitled to payment of all fees and expenses incurred by the Secured Party (including, without limitation, all legal costs and disbursements) to the date of payment in full.
4. The Secured Party will not have the right to enforce the Security until after the expiry of the ten-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement by returning to the Secured Party an executed copy of the enclosed consent.

DATED at Toronto, the 19th day of July, 2024.

**COMPUTERSHARE TRUST COMPANY
OF CANADA** as trustee and title holder for
ACM Commercial Mortgage Fund

By its Solicitors:

CASSELS BROCK & BLACKWELL LLP

Suite 3200, Bay Adelaide Centre- North
Tower

40 Temperance St.

Toronto, Ontario M5H 0B4



Per: _____

Ardy Mohajer

CONSENT TO EARLIER ENFORCEMENT OF SECURITY UNDER SECTION 244(2) OF THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)

TO: Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “**Secured Party**”)

RE: Notice of Intention to Enforce Security under Section 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**Act**”), dated July 19, 2024 from the Secured Party (the “**Notice**”)

Capitalized terms used in this consent and waiver and not otherwise defined have meanings given to them in the Notice.

The undersigned hereby acknowledges that it has received the Notice and, in accordance with section 244(2) of the Act, it consents to earlier enforcement by the Secured Party of its Security on the Collateral.

Dated July 19, 2024.

David Choo

This is Exhibit “**S**” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

**TAX CERTIFICATE / CERTIFICAT DE TAXES
CITY OF OTTAWA / VILLE D'OTTAWA**



Roll Number / Numéro du Rôle: 0614.120.475.66460.0000

Street Address / Adress Municipale:

0 PRADO PVT

Legal / Légale:

PLAN 4M1327 PT BLKS 10 AND

11 RP 4R25794 PARTS 12 13 37

47 TO 49

IRREG

29447.69SF 140.06FR D

Owner(s) / Propriétaire(s)

2058743 ONTARIO CORP

Issued To / Envoyer à:

CASSELS BROCK LAWYERS
3200-40 TEMPERANCE ST
TORONTO ON
M5H 0B4

Certificate Number / Numéro de certificat: 399725

Tax Certificate Fee / Frais de certificat de taxes: \$ 74.00

Certified as at / Certifié en date du: DEC/DÉC 10, 2024

Your Reference / Votre référence: 54655-22

Remarks / Remarques

2024 VUT DECLARATION NOT REQUIRED

Pending Fees / Frais en suspens

STATEMENT OF TAX ARREARS / ÉTAT D'ARRÉRAGES DE TAXES

Year Année	Taxes Outstanding Taxes impayées	Interest Outstanding Intérêt impayé	Other Charges Autres frais	Balance Outstanding Solde dû
2023	\$16,074.96	\$3,915.85	\$26.70	\$20,017.51
2022	\$0.00	\$0.00	\$0.00	\$0.00
2021+	\$0.00	\$0.00	\$0.00	\$0.00
Prior Year Tax Levy / Taxes prélevées année précédente: \$16,074.96				
Total Arrears / total des arrrages:				\$20,017.51

STATEMENT OF CURRENT TAXES / ÉTAT DES TAXES COURANTES

Taxes Levied Taxes prélevées	Penalty Added Pénalité imposée	Total including Penalty Total, pénalité comprise	Payments/Adjustments Paiements/Ajustements	Total Payable Montant total à payer
\$16,513.50	\$1,541.56	\$18,055.06	\$28.20	\$18,083.26

Due Dates and Instalment Amounts / Dates d'échéance et versements

Interim Taxes / Provisoires	MAR/MARS 21, 2024	\$8,037.47
Final Taxes / Finales	JUN/JUIN 20, 2024	\$8,476.03

Local Improvements and Other Charges Levied / Améliorations locales et autres redevances prélevées

Local ID Code Code d'identification	Description	Year of Expiry Année d'expiration	Annual Charge Montant annuel
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TOTAL PAYABLE AS AT DATE OF CERTIFICATE / SOLDE À LA DATE DU CERTIFICAT: \$38,100.77

The penalty / interest rate on past due taxes and arrears is **1.250 % per month.**

La pénalité / le taux d'intérêt est de **1.250 % par mois** sur les taxes en souffrance et les arrrages.

(SEE BACK FOR IMPORTANT INFORMATION)

(VOIR AU VERSO POUR RENSEIGNEMENTS IMPORTANTS)

FOR THE TREASURER OR TAX COLLECTOR
POUR LE TRÉSORIER OU LE PERCEPTEUR DES TAXES

City of Ottawa, Revenue Services

100 Constellation Drive, 4th Floor, East
Ottawa ON K2G 6J8

Tel: 613-580-2444 Fax: 613-580-2457

TTY: 613-580-2401

E-mail: revenue@ottawa.ca

Web site: ottawa.ca

Ville d'Ottawa, Services des recettes

100, promenade Constellation, 4e étage est
Ottawa ON K2G 6J8

Tél.: 613-580-2444 Téléc.: 613-580-2457

ATS: 613-580-2401

Courriel: revenue@ottawa.ca

Site web: ottawa.ca

Important Information

Within 30 days of the issuance of a tax certificate, the requesting party may obtain a verbal update of the status of the relevant tax roll.

This certificate has been prepared in accordance with the provisions of Section 352 of the Municipal Act, 2001 R.S.O. 2001 c25 and may be subject to the following:

1. Penalty/Interest has been calculated to the date of issue of this certificate. Payments received after the end of the month or after the due dates may be subject to additional penalty/interest charges.
2. Adjustments authorized by statute not applied to the Collector's Roll at the date of certification may be added subsequently without further notice and may include:
 - a. Additional taxes and adjustments levied and made under the Assessment Act, R.S.O. 1990, c.A31; and
 - b. Tax adjustments, tax apportionments, local improvement charges, and any other charges made under the Municipal Act.
3. The information on this certificate is based on payments tendered being honoured by the bank upon which they are drawn.
4. Any credit balance appearing on this certificate is not verified and no adjustment should be made unless the credit balance is verified in writing as an overpayment.

I hereby certify this statement shows the current year's taxes and all arrears of taxes (prior years) against the above land.

Informations importantes

Dans les 30 jours suivant la délivrance d'un certificat d'impôts foncier, le demandeur peut obtenir une mise à jour verbale de l'état du rôle d'imposition pertinent.

Ce certificat a été préparé conformément aux dispositions de l'article 352 de la Loi de 2001 sur les municipalités L.R.O. 2001, chapitre 25, et peut être assujéti aux dispositions suivantes :

1. Pénalité/intérêt a été calculé à la date de réception de ce certificat; les paiements reçus après la fin du mois ou après la date d'échéance peuvent être soumis à des pénalités/frais d'intérêt supplémentaires;
2. Les rajustements autorisés par la loi qui n'ont pas été appliqués au rôle du percepteur à la date de certification peuvent être ajoutés par la suite sans avis préalable et peuvent inclure :
 - a. des taxes et rajustements supplémentaires imposés et perçus en vertu de la Loi sur l'évaluation foncière, L.R.O. 1990, chapitre A31;
 - b. des rajustements fiscaux, répartitions fiscales, taxes d'améliorations locales et tous autres frais imposés en vertu de la Loi sur les municipalités.
3. Les informations figurant sur ce certificat reposent sur le principe que les paiements effectués seront honorés par la banque où se trouve le compte sur lequel ils sont tirés.
4. Tout solde créditeur figurant sur ce certificat n'est pas vérifié, et aucun rajustement ne devrait être fait à moins que le solde créditeur ne soit vérifié par écrit en tant que versement excédentaire.

J'atteste par la présente que ce relevé indique les impôts de l'année en cours et tous les arriérés d'impôt (années précédentes) pour le terrain indiqué ci-dessus.

the 1990s, the number of people in the UK who are employed in the public sector has increased from 10.5% to 13.5% of the total population. The public sector has also become an increasingly important source of income for the state, with public sector employees contributing 15% of the total tax revenue in 2000 (HM Treasury 2001).

As a result of the increasing importance of the public sector, the public sector has become a focus of attention for the media and the public. The public sector has been the subject of a number of high-profile investigations, including the *Telegraph* (2000) and *Financial Times* (2000) reports on the public sector's financial performance, and the *Telegraph* (2001) report on the public sector's contribution to the state's tax revenue.

The public sector has also become a focus of attention for the media and the public in the context of the debate on the public sector's role in the economy. The public sector has been the subject of a number of high-profile investigations, including the *Telegraph* (2000) and *Financial Times* (2000) reports on the public sector's financial performance, and the *Telegraph* (2001) report on the public sector's contribution to the state's tax revenue.

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**TAX CERTIFICATE / CERTIFICAT DE TAXES
CITY OF OTTAWA / VILLE D'OTTAWA**



Roll Number / Numéro du Rôle: 0614.120.475.66240.0000

Street Address / Adress Municipale:

636 PRADO PVT

Legal / Légale:

PLAN 4M1327 PT BLKS 10 AND

11 RP 4R25794 PARTS 8 9 21

45 AND 46

IRREG

37489.19SF 121.69FR D

Owner(s) / Propriétaire(s)

2265132 ONTARIO INC

Issued To / Envoyer à:

CASSELS BROCK LAWYERS
3200-40 TEMPERANCE ST
TORONTO ON
M5H 0B4

Certificate Number / Numéro de certificat: 399664

Tax Certificate Fee / Frais de certificat de taxes: \$ 74.00

Certified as at / Certifié en date du: DEC/DÉC 09, 2024

Your Reference / Votre référence: 54655-22

Remarks / Remarques

2024 VUT DECLARATION NOT REQUIRED

Pending Fees / Frais en suspens

STATEMENT OF TAX ARREARS / ÉTAT D'ARRÉRAGES DE TAXES

Year Année	Taxes Outstanding Taxes impayées	Interest Outstanding Intérêt impayé	Other Charges Autres frais	Balance Outstanding Solde dû
2023	\$106,970.42	\$13,371.30	\$0.00	\$120,341.72
2022	\$0.00	\$0.00	\$0.00	\$0.00
2021+	\$0.00	\$0.00	\$0.00	\$0.00
Prior Year Tax Levy / Taxes prélevées année précédente: \$193,982.89				
Total Arrears / total des arrrages:				\$120,341.72

STATEMENT OF CURRENT TAXES / ÉTAT DES TAXES COURANTES

Taxes Levied Taxes prélevées	Penalty Added Pénalité imposée	Total including Penalty Total, pénalité comprise	Payments/Adjustments Paiements/Ajustements	Total Payable Montant total à payer
\$198,357.17	\$18,515.61	\$216,872.78	\$28.20	\$216,900.98

Due Dates and Instalment Amounts / Dates d'échéance et versements

Interim Taxes / Provisoires	MAR/MARS 21, 2024	\$96,991.28
Final Taxes / Finales	JUN/JUIN 20, 2024	\$101,365.89

Local Improvements and Other Charges Levied / Améliorations locales et autres redevances prélevées

Local ID Code Code d'identification	Description	Year of Expiry Année d'expiration	Annual Charge Montant annuel
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TOTAL PAYABLE AS AT DATE OF CERTIFICATE / SOLDE À LA DATE DU CERTIFICAT: \$337,242.70

The penalty / interest rate on past due taxes and arrears is **1.250 % per month.**

La pénalité / le taux d'intérêt est de **1.250 % par mois** sur les taxes en souffrance et les arrrages.

(SEE BACK FOR IMPORTANT INFORMATION)

(VOIR AU VERSO POUR RENSEIGNEMENTS IMPORTANTS)

FOR THE TREASURER OR TAX COLLECTOR
POUR LE TRÉSORIER OU LE PERCEPTEUR DES TAXES

City of Ottawa, Revenue Services
100 Constellation Drive, 4th Floor, East
Ottawa ON K2G 6J8
Tel: 613-580-2444 Fax: 613-580-2457
TTY: 613-580-2401
E-mail: revenue@ottawa.ca
Web site: ottawa.ca

Ville d'Ottawa, Services des recettes
100, promenade Constellation, 4e étage est
Ottawa ON K2G 6J8
Tél.: 613-580-2444 Téléc.: 613-580-2457
ATS: 613-580-2401
Courriel: revenue@ottawa.ca
Site web: ottawa.ca

Important Information

Within 30 days of the issuance of a tax certificate, the requesting party may obtain a verbal update of the status of the relevant tax roll.

This certificate has been prepared in accordance with the provisions of Section 352 of the Municipal Act, 2001 R.S.O. 2001 c25 and may be subject to the following:

1. Penalty/Interest has been calculated to the date of issue of this certificate. Payments received after the end of the month or after the due dates may be subject to additional penalty/interest charges.
2. Adjustments authorized by statute not applied to the Collector's Roll at the date of certification may be added subsequently without further notice and may include:
 - a. Additional taxes and adjustments levied and made under the Assessment Act, R.S.O. 1990, c.A31; and
 - b. Tax adjustments, tax apportionments, local improvement charges, and any other charges made under the Municipal Act.
3. The information on this certificate is based on payments tendered being honoured by the bank upon which they are drawn.
4. Any credit balance appearing on this certificate is not verified and no adjustment should be made unless the credit balance is verified in writing as an overpayment.

I hereby certify this statement shows the current year's taxes and all arrears of taxes (prior years) against the above land.

Informations importantes

Dans les 30 jours suivant la délivrance d'un certificat d'impôts foncier, le demandeur peut obtenir une mise à jour verbale de l'état du rôle d'imposition pertinent.

Ce certificat a été préparé conformément aux dispositions de l'article 352 de la Loi de 2001 sur les municipalités L.R.O. 2001, chapitre 25, et peut être assujetti aux dispositions suivantes :

1. Pénalité/intérêt a été calculé à la date de réception de ce certificat; les paiements reçus après la fin du mois ou après la date d'échéance peuvent être soumis à des pénalités/frais d'intérêt supplémentaires;
2. Les rajustements autorisés par la loi qui n'ont pas été appliqués au rôle du percepteur à la date de certification peuvent être ajoutés par la suite sans avis préalable et peuvent inclure :
 - a. des taxes et rajustements supplémentaires imposés et perçus en vertu de la Loi sur l'évaluation foncière, L.R.O. 1990, chapitre A31;
 - b. des rajustements fiscaux, répartitions fiscales, taxes d'améliorations locales et tous autres frais imposés en vertu de la Loi sur les municipalités.
3. Les informations figurant sur ce certificat reposent sur le principe que les paiements effectués seront honorés par la banque où se trouve le compte sur lequel ils sont tirés.
4. Tout solde créditeur figurant sur ce certificat n'est pas vérifié, et aucun rajustement ne devrait être fait à moins que le solde créditeur ne soit vérifié par écrit en tant que versement excédentaire.

J'atteste par la présente que ce relevé indique les impôts de l'année en cours et tous les arriérés d'impôt (années précédentes) pour le terrain indiqué ci-dessus.

This is Exhibit "T" referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

Cassels

July 19, 2024

By Registered Mail and E-mail

2265132 Ontario Inc.
18 Antares Drive
Ottawa, Ontario K2E 1A9
Attention: David Choo

amohajer@cassels.com
tel: +1 416-860-5218
file # 54655-22

-and-

1384274 Ontario Inc.
18 Antares Drive
Ottawa, Ontario K2E 1A9
Attention: David Choo

Dear Sir:

- Re:** 2265132 Ontario Inc. and 1384274 Ontario Inc. (collectively, the “Debtor”) first-ranking mortgage loan (the “Subject Loan”) from Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “Lender”) secured by Charges/Mortgages of 636 Prado Private, Ottawa, Ontario (the “Real Property”) registered on December 21, 2022 as Instrument No. OC2564944 and Instrument No. OC2564946 (collectively, the “Charge”) in favour of Computershare Trust Company of Canada, and as guaranteed by Alavida Lifestyles Inc. and David Choo (collectively, the “Covenantor”)
- And Re:** Commitment Letter dated November 25, 2022 issued to the Debtor, as amended by a Waiver and Amendment to the Commitment Letter dated December 13, 2022 (the “Commitment Letter”)
- And Re:** General Security Agreement dated December 21, 2022 delivered by the Debtor (together with the Charge, the Commitment Letter, and such other security agreements and other documents entered into between the Debtor and the Lender or delivered by the Debtor in connection with the Subject Loan from time to time, in each case, as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with their provisions, collectively the “Loan and Security Documents”)

We are the solicitors for the Lender. Terms not otherwise defined herein shall have the meaning provided for in the Charge.

The Subject Loan is in default because of, among other things (a) there is a continuing default under the mortgage loan to 2195186 Ontario Inc. secured against the property municipally known as 101 Champagne Avenue, Ottawa, Ontario relating to the failure to pay to the Lender certain amounts when due as contemplated thereunder, including the amounts due on July 1, 2024 which payments have not been made by David Choo, as guarantor under said loan, pursuant to a guarantee dated November 16, 2017 from, *inter alia*, David Choo in favour of the Lender (collectively, the “**Champagne Mortgage Default**”), and pursuant to the terms of the Charge and Commitment Letter, the Champagne Mortgage Default causes a default in respect of the Loan and Security Documents, and (b) there are realty tax arrears owing for the 2023 and 2024 tax years in respect of the Real Property in the aggregate amount of \$314,322.92 in respect of the Real Property and \$35,634.44 in respect of the parking facility relating to the Real Property as reflected in City of Ottawa municipal tax certificates current as of June 12 and June 13, 2024 respectively.

As a result of the defaults in respect of the Loan and Security Documents, all amounts due and owing by the Debtor to the Lender in respect of the Subject Loan is immediately due and payable in accordance with the terms of the Commitment Letter and Charge including, specifically, all indebtedness under the Subject Loan, to the date of repayment in full (and for certainty, including without limitation all interest which accrues to such date of full payment and all legal fees and disbursements incurred by the Lender to such date of full payment) (collectively, the “**Outstanding Amount**”).

On behalf of the Lender, we hereby demand payment in full to the Lender of the Outstanding Amount. The Outstanding Amount as at July 18, 2024 is \$44,457,740.63. Interest continues to accrue under the Loan and Security Documents in accordance with each of their terms, and the Lender is also entitled to payment of all costs and expenses (including legal costs) previously or hereafter incurred by the Lender to the date of payment in full. The exact amount owing by the Debtor may be obtained at any time by the Debtor contacting our office. The following is a breakdown of the Outstanding Amount as at July 18, 2024:

Principal Balance	\$41,102,763.65
Accrued Interest (July 1/24 – July 18/24 inclusive)	\$120,791.94
Yield Maintenance Amount	\$3,227,583.65
Legal Costs	\$6,601.39
TOTAL:	\$44,457,740.63

Failure by the Debtor to pay in full all of the Outstanding Amount within 10 days of the date of this letter will result in the Lender taking whatever steps it deems necessary to recover the Outstanding Amount, including without limitation enforcement action by the Lender pursuant to the Loan and Security Documents delivered by the Debtor or the Covenantor. For certainty, the Outstanding Amount and applicable interest that continues to accrue until the date of payment in full is exclusive of legal and other expenses which the Debtor will also continue to be liable for pursuant to the terms of the Loan and Security Documents until such amounts are paid in full.

In this regard, we enclose and serve the Debtors with Notice of Intention to Enforce Security, pursuant to the *Bankruptcy and Insolvency Act* (Canada).

The Lender expressly reserves all rights, remedies and claims in their entirety, any of which may be exercised or pursued at any time and from time to time and without further notice, in the sole discretion of the Lender in accordance with the applicable Loan and Security Documents or at law or in equity.

Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in black ink, appearing to be 'AM', is enclosed in a light blue rectangular box.

Ardy Mohajer
Partner

LEGAL*65427262.6

**NOTICE OF INTENTION TO ENFORCE SECURITY UNDER SECTION 244(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO:

1384274 Ontario Inc., an insolvent person

18 Antares Drive
Ottawa, Ontario K2E 1A9
Attention: David Choo

TAKE NOTICE THAT:

1. Under section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “**Secured Party**”) intends to enforce its security on the property of 1384274 Ontario Inc. (collectively, the “**Debtor**”) including without limitation, as described below:
 - a. The lands and premises municipally known as 636 Prado Private, Ottawa, Ontario, and legally described as:

ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4,5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42,43, 44, 50, 51, 52 AND 54 PLAN 4R25794. SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1, 16, 17, 18, 23, 24, 27 AND 28 PLAN 4R25794 AS IN OC881843. SUBJECT TO AN EASEMENT OVER PARTS 3, 4, 5, 6, 7, 10, 11, 14, 15, 20, 26, 32, 33,34, 35, 39, 40, 41 AND 54 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 12 PLAN 4M1327, PART 19 PLAN 4R25794 AS IN OC1451770; SUBJECT TO AN EASEMENT INFAVOUR OF PART OF BLOCKS 10 AND 25 PLAN 4M1327, PARTS 2, 22, 25, 29, 30, 31,36 AND 53 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9,21, 45 AND 46 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 12, 13, 38, 47, 48 AND 49 PLAN 4R25794 AS IN OC1451771; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1560118; CITY OF OTTAWA, being PIN 04052-0801 (LT)

(the “**Real Property**”); and
 - b. the undertaking of the Debtor and in all present and after acquired personal property owned or acquired by or on behalf of the Debtor relating to the Real Property and in all proceeds and renewals thereof, accretions thereto and substitutions therefor (collectively with the Real Property, the “**Collateral**”).
2. The security that is to be enforced (the “**Security**”) is in the form of:
 - a. a mortgage registered in the land registry office for Ottawa-Carleton in the Province of Ontario as Instrument No. OC2564946 on December 21, 2022 (the “**Mortgage**”);
 - b. a notice of assignment of rents-general registered in the land registry office for Ottawa-Carleton in the Province of Ontario as Instrument No. OC2564947 on December 21, 2022;

- c. a general assignment of rents and leases by the Debtor and 2265132 Ontario Inc. dated December 21, 2022;
 - d. a general security agreement by the Debtor and 2265132 Ontario Inc. dated December 21, 2022;
 - e. assignment of insurance by the Debtor and 2265132 Ontario Inc. dated December 21, 2022;
 - f. environmental warranties and indemnities by the Debtor, 2265132 Ontario Inc., Alavida Lifestyles Inc., and David Choo undated; and
 - g. all other security delivered by the Debtor to Secured Party, and all ancillary and supplemental documents thereto.
3. As of July 18, 2024, the total amount of indebtedness secured by the Security is \$44,457,740.63. (which amount includes all applicable interest up to July 18, 2024). All applicable interest continues to accrue under the Security in accordance with its terms, and the Secured Party is entitled to payment of all fees and expenses incurred by the Secured Party (including, without limitation, all legal costs and disbursements) to the date of payment in full.
4. The Secured Party will not have the right to enforce the Security until after the expiry of the ten-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement by returning to the Secured Party an executed copy of the enclosed consent.

DATED at Toronto, the 19th day of July, 2024.

**COMPUTERSHARE TRUST COMPANY
OF CANADA** as trustee and title holder for
ACM Commercial Mortgage Fund
By its Solicitors:
CASELS BROCK & BLACKWELL LLP
Suite 3200, Bay Adelaide Centre- North
Tower
40 Temperance St.
Toronto, Ontario M5H 0B4



Per: _____
Ardy Mohajer

**CONSENT TO EARLIER ENFORCEMENT OF SECURITY UNDER SECTION 244(2) OF
THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

- TO:** Computershare Trust Company of Canada as trustee and title holder for ACM
Commercial Mortgage Fund (the "**Secured Party**")
- RE:** Notice of Intention to Enforce Security under Section 244(1) of the *Bankruptcy and
Insolvency Act* (Canada) (the "**Act**"), dated July 19, 2024 from the Secured Party (the
"**Notice**")
-

Capitalized terms used in this consent and waiver and not otherwise defined have meanings given to them in the Notice.

The undersigned hereby acknowledges that it has received the Notice and, in accordance with section 244(2) of the Act, it consents to earlier enforcement by the Secured Party of its Security on the Collateral.

Dated July 19, 2024.

1384274 Ontario Inc.

By: _____
Name:
Title:

Cassels

July 19, 2024

By Registered Mail and E-mail

2265132 Ontario Inc.
18 Antares Drive
Ottawa, Ontario K2E 1A9
Attention: David Choo

amohajer@cassels.com
tel: +1 416-860-5218
file # 54655-22

-and-

1384274 Ontario Inc.
18 Antares Drive
Ottawa, Ontario K2E 1A9
Attention: David Choo

Dear Sir:

- Re:** 2265132 Ontario Inc. and 1384274 Ontario Inc. (collectively, the “Debtor”) first-ranking mortgage loan (the “Subject Loan”) from Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “Lender”) secured by Charges/Mortgages of 636 Prado Private, Ottawa, Ontario (the “Real Property”) registered on December 21, 2022 as Instrument No. OC2564944 and Instrument No. OC2564946 (collectively, the “Charge”) in favour of Computershare Trust Company of Canada, and as guaranteed by Alavida Lifestyles Inc. and David Choo (collectively, the “Covenantor”)
- And Re:** Commitment Letter dated November 25, 2022 issued to the Debtor, as amended by a Waiver and Amendment to the Commitment Letter dated December 13, 2022 (the “Commitment Letter”)
- And Re:** General Security Agreement dated December 21, 2022 delivered by the Debtor (together with the Charge, the Commitment Letter, and such other security agreements and other documents entered into between the Debtor and the Lender or delivered by the Debtor in connection with the Subject Loan from time to time, in each case, as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with their provisions, collectively the “Loan and Security Documents”)

We are the solicitors for the Lender. Terms not otherwise defined herein shall have the meaning provided for in the Charge.

The Subject Loan is in default because of, among other things (a) there is a continuing default under the mortgage loan to 2195186 Ontario Inc. secured against the property municipally known as 101 Champagne Avenue, Ottawa, Ontario relating to the failure to pay to the Lender certain amounts when due as contemplated thereunder, including the amounts due on July 1, 2024 which payments have not been made by David Choo, as guarantor under said loan, pursuant to a guarantee dated November 16, 2017 from, *inter alia*, David Choo in favour of the Lender (collectively, the “**Champagne Mortgage Default**”), and pursuant to the terms of the Charge and Commitment Letter, the Champagne Mortgage Default causes a default in respect of the Loan and Security Documents, and (b) there are realty tax arrears owing for the 2023 and 2024 tax years in respect of the Real Property in the aggregate amount of \$314,322.92 in respect of the Real Property and \$35,634.44 in respect of the parking facility relating to the Real Property as reflected in City of Ottawa municipal tax certificates current as of June 12 and June 13, 2024 respectively.

As a result of the defaults in respect of the Loan and Security Documents, all amounts due and owing by the Debtor to the Lender in respect of the Subject Loan is immediately due and payable in accordance with the terms of the Commitment Letter and Charge including, specifically, all indebtedness under the Subject Loan, to the date of repayment in full (and for certainty, including without limitation all interest which accrues to such date of full payment and all legal fees and disbursements incurred by the Lender to such date of full payment) (collectively, the “**Outstanding Amount**”).

On behalf of the Lender, we hereby demand payment in full to the Lender of the Outstanding Amount. The Outstanding Amount as at July 18, 2024 is \$44,457,740.63. Interest continues to accrue under the Loan and Security Documents in accordance with each of their terms, and the Lender is also entitled to payment of all costs and expenses (including legal costs) previously or hereafter incurred by the Lender to the date of payment in full. The exact amount owing by the Debtor may be obtained at any time by the Debtor contacting our office. The following is a breakdown of the Outstanding Amount as at July 18, 2024:

Principal Balance	\$41,102,763.65
Accrued Interest (July 1/24 – July 18/24 inclusive)	\$120,791.94
Yield Maintenance Amount	\$3,227,583.65
Legal Costs	\$6,601.39
TOTAL:	\$44,457,740.63

Failure by the Debtor to pay in full all of the Outstanding Amount within 10 days of the date of this letter will result in the Lender taking whatever steps it deems necessary to recover the Outstanding Amount, including without limitation enforcement action by the Lender pursuant to the Loan and Security Documents delivered by the Debtor or the Covenantor. For certainty, the Outstanding Amount and applicable interest that continues to accrue until the date of payment in full is exclusive of legal and other expenses which the Debtor will also continue to be liable for pursuant to the terms of the Loan and Security Documents until such amounts are paid in full.

In this regard, we enclose and serve the Debtors with Notice of Intention to Enforce Security, pursuant to the *Bankruptcy and Insolvency Act* (Canada).

The Lender expressly reserves all rights, remedies and claims in their entirety, any of which may be exercised or pursued at any time and from time to time and without further notice, in the sole discretion of the Lender in accordance with the applicable Loan and Security Documents or at law or in equity.

Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in black ink, appearing to be 'AM', is enclosed in a light blue rectangular box.

Ardy Mohajer
Partner

LEGAL*65427262.6

**NOTICE OF INTENTION TO ENFORCE SECURITY UNDER SECTION 244(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO:

2265132 Ontario Inc., an insolvent person

18 Antares Drive
Ottawa, Ontario K2E 1A9
Attention: David Choo

TAKE NOTICE THAT:

1. Under section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “**Secured Party**”) intends to enforce its security on the property of 2265132 Ontario Inc. (the “**Debtor**”) including without limitation, as described below:
 - a. The lands and premises municipally known as 636 Prado Private, Ottawa, Ontario, and legally described as:

PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794. SUBJECT TO AN EASEMENT OVER PART 21 PLAN 4R25794 AS IN NS45154. SUBJECT TO AN EASEMENT OVER PARTS 8, 21 AND 46 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; SUBJECT TO AN EASEMENT AS IN OC1435034; TOGETHER WITH AN EASEMENT OVER ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794 AS IN OC1451771; CITY OF OTTAWA, being PIN 04052-0799 (LT);

(the “**Real Property**”); and
 - b. the undertaking of the Debtor and in all present and after acquired personal property owned or acquired by or on behalf of the Debtor relating to the Real Property and in all proceeds and renewals thereof, accretions thereto and substitutions therefor (collectively with the Real Property, the “**Collateral**”).
2. The security that is to be enforced (the “**Security**”) is in the form of:
 - a. a mortgage registered in the land registry office for Ottawa-Carleton in the Province of Ontario as Instrument No. OC2564944 on December 21, 2022 (the “**Mortgage**”);
 - b. a notice of assignment of rents-general registered in the land registry office for Ottawa-Carleton in the Province of Ontario as Instrument No. OC2564945 on December 21, 2022;
 - c. a general assignment of rents and leases by the Debtor and 1384274 Ontario Inc. dated December 21, 2022;
 - d. a general security agreement by the Debtor and 1384274 Ontario Inc. dated December 21, 2022;

- e. assignment of insurance by the Debtor and 1384274 Ontario Inc. dated December 21, 2022;
 - f. environmental warranties and indemnities by the Debtor, 1384274 Ontario Inc., Alavida Lifestyles Inc., and David Choo undated; and
 - g. all other security delivered by the Debtor to Secured Party, and all ancillary and supplemental documents thereto.
3. As of July 18, 2024, the total amount of indebtedness secured by the Security is \$44,457,740.63. (which amount includes all applicable interest up to July 18, 2024). All applicable interest continues to accrue under the Security in accordance with its terms, and the Secured Party is entitled to payment of all fees and expenses incurred by the Secured Party (including, without limitation, all legal costs and disbursements) to the date of payment in full.
4. The Secured Party will not have the right to enforce the Security until after the expiry of the ten-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement by returning to the Secured Party an executed copy of the enclosed consent.

DATED at Toronto, the 19th day of July, 2024.

**COMPUTERSHARE TRUST COMPANY
OF CANADA** as trustee and title holder for
ACM Commercial Mortgage Fund
By its Solicitors:
CASELS BROCK & BLACKWELL LLP
Suite 3200, Bay Adelaide Centre- North
Tower
40 Temperance St.
Toronto, Ontario M5H 0B4

Per: _____



Ardy Mohajer

**CONSENT TO EARLIER ENFORCEMENT OF SECURITY UNDER SECTION 244(2) OF
THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

- TO:** Computershare Trust Company of Canada as trustee and title holder for ACM
Commercial Mortgage Fund (the "**Secured Party**")
- RE:** Notice of Intention to Enforce Security under Section 244(1) of the *Bankruptcy and
Insolvency Act* (Canada) (the "**Act**"), dated July 19, 2024 from the Secured Party (the
"**Notice**")
-

Capitalized terms used in this consent and waiver and not otherwise defined have meanings given to them in the Notice.

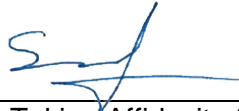
The undersigned hereby acknowledges that it has received the Notice and, in accordance with section 244(2) of the Act, it consents to earlier enforcement by the Secured Party of its Security on the Collateral.

Dated July 19, 2024.

2265132 Ontario Inc.

By: _____
Name:
Title:

This is Exhibit “U” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

Cassels

July 19, 2024

By Registered Mail and E-mail

amohajer@cassels.com

tel: +1 416-860-5218

file # 54655-22

Alavida Lifestyles Inc.

18 Antares Drive

Ottawa, Ontario K2E 1A9

Attention: David Choo

-and-

David Choo

18 Antares Drive

Ottawa, Ontario K2E 1A9

Dear Sir:

Re: 2265132 Ontario Inc. and 1384274 Ontario Inc. (collectively, the “Debtor”) first-ranking mortgage loan (the “Subject Loan”) from Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “Lender”) secured by Charges/Mortgages of 636 Prado Private, Ottawa, Ontario (the “Real Property”) registered on December 21, 2022 as Instrument No. OC2564944 and Instrument No. OC2564946 (collectively, the “Charge”) in favour of Computershare Trust Company of Canada, and as guaranteed by Alavida Lifestyles Inc. and David Choo (collectively, the “Covenantor”)

And Re: Commitment Letter dated November 25, 2022 issued to the Debtor, as amended by a Waiver and Amendment to the Commitment Letter dated December 13, 2022 (the “Commitment Letter”)

And Re: Covenant and postponement of claim dated December 21, 2022 by the Covenantor of all obligations of the Debtor pursuant to the Commitment Letter (the “Guarantee”, and together with the Charge, the Commitment Letter, and such other security agreements and other documents entered into between the Debtor and/or Covenantor, any one or more of them, and the Lender or delivered by the Debtor and/or Covenantor, any one or more of them, in connection with the Subject Loan from time to time, in each case, as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with their provisions, collectively the “Loan and Security Documents”)

We are the solicitors for the Lender. Terms not otherwise defined herein shall have the meaning provided for in the Charge.

The Subject Loan is in default because of, among other things (a) there is a continuing default under the mortgage loan to 2195186 Ontario Inc. secured against the property municipally known as 101 Champagne Avenue, Ottawa Ontario relating to the failure to pay to the Lender certain amounts when due as contemplated thereunder, including the amounts due on July 1, 2024, which payments have not been made by David Choo, as guarantor under said loan, pursuant to a guarantee dated November 16, 2017 from, *inter alia*, David Choo in favour of the Lender (collectively, the “**Champagne Mortgage Default**”), and pursuant to the terms of the Charge and Commitment Letter, the Champagne Mortgage Default causes a default in respect of the Loan and Security Documents, and (b) there are realty tax arrears owing for the 2023 and 2024 tax years in respect of the Real Property in the aggregate amount of \$314,322.92 and in respect of the parking facility relating to the Real Property in the aggregate amount of \$35,634.44 as reflected in City of Ottawa municipal tax certificates current as of June 12 and June 13, 2024 respectively.

Enclosed is a copy of the demand letter and Notice of Intention to Enforce Security under the *Bankruptcy and Insolvency Act* (Canada) that we have sent on behalf of the Lender to the Debtor. We refer to the Guarantee pursuant to which you guaranteed the full and punctual payment when due of all Indebtedness (as defined in the Guarantee) which, for certainty, includes without limitation all obligations of the Debtor under or pursuant to the Loan and Security Documents.

As a result of the defaults in respect of the Loan and Security Documents, all amounts due and owing by the Covenantor to the Lender in respect of the Subject Loan is immediately due and payable in accordance with the terms of the Commitment Letter and Charge including, specifically, all indebtedness under the Subject Loan, to the date of repayment in full (and for certainty, including without limitation all interest which accrues to such date of full payment and all legal fees and disbursements incurred by the Lender to such date of full payment) (collectively, the “**Outstanding Amount**”).

Pursuant to the terms of the Guarantee, the Covenantor is and shall be liable to the Lender in the same manner and to the same extent as if the Covenantor had executed the Security as Chargor (as those terms are defined in the Guarantee). Payment under the Guarantee of all of the Indebtedness is therefore immediately due and payable as a result of the defaults in respect of the Loan and Security Documents.

On behalf of the Lender, we hereby demand payment in full to the Lender of the Outstanding Amount. The Outstanding Amount as at July 18, 2024 is \$44,457,740.63. Interest continues to accrue under the Loan and Security Documents in accordance with each of their terms, and the Lender is also entitled to payment of all costs and expenses (including legal costs) previously or hereafter incurred by the Lender to the date of payment in full. The exact amount owing by the Debtor may be obtained at any time by the Debtor contacting our office.

Failure by the Covenantor to pay in full all of the Outstanding Amount within 10 days of the date of this letter will result in the Lender taking whatever steps it deems necessary to recover the Outstanding Amount, including without limitation enforcement action by the Lender pursuant to the Loan and Security Documents delivered by the Debtor and/or the Covenantor, or any one or more of them.

In this regard, we enclose and serve the Covenantor with Notice of Intention to Enforce Security, pursuant to the *Bankruptcy and Insolvency Act* (Canada).

The Lender expressly reserves all rights, remedies and claims in their entirety, any of which may be exercised or pursued at any time and from time to time and without further notice, in the sole discretion of the Lender in accordance with the applicable Loan and Security Documents or at law or in equity.

Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in black ink, appearing to read 'Ardy Mohajer', is written over a light blue rectangular background.

Ardy Mohajer
Partner

LEGAL*65427263.5

**NOTICE OF INTENTION TO ENFORCE SECURITY UNDER SECTION 244(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO:

Alavida Lifestyles Inc., an insolvent person (the “Debtor”)

18 Antares Drive

Ottawa, Ontario K2E 1A9

Attention: David Choo

TAKE NOTICE THAT:

1. Under section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “**Secured Party**”) intends to enforce its security on the debts and liabilities, present and future, of 2265132 Ontario Inc. and 1384274 Ontario Inc. (collectively, the “**Chargor**”) to the Debtor.
2. The security that is to be enforced (the “**Security**”) is in the form of
 - a. a covenant and postponement of claim by the Debtor in favour of the Secured Party dated December 21, 2022 of all present and future amounts owing by the Chargor to the Debtor, which contains an assignment to the Secured Party of all present and future amounts owing by the Chargor to the Debtor; and
 - b. all other security delivered by the Debtor to the Secured Party, and all ancillary and supplemental documents thereto.
3. As of July 18, 2024, the total amount of indebtedness secured by the Security is \$44,457,740.63 (which amount includes all applicable interest up to July 18, 2024). All applicable interest continues to accrue under the Security in accordance with its terms, and the Secured Party is entitled to payment of all fees and expenses incurred by the Secured Party (including, without limitation, all legal costs and disbursements) to the date of payment in full.
4. The Secured Party will not have the right to enforce the Security until after the expiry of the ten-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement by returning to the Secured Party an executed copy of the enclosed consent.

DATED at Toronto, the 19th day of July, 2024.

**COMPUTERSHARE TRUST COMPANY
OF CANADA** as trustee and title holder for
ACM Commercial Mortgage Fund

By its Solicitors:

CASSELS BROCK & BLACKWELL LLP

Suite 3200, Bay Adelaide Centre- North

Tower

40 Temperance St.

Toronto, Ontario M5H 0B4

Per: _____

Ardy Mohajer

**CONSENT TO EARLIER ENFORCEMENT OF SECURITY UNDER SECTION 244(2) OF
THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

- TO:** Computershare Trust Company of Canada as trustee and title holder for ACM
Commercial Mortgage Fund (the "**Secured Party**")
- RE:** Notice of Intention to Enforce Security under Section 244(1) of the *Bankruptcy and
Insolvency Act* (Canada) (the "**Act**"), dated July 19, 2024 from the Secured Party (the
"**Notice**")
-

Capitalized terms used in this consent and waiver and not otherwise defined have meanings given to them in the Notice.

The undersigned hereby acknowledges that it has received the Notice and, in accordance with section 244(2) of the Act, it consents to earlier enforcement by the Secured Party of its Security on the Collateral.

Dated July 19, 2024.

Alavida Lifestyles Inc.

Cassels

July 19, 2024

By Registered Mail and E-mail

amohajer@cassels.com

tel: +1 416-860-5218

file # 54655-22

Alavida Lifestyles Inc.

18 Antares Drive

Ottawa, Ontario K2E 1A9

Attention: David Choo

-and-

David Choo

18 Antares Drive

Ottawa, Ontario K2E 1A9

Dear Sir:

Re: 2265132 Ontario Inc. and 1384274 Ontario Inc. (collectively, the “Debtor”) first-ranking mortgage loan (the “Subject Loan”) from Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “Lender”) secured by Charges/Mortgages of 636 Prado Private, Ottawa, Ontario (the “Real Property”) registered on December 21, 2022 as Instrument No. OC2564944 and Instrument No. OC2564946 (collectively, the “Charge”) in favour of Computershare Trust Company of Canada, and as guaranteed by Alavida Lifestyles Inc. and David Choo (collectively, the “Covenantor”)

And Re: Commitment Letter dated November 25, 2022 issued to the Debtor, as amended by a Waiver and Amendment to the Commitment Letter dated December 13, 2022 (the “Commitment Letter”)

And Re: Covenant and postponement of claim dated December 21, 2022 by the Covenantor of all obligations of the Debtor pursuant to the Commitment Letter (the “Guarantee”, and together with the Charge, the Commitment Letter, and such other security agreements and other documents entered into between the Debtor and/or Covenantor, any one or more of them, and the Lender or delivered by the Debtor and/or Covenantor, any one or more of them, in connection with the Subject Loan from time to time, in each case, as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with their provisions, collectively the “Loan and Security Documents”)

We are the solicitors for the Lender. Terms not otherwise defined herein shall have the meaning provided for in the Charge.

The Subject Loan is in default because of, among other things (a) there is a continuing default under the mortgage loan to 2195186 Ontario Inc. secured against the property municipally known as 101 Champagne Avenue, Ottawa Ontario relating to the failure to pay to the Lender certain amounts when due as contemplated thereunder, including the amounts due on July 1, 2024, which payments have not been made by David Choo, as guarantor under said loan, pursuant to a guarantee dated November 16, 2017 from, *inter alia*, David Choo in favour of the Lender (collectively, the “**Champagne Mortgage Default**”), and pursuant to the terms of the Charge and Commitment Letter, the Champagne Mortgage Default causes a default in respect of the Loan and Security Documents, and (b) there are realty tax arrears owing for the 2023 and 2024 tax years in respect of the Real Property in the aggregate amount of \$314,322.92 and in respect of the parking facility relating to the Real Property in the aggregate amount of \$35,634.44 as reflected in City of Ottawa municipal tax certificates current as of June 12 and June 13, 2024 respectively.

Enclosed is a copy of the demand letter and Notice of Intention to Enforce Security under the *Bankruptcy and Insolvency Act* (Canada) that we have sent on behalf of the Lender to the Debtor. We refer to the Guarantee pursuant to which you guaranteed the full and punctual payment when due of all Indebtedness (as defined in the Guarantee) which, for certainty, includes without limitation all obligations of the Debtor under or pursuant to the Loan and Security Documents.

As a result of the defaults in respect of the Loan and Security Documents, all amounts due and owing by the Covenantor to the Lender in respect of the Subject Loan is immediately due and payable in accordance with the terms of the Commitment Letter and Charge including, specifically, all indebtedness under the Subject Loan, to the date of repayment in full (and for certainty, including without limitation all interest which accrues to such date of full payment and all legal fees and disbursements incurred by the Lender to such date of full payment) (collectively, the “**Outstanding Amount**”).

Pursuant to the terms of the Guarantee, the Covenantor is and shall be liable to the Lender in the same manner and to the same extent as if the Covenantor had executed the Security as Chargor (as those terms are defined in the Guarantee). Payment under the Guarantee of all of the Indebtedness is therefore immediately due and payable as a result of the defaults in respect of the Loan and Security Documents.

On behalf of the Lender, we hereby demand payment in full to the Lender of the Outstanding Amount. The Outstanding Amount as at July 18, 2024 is \$44,457,740.63. Interest continues to accrue under the Loan and Security Documents in accordance with each of their terms, and the Lender is also entitled to payment of all costs and expenses (including legal costs) previously or hereafter incurred by the Lender to the date of payment in full. The exact amount owing by the Debtor may be obtained at any time by the Debtor contacting our office.

Failure by the Covenantor to pay in full all of the Outstanding Amount within 10 days of the date of this letter will result in the Lender taking whatever steps it deems necessary to recover the Outstanding Amount, including without limitation enforcement action by the Lender pursuant to the Loan and Security Documents delivered by the Debtor and/or the Covenantor, or any one or more of them.

In this regard, we enclose and serve the Covenantor with Notice of Intention to Enforce Security, pursuant to the *Bankruptcy and Insolvency Act* (Canada).

The Lender expressly reserves all rights, remedies and claims in their entirety, any of which may be exercised or pursued at any time and from time to time and without further notice, in the sole discretion of the Lender in accordance with the applicable Loan and Security Documents or at law or in equity.

Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in black ink, appearing to read 'AM', is placed over a light blue rectangular background.

Ardy Mohajer
Partner

LEGAL*65427263.5

**NOTICE OF INTENTION TO ENFORCE SECURITY UNDER SECTION 244(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO:

David Choo, an insolvent person (the “Debtor”)

18 Antares Drive

Ottawa, Ontario K2E 1A9

TAKE NOTICE THAT:

1. Under section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “**Secured Party**”) intends to enforce its security on the debts and liabilities, present and future, of 2265132 Ontario Inc. and 1384274 Ontario Inc. (collectively, the “**Chargor**”) to the Debtor.
2. The security that is to be enforced (the “**Security**”) is in the form of
 - a. a covenant and postponement of claim by the Debtor in favour of the Secured Party dated December 21, 2022 of all present and future amounts owing by the Chargor to the Debtor, which contains an assignment to the Secured Party of all present and future amounts owing by the Chargor to the Debtor; and
 - b. all other security delivered by the Debtor to the Secured Party, and all ancillary and supplemental documents thereto.
3. As of July 18, 2024, the total amount of indebtedness secured by the Security is \$44,457,740.63. (which amount includes all applicable interest up to July 18, 2024). All applicable interest continues to accrue under the Security in accordance with its terms, and the Secured Party is entitled to payment of all fees and expenses incurred by the Secured Party (including, without limitation, all legal costs and disbursements) to the date of payment in full.
4. The Secured Party will not have the right to enforce the Security until after the expiry of the ten-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement by returning to the Secured Party an executed copy of the enclosed consent.

DATED at Toronto, the 19th day of July, 2024.

**COMPUTERSHARE TRUST COMPANY
OF CANADA** as trustee and title holder for
ACM Commercial Mortgage Fund

By its Solicitors:

CASSELS BROCK & BLACKWELL LLP

Suite 3200, Bay Adelaide Centre- North
Tower

40 Temperance St.

Toronto, Ontario M5H 0B4

Per: _____



Ardy Mohajer

CONSENT TO EARLIER ENFORCEMENT OF SECURITY UNDER SECTION 244(2) OF THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)

TO: Computershare Trust Company of Canada as trustee and title holder for ACM Commercial Mortgage Fund (the “**Secured Party**”)

RE: Notice of Intention to Enforce Security under Section 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**Act**”), dated July 19, 2024 from the Secured Party (the “**Notice**”)

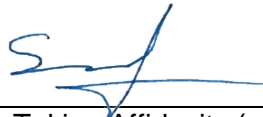
Capitalized terms used in this consent and waiver and not otherwise defined have meanings given to them in the Notice.

The undersigned hereby acknowledges that it has received the Notice and, in accordance with section 244(2) of the Act, it consents to earlier enforcement by the Secured Party of its Security on the Collateral.

Dated July 19, 2024.

David Choo

This is Exhibit “V” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

**TAX CERTIFICATE / CERTIFICAT DE TAXES
CITY OF OTTAWA / VILLE D'OTTAWA**



Roll Number / Numéro du Rôle: 0614.063.501.26200.0000

Street Address / Adress Municipale:

101 CHAMPAGNE AVE S

Legal / Légale:

PLAN 131037 PT LOTS 7 TO 11

PT LANE RP 4R28497 PART 1

IRREG

0.30AC FR D

Owner(s) / Propriétaire(s)

2195186 ONTARIO INC

Issued To / Envoyer à:

CASSELS BROCK LAWYERS
3200-40 TEMPERANCE ST
TORONTO ON
M5H 0B4

Certificate Number / Numéro de certificat: 399653

Tax Certificate Fee / Frais de certificat de taxes: \$ 74.00

Certified as at / Certifié en date du: DEC/DÉC 09, 2024

Your Reference / Votre référence: 54655-20

Remarks / Remarques

2024 VUT DECLARATION NOT REQUIRED

Pending Fees / Frais en suspens

STATEMENT OF TAX ARREARS / ÉTAT D'ARRÉRAGES DE TAXES

Year Année	Taxes Outstanding Taxes impayées	Interest Outstanding Intérêt impayé	Other Charges Autres frais	Balance Outstanding Solde dû
2023	\$0.00	\$0.00	\$0.00	\$0.00
2022	\$0.00	\$0.00	\$0.00	\$0.00
2021+	\$0.00	\$0.00	\$0.00	\$0.00
Prior Year Tax Levy / Taxes prélevées année précédente: \$858,416.32			Total Arrears / total des arrrages:	\$0.00

STATEMENT OF CURRENT TAXES / ÉTAT DES TAXES COURANTES

Taxes Levied Taxes prélevées	Penalty Added Pénalité imposée	Total including Penalty Total, pénalité comprise	Payments/Adjustments Paiements/Ajustements	Total Payable Montant total à payer
\$878,841.35	\$8,038.96	\$886,880.31	\$-718,054.94	\$168,825.37

Due Dates and Instalment Amounts / Dates d'échéance et versements

Interim Taxes / Provisoires	MAR/MARS 21, 2024	\$429,901.18
Final Taxes / Finales	JUN/JUIN 20, 2024	\$448,940.17

Local Improvements and Other Charges Levied / Améliorations locales et autres redevances prélevées

Local ID Code Code d'identification	Description	Year of Expiry Année d'expiration	Annual Charge Montant annuel
--	-------------	--------------------------------------	---------------------------------

TOTAL PAYABLE AS AT DATE OF CERTIFICATE / SOLDE À LA DATE DU CERTIFICAT: \$168,825.37

The penalty / interest rate on past due taxes and arrears is **1.250 % per month.**

La pénalité / le taux d'intérêt est de **1.250 % par mois** sur les taxes en souffrance et les arrrages.

(SEE BACK FOR IMPORTANT INFORMATION)

(VOIR AU VERSO POUR RENSEIGNEMENTS IMPORTANTS)

FOR THE TREASURER OR TAX COLLECTOR
POUR LE TRÉSORIER OU LE PERCEPTEUR DES TAXES

City of Ottawa, Revenue Services

100 Constellation Drive, 4th Floor, East
Ottawa ON K2G 6J8
Tel: 613-580-2444 Fax: 613-580-2457
TTY: 613-580-2401
E-mail: revenue@ottawa.ca
Web site: ottawa.ca

Ville d'Ottawa, Services des recettes

100, promenade Constellation, 4e étage est
Ottawa ON K2G 6J8
Tél.: 613-580-2444 Téléc.: 613-580-2457
ATS: 613-580-2401
Courriel: revenue@ottawa.ca
Site web: ottawa.ca

Important Information

Within 30 days of the issuance of a tax certificate, the requesting party may obtain a verbal update of the status of the relevant tax roll.

This certificate has been prepared in accordance with the provisions of Section 352 of the Municipal Act, 2001 R.S.O. 2001 c25 and may be subject to the following:

1. Penalty/Interest has been calculated to the date of issue of this certificate. Payments received after the end of the month or after the due dates may be subject to additional penalty/interest charges.
2. Adjustments authorized by statute not applied to the Collector's Roll at the date of certification may be added subsequently without further notice and may include:
 - a. Additional taxes and adjustments levied and made under the Assessment Act, R.S.O. 1990, c.A31; and
 - b. Tax adjustments, tax apportionments, local improvement charges, and any other charges made under the Municipal Act.
3. The information on this certificate is based on payments tendered being honoured by the bank upon which they are drawn.
4. Any credit balance appearing on this certificate is not verified and no adjustment should be made unless the credit balance is verified in writing as an overpayment.

I hereby certify this statement shows the current year's taxes and all arrears of taxes (prior years) against the above land.

Informations importantes

Dans les 30 jours suivant la délivrance d'un certificat d'impôts foncier, le demandeur peut obtenir une mise à jour verbale de l'état du rôle d'imposition pertinent.

Ce certificat a été préparé conformément aux dispositions de l'article 352 de la Loi de 2001 sur les municipalités L.R.O. 2001, chapitre 25, et peut être assujéti aux dispositions suivantes :

1. Pénalité/intérêt a été calculé à la date de réception de ce certificat; les paiements reçus après la fin du mois ou après la date d'échéance peuvent être soumis à des pénalités/frais d'intérêt supplémentaires;
2. Les rajustements autorisés par la loi qui n'ont pas été appliqués au rôle du percepteur à la date de certification peuvent être ajoutés par la suite sans avis préalable et peuvent inclure :
 - a. des taxes et rajustements supplémentaires imposés et perçus en vertu de la Loi sur l'évaluation foncière, L.R.O. 1990, chapitre A31;
 - b. des rajustements fiscaux, répartitions fiscales, taxes d'améliorations locales et tous autres frais imposés en vertu de la Loi sur les municipalités.
3. Les informations figurant sur ce certificat reposent sur le principe que les paiements effectués seront honorés par la banque où se trouve le compte sur lequel ils sont tirés.
4. Tout solde créditeur figurant sur ce certificat n'est pas vérifié, et aucun rajustement ne devrait être fait à moins que le solde créditeur ne soit vérifié par écrit en tant que versement excédentaire.

J'atteste par la présente que ce relevé indique les impôts de l'année en cours et tous les arriérés d'impôt (années précédentes) pour le terrain indiqué ci-dessus.

the 1990s, the number of people in the UK who are employed in the public sector has increased from 10.5 million to 13.5 million, and the number of people in the public sector who are employed in health care has increased from 2.5 million to 3.5 million (Department of Health 2000).

There are a number of reasons for the increase in the number of people employed in the public sector. One reason is that the public sector has become a more important part of the economy. Another reason is that the public sector has become a more attractive place to work. A third reason is that the public sector has become a more important part of society.

The increase in the number of people employed in the public sector has led to a number of changes in the way that the public sector is organized. One change is that the public sector has become more decentralized. Another change is that the public sector has become more customer-oriented. A third change is that the public sector has become more competitive.

The increase in the number of people employed in the public sector has also led to a number of changes in the way that the public sector is funded. One change is that the public sector has become more dependent on government funding. Another change is that the public sector has become more dependent on private funding. A third change is that the public sector has become more dependent on user fees.

The increase in the number of people employed in the public sector has also led to a number of changes in the way that the public sector is managed. One change is that the public sector has become more professionalized. Another change is that the public sector has become more bureaucratic. A third change is that the public sector has become more hierarchical.

The increase in the number of people employed in the public sector has also led to a number of changes in the way that the public sector is evaluated. One change is that the public sector has become more performance-oriented. Another change is that the public sector has become more results-oriented. A third change is that the public sector has become more cost-oriented.

The increase in the number of people employed in the public sector has also led to a number of changes in the way that the public sector is perceived. One change is that the public sector has become more respected. Another change is that the public sector has become more valued. A third change is that the public sector has become more trusted.

The increase in the number of people employed in the public sector has also led to a number of changes in the way that the public sector is viewed. One change is that the public sector has become more important. Another change is that the public sector has become more central. A third change is that the public sector has become more essential.

WATER ARREARS CERTIFICATE - CERTIFICAT D'ARRÉRAGES DE COMPTES D'EAU CITY OF OTTAWA / VILLE D'OTTAWA

Application Made By: / Demande faite par:

CASSELS BROCK LAWYERS

3200-40 TEMPERANCE ST

TORONTO ON

M5H 0B4

Certificate Date 2024-12-09**Date du certificat****Reference Number****Numéro de référence****Certificate Number** 235357**Numéro de certificat****Certificate Fee** \$74.00**Frais de certificat****Purpose** Current Status**Raison**

This certificate is for the property described below.
Le présent certificat se rapporte à la propriété décrite ci-dessous.

Service Address 101 CHAMPAGNE AVE S
Adresse desservie OTTAWA ON K1S 4P3**Account Number** 10082065
Numéro de compte**Owner(s)** 2195186 ONTARIO LTD
Propriétaire(s) 18 ANTARES DR
OTTAWA ON K2E 1A9

H2O-WAC-JC (2016-10-18)

I HEREBY CERTIFY THAT ON THIS DATE, THE AMOUNT RECEIVABLE ON THIS ACCOUNT IS, AS SHOWN BELOW:
J'ATTESTE QUE LE MONTANT À PERCEVOIR SUR CE COMPTE EST LE "MONTANT DÛ" INDIQUÉ CI-DESSOUS:

Service To Au	Total Due Montant dû	Due Date Date d'échéance	Based On Baser sur
* 2024-10-30	\$150858.01	2024-11-26	Current



FOR GENERAL MANAGER / POUR LE DIRECTEUR GÉNÉRAL

Within 30 days of the issuance of a water utility certificate, the requesting party may obtain a verbal update of the status of the relevant water utility account.

The 'Total Due' indicated on the certificate relates to the amount owing up to the service date and may include arrears, if applicable.

For more information, please contact the City of Ottawa's Revenue Services at 613-580-2444.

Après recevoir votre certificat d'eau et égout, vous avez 30 jours pour obtenir un état de compte verbale.

Le 'Montant dû' indiqué sur le certificat correspond à la somme à payer jusqu'à la date du service et peut comprendre des arrérages, le cas échéant.

Pour de plus amples renseignements, veuillez communiquer avec la Ville d'Ottawa, Division des recettes, au 613-580-2444.

THE AMOUNT APPEARING IN THIS CERTIFICATE, E.G. "TOTAL DUE", DOES NOT INCLUDE ARREARS TRANSFERRED TO THE TAX ROLL.
LE "MONTANT DÛ" SUSMENTIONNÉ DANS LE PRÉSENT CERTIFICAT NE COMPREND AUCUN ARRÉRAGE AJOUTÉ AUX TAXES FONCIÈRES.

City of Ottawa, Revenue Services

100 Constellation Drive, 4th Floor, East

Ottawa, ON K2G 6J8

Tel: 613-580-2444 Fax: 613-580-2457

Email: revenue@ottawa.caWeb site: ottawa.ca**Ville d'Ottawa, Services des recettes**

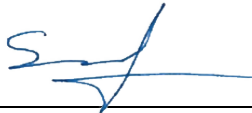
100, promenade Constellation, 4e étage est

Ottawa (Ontario) K2G 6J8

Tél.: 613-580-2444 Téléc.: 613-580-2457

Courriel: revenue@ottawa.caSite web: ottawa.ca

This is Exhibit “**W**” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

Cassels

September 27, 2024

Delivered by Registered Mail and E-mail

2195186 Ontario Inc.
18 Antares Drive, Suite 102
Ottawa, Ontario K2E 1A9
Attention: David Choo

jbornstein@cassels.com
tel: +1 416 860-5386
file # 54655-20

Dear Sir:

Re: 2195186 Ontario Inc. (the “Debtor”) second-ranking mortgage loan (the “Subject Loan”) from Computershare Trust Company of Canada as title holder for ACM Commercial Mortgage Fund (the “Lender”) secured by a Charge/Mortgage of 101 Champagne Avenue South, Ottawa, Ontario (the “Real Property”) registered on November 24, 2017 as Instrument No. OC1952639 (the “Charge”) in favour of Computershare Trust Company of Canada, and as guaranteed by Envie Enterprises Inc. and David Choo (collectively, the “Guarantor”)

And Re: Commitment Letter dated November 2, 2017 issued to the Debtor (the “Commitment Letter”)

And Re: General Security Agreement dated November 16, 2017 delivered by the Debtor (together with the Charge, the Commitment Letter, and such other security agreements and other documents entered into between the Debtor and the Lender or delivered by the Debtor in connection with the Subject Loan from time to time, in each case, as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with their provisions, collectively the “Loan and Security Documents”)

We are the solicitors for the Lender. Terms not otherwise defined herein shall have the meaning provided for in the Charge.

The Subject Loan is in default because the Debtor has failed to pay the required monthly payments under the Loan and Security Documents when due and owing on July 1, August 1 and September 1, 2024, in the amount of \$65,146.04 (such overdue amounts being an aggregate of \$195,438.12).

As a result of the defaults in respect of the Loan and Security Documents, all amounts due and owing by the Debtor to the Lender in respect of the Subject Loan is immediately due and payable

in accordance with the terms of the Commitment Letter and Charge including, specifically, all indebtedness under the Subject Loan, to the date of repayment in full (and for certainty, including without limitation all interest which accrues to such date of full payment and all legal fees and disbursements incurred by the Lender to such date of full payment) (collectively, the “**Outstanding Amount**”).

On behalf of the Lender, we hereby demand payment in full to the Lender of the Outstanding Amount. The Outstanding Amount as at September 25, 2024 is \$11,972,346.14. Interest continues to accrue under the Loan and Security Documents in accordance with each of their terms, and the Lender is also entitled to payment of all costs and expenses (including legal costs) previously or hereafter incurred by the Lender to the date of payment in full. The exact amount owing by the Debtor may be obtained at any time by the Debtor contacting our office. The following is a breakdown of the Outstanding Amount as at September 25, 2024:

Principal Balance	\$10,607,874.68
Accrued Interest (September 1/24 – September 25/24 inclusive)	164,472.99
Yield Maintenance Amount	\$1,180,613.05
Legal Costs	<u>\$19,385.42</u>
TOTAL:	<u>\$11,972,346.14</u>

Failure by the Debtor to pay in full all of the Outstanding Amount within 10 days of the date of this letter will result in the Lender taking whatever steps it deems necessary to recover the Outstanding Amount, including without limitation enforcement action by the Lender pursuant to the Loan and Security Documents delivered by the Debtor or the Guarantor.

In this regard, we enclose and serve the Debtor with Notice of Intention to Enforce Security, pursuant to the *Bankruptcy and Insolvency Act* (Canada).

The Lender expressly reserves all rights, remedies and claims in their entirety, any of which may be exercised or pursued at any time and from time to time and without further notice, in the sole discretion of the Lender in accordance with the applicable Loan and Security Documents or at law or in equity.

Yours truly,

Cassels Brock & Blackwell LLP



Jeremy Bornstein
Partner

**NOTICE OF INTENTION TO ENFORCE SECURITY UNDER SECTION 244(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO:

2195186 Ontario Inc., an insolvent person (the “**Debtor**”)
18 Antares Drive, Suite 102
Ottawa, Ontario K2E 1A9
Attention: David Choo

TAKE NOTICE THAT:

1. Under section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), Computershare Trust Company of Canada as title holder for for ACM Commercial Mortgage Fund (the “**Secured Party**”) intends to enforce its security on the property of the Debtor including without limitation, as described below:
 - a. The lands and premises municipally known as 101 Champagne Avenue South, Ottawa, Ontario, and legally described as:

PART LOTS 7, 8, 9, 10, 11 AND PART LANE, AS CLOSED BY ORDER CR234928 PLAN 131037, PART 1 PLAN 4R29600; SUBJECT TO AN EASEMENT AS IN OC1804530; SUBJECT TO AN EASEMENT IN GROSS OVER PART 2 PLAN 4R33801 AS IN OC2393098; CITY OF OTTAWA, being PIN 04102-0340 (LT)

(the “**Real Property**”); and
 - b. the undertaking of the Debtor and in all present and after acquired personal property owned or acquired by or on behalf of the Debtor relating to the Real Property relating only to, located upon or used only in connection with the Real Property and in all proceeds and renewals thereof, accretions thereto and substitutions therefor (collectively with the Real Property, the “**Collateral**”).
2. The security that is to be enforced (the “**Security**”) is in the form of:
 - a. a mortgage registered in the land registry office for Ottawa-Carleton in the Province of Ontario as Instrument No. OC1952639 on November 24, 2017 (the “**Mortgage**”);
 - b. a notice of assignment of rents-general registered in the land registry office for Ottawa-Carleton in the Province of Ontario as Instrument No. OC1952640 on November 24, 2017;
 - c. a general assignment of rents and leases by the Debtor dated November 16, 2017;
 - d. a general security agreement by the Debtor dated November 16, 2017;
 - e. assignment of insurance by the Debtor dated November 16, 2017;
 - f. environmental warranties and indemnities by the Debtor, Envie Enterprises Inc. and David Choo dated November 16, 2017; and

- g. all other security delivered by the Debtor to the Secured Party, and all ancillary and supplemental documents thereto.
- 3. As of September 25, 2024, the total amount of indebtedness secured by the Security is \$11,972,346.14 (which amount includes all applicable interest up to September 25, 2024). All applicable interest continues to accrue under the Security in accordance with its terms, and the Secured Party is entitled to payment of all fees and expenses incurred by the Secured Party (including, without limitation, all legal costs and disbursements) to the date of payment in full.
- 4. The Secured Party will not have the right to enforce the Security until after the expiry of the ten-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement by returning to the Secured Party an executed copy of the enclosed consent.

DATED at Toronto, the 27th day of September, 2024.

**COMPUTERSHARE TRUST COMPANY
OF CANADA** as title holder for ACM
Commercial Mortgage Fund
By its Solicitors:
CASSELS BROCK & BLACKWELL LLP
Suite 3200, Bay Adelaide Centre- North
Tower
40 Temperance St.
Toronto, Ontario M5H 0B4

Per: _____



Jeremy Bornstein

**CONSENT TO EARLIER ENFORCEMENT OF SECURITY UNDER SECTION 244(2) OF
THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO: Computershare Trust Company of Canada as title holder for ACM Commercial Mortgage Fund (the “**Secured Party**”)

RE: Notice of Intention to Enforce Security under Section 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**Act**”), dated September , 2024 from the Secured Party (the “**Notice**”)

Capitalized terms used in this consent and waiver and not otherwise defined have meanings given to them in the Notice.

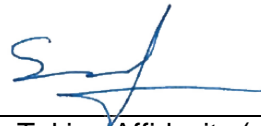
The undersigned hereby acknowledges that it has received the Notice and, in accordance with section 244(2) of the Act, it consents to earlier enforcement by the Secured Party of its Security on the Collateral.

Dated _____, 2024.

2195186 Ontario Inc.

By: _____
Name:
Title:

This is Exhibit "X" referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

Cassels

September 27, 2024

Delivered by Registered Mail and E-mail

Envie Enterprises Inc.
18 Antares Drive, Suite 102
Ottawa, Ontario K2E 1A9
Attention: David Choo

jbornstein@cassels.com
tel: +1 416 860-5386
file # 54655-20

-and-

David Choo
18 Antares Drive, Suite 102
Ottawa, Ontario K2E 1A9

Dear Sir:

Re: 2195186 Ontario Inc. (the “Debtor”) second-ranking mortgage loan (the “Subject Loan”) from Computershare Trust Company of Canada as title holder for ACM Commercial Mortgage Fund (the “Lender”) secured by a Charge/Mortgage of 101 Champagne Avenue South, Ottawa, Ontario (the “Real Property”) registered on November 24, 2017 as Instrument No. OC1952639 (the “Charge”) in favour of Computershare Trust Company of Canada, and as guaranteed by Envie Enterprises Inc. and David Choo (collectively, the “Guarantor”)

And Re: Commitment Letter dated November 2, 2017 issued to the Debtor (the “Commitment Letter”)

And Re: Guarantee dated November 16, 2017 delivered by the Guarantor of all obligations of the Debtor pursuant to the Commitment Letter (the “Guarantee”, and together with the Charge, the Commitment Letter, and such other security agreements and other documents entered into between the Debtor and/or Guarantor, any one or more of them, and the Lender or delivered by the Debtor and/or Guarantor, any one or more of them, in connection with the Subject Loan from time to time, in each case, as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with their provisions, collectively the “Loan and Security Documents”)

We are the solicitors for the Lender. Terms not otherwise defined herein shall have the meaning provided for in the Charge.

The Subject Loan is in default because the Debtor has failed to pay the required monthly payments under the Loan and Security Documents when due and owing on July 1, August 1 and September 1, 2024, in the amount of \$65,146.04 (such overdue amounts being an aggregate of \$195,438.12).

Enclosed is a copy of the demand letter and Notice of Intention to Enforce Security under the *Bankruptcy and Insolvency Act (Canada)* that we have sent on behalf of the Lender to the Debtor. We refer to the Guarantee pursuant to which you guaranteed the full and punctual payment when due of all Indebtedness (as defined in the Guarantee) which, for certainty, includes without limitation all obligations of the Debtor under or pursuant to the Loan and Security Documents.

As a result of the defaults in respect of the Loan and Security Documents, all amounts due and owing by the Guarantor to the Lender in respect of the Subject Loan is immediately due and payable in accordance with the terms of the Commitment Letter and Charge including, specifically, all indebtedness under the Subject Loan, to the date of repayment in full (and for certainty, including without limitation all interest which accrues to such date of full payment and all legal fees and disbursements incurred by the Lender to such date of full payment) (collectively, the "**Outstanding Amount**").

Pursuant to the terms of the Guarantee, the Guarantor is and shall be liable to the Lender in the same manner and to the same extent as if the Guarantor had executed the Security as Chargor (as those terms are defined in the Guarantee). Payment under the Guarantee of all of the Indebtedness is therefore immediately due and payable as a result of the defaults in respect of the Loan and Security Documents.

On behalf of the Lender, we hereby demand payment in full to the Lender of the Outstanding Amount. The Outstanding Amount as at September 25, 2024 is \$11,972,346.14. Interest continues to accrue under the Loan and Security Documents in accordance with each of their terms, and the Lender is also entitled to payment of all costs and expenses (including legal costs) previously or hereafter incurred by the Lender to the date of payment in full. The exact amount owing by the Debtor may be obtained at any time by the Debtor contacting our office.

Failure by the Guarantor to pay in full all of the Outstanding Amount within 10 days of the date of this letter will result in the Lender taking whatever steps it deems necessary to recover the Outstanding Amount, including without limitation enforcement action by the Lender pursuant to the Loan and Security Documents delivered by the Debtor and/or the Guarantor, or any one or more of them.

In this regard, we enclose and serve the Guarantor with Notice of Intention to Enforce Security, pursuant to the *Bankruptcy and Insolvency Act (Canada)*.

The Lender expressly reserves all rights, remedies and claims in their entirety, any of which may be exercised or pursued at any time and from time to time and without further notice, in the sole discretion of the Lender in accordance with the applicable Loan and Security Documents or at law or in equity.

Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in black ink, appearing to read "J. Bornstein", written in a cursive style.

Jeremy Bornstein
Partner

LEGAL*65431155.5

**NOTICE OF INTENTION TO ENFORCE SECURITY UNDER SECTION 244(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO:

David Choo, an insolvent person (the "Debtor")
18 Antares Drive
Ottawa, Ontario K2E 1A6

TAKE NOTICE THAT:

1. Under section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), Computershare Trust Company of Canada as title holder for ACM Commercial Mortgage Fund (the "**Secured Party**") intends to enforce its security on the debts and liabilities, present and future, of 2195186 Ontario Inc. ("**2195186**") to the Debtor (collectively, the "**Collateral**").
2. The security that is to be enforced (the "**Security**") is in the form of:
 - a. a guarantee by the Debtor in favour of the Secured Party dated November 16, 2017 of all present and future amounts owing by 2195186 to the Debtor, which contains an assignment to the Secured Party of all present and future amounts owing by 2195186 to the Debtor; and
 - b. all other security delivered by the Debtor to the Secured Party, and all ancillary and supplemental documents thereto.
3. As of September 25, 2024, the total amount of indebtedness secured by the Security is \$11,972,346.14 (which amount includes all applicable interest up to September 25, 2024). All applicable interest continues to accrue under the Security in accordance with its terms, and the Secured Party is entitled to payment of all fees and expenses incurred by the Secured Party (including, without limitation, all legal costs and disbursements) to the date of payment in full.
4. The Secured Party will not have the right to enforce the Security until after the expiry of the ten-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement by returning to the Secured Party an executed copy of the enclosed consent.

DATED at Toronto, the 27th day of September, 2024.

**COMPUTERSHARE TRUST COMPANY
OF CANADA** as title holder for ACM
Commercial Mortgage Fund
By its Solicitors:
CASSELS BROCK & BLACKWELL LLP
Suite 3200, Bay Adelaide Centre- North
Tower
40 Temperance St.
Toronto, Ontario M5H 0B4

Per: _____


Jeremy Bornstein

**CONSENT TO EARLIER ENFORCEMENT OF SECURITY UNDER SECTION 244(2) OF
THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

- TO:** Computershare Trust Company of Canada as title holder for ACM Commercial Mortgage Fund (the “**Secured Party**”)
- RE:** Notice of Intention to Enforce Security under Section 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**Act**”), dated September , 2024 from the Secured Party (the “**Notice**”)
-

Capitalized terms used in this consent and waiver and not otherwise defined have meanings given to them in the Notice.

The undersigned hereby acknowledges that it has received the Notice and, in accordance with section 244(2) of the Act, it consents to earlier enforcement by the Secured Party of its Security on the Collateral.

Dated _____, 2024.

David Choo

the 1990s, and the 1990s have been a period of rapid change in the way that the world is run.

There is a growing awareness that the world is changing rapidly, and that the changes are taking place at a much faster rate than in the past. This is due to a number of factors, including the rapid growth of the world population, the increasing dependence on technology, and the increasing globalization of the world economy. These changes are having a profound impact on the way that we live, and it is essential that we understand the forces that are driving these changes, and the ways in which we can adapt to them.

The world is becoming more interconnected, and the boundaries between nations are becoming increasingly blurred. This is due to the increasing use of technology, and the increasing globalization of the world economy. This has led to a growing awareness of the need for a more integrated and coordinated approach to global development, and the need for a more equitable and sustainable world.

The world is becoming more diverse, and the differences between cultures and nations are becoming increasingly apparent. This is due to the increasing globalization of the world economy, and the increasing migration of people from one part of the world to another. This has led to a growing awareness of the need for a more inclusive and multicultural approach to global development, and the need for a more equitable and sustainable world.

The world is becoming more complex, and the challenges that we face are becoming increasingly difficult. This is due to the increasing globalization of the world economy, and the increasing dependence on technology. This has led to a growing awareness of the need for a more coordinated and integrated approach to global development, and the need for a more equitable and sustainable world.

The world is becoming more uncertain, and the future is becoming increasingly unpredictable. This is due to the increasing globalization of the world economy, and the increasing dependence on technology. This has led to a growing awareness of the need for a more flexible and adaptable approach to global development, and the need for a more equitable and sustainable world.

The world is becoming more challenging, and the opportunities that we face are becoming increasingly scarce. This is due to the increasing globalization of the world economy, and the increasing dependence on technology. This has led to a growing awareness of the need for a more innovative and creative approach to global development, and the need for a more equitable and sustainable world.

Cassels

September 27, 2024

Delivered by Registered Mail and E-mail

Envie Enterprises Inc.
18 Antares Drive, Suite 102
Ottawa, Ontario K2E 1A9
Attention: David Choo

jbornstein@cassels.com
tel: +1 416 860-5386
file # 54655-20

-and-

David Choo
18 Antares Drive, Suite 102
Ottawa, Ontario K2E 1A9

Dear Sir:

Re: 2195186 Ontario Inc. (the “Debtor”) second-ranking mortgage loan (the “Subject Loan”) from Computershare Trust Company of Canada as title holder for ACM Commercial Mortgage Fund (the “Lender”) secured by a Charge/Mortgage of 101 Champagne Avenue South, Ottawa, Ontario (the “Real Property”) registered on November 24, 2017 as Instrument No. OC1952639 (the “Charge”) in favour of Computershare Trust Company of Canada, and as guaranteed by Envie Enterprises Inc. and David Choo (collectively, the “Guarantor”)

And Re: Commitment Letter dated November 2, 2017 issued to the Debtor (the “Commitment Letter”)

And Re: Guarantee dated November 16, 2017 delivered by the Guarantor of all obligations of the Debtor pursuant to the Commitment Letter (the “Guarantee”, and together with the Charge, the Commitment Letter, and such other security agreements and other documents entered into between the Debtor and/or Guarantor, any one or more of them, and the Lender or delivered by the Debtor and/or Guarantor, any one or more of them, in connection with the Subject Loan from time to time, in each case, as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with their provisions, collectively the “Loan and Security Documents”)

We are the solicitors for the Lender. Terms not otherwise defined herein shall have the meaning provided for in the Charge.

The Subject Loan is in default because the Debtor has failed to pay the required monthly payments under the Loan and Security Documents when due and owing on July 1, August 1 and September 1, 2024, in the amount of \$65,146.04 (such overdue amounts being an aggregate of \$195,438.12).

Enclosed is a copy of the demand letter and Notice of Intention to Enforce Security under the *Bankruptcy and Insolvency Act (Canada)* that we have sent on behalf of the Lender to the Debtor. We refer to the Guarantee pursuant to which you guaranteed the full and punctual payment when due of all Indebtedness (as defined in the Guarantee) which, for certainty, includes without limitation all obligations of the Debtor under or pursuant to the Loan and Security Documents.

As a result of the defaults in respect of the Loan and Security Documents, all amounts due and owing by the Guarantor to the Lender in respect of the Subject Loan is immediately due and payable in accordance with the terms of the Commitment Letter and Charge including, specifically, all indebtedness under the Subject Loan, to the date of repayment in full (and for certainty, including without limitation all interest which accrues to such date of full payment and all legal fees and disbursements incurred by the Lender to such date of full payment) (collectively, the "**Outstanding Amount**").

Pursuant to the terms of the Guarantee, the Guarantor is and shall be liable to the Lender in the same manner and to the same extent as if the Guarantor had executed the Security as Chargor (as those terms are defined in the Guarantee). Payment under the Guarantee of all of the Indebtedness is therefore immediately due and payable as a result of the defaults in respect of the Loan and Security Documents.

On behalf of the Lender, we hereby demand payment in full to the Lender of the Outstanding Amount. The Outstanding Amount as at September 25, 2024 is \$11,972,346.14. Interest continues to accrue under the Loan and Security Documents in accordance with each of their terms, and the Lender is also entitled to payment of all costs and expenses (including legal costs) previously or hereafter incurred by the Lender to the date of payment in full. The exact amount owing by the Debtor may be obtained at any time by the Debtor contacting our office.

Failure by the Guarantor to pay in full all of the Outstanding Amount within 10 days of the date of this letter will result in the Lender taking whatever steps it deems necessary to recover the Outstanding Amount, including without limitation enforcement action by the Lender pursuant to the Loan and Security Documents delivered by the Debtor and/or the Guarantor, or any one or more of them.

In this regard, we enclose and serve the Guarantor with Notice of Intention to Enforce Security, pursuant to the *Bankruptcy and Insolvency Act (Canada)*.

The Lender expressly reserves all rights, remedies and claims in their entirety, any of which may be exercised or pursued at any time and from time to time and without further notice, in the sole discretion of the Lender in accordance with the applicable Loan and Security Documents or at law or in equity.

Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in black ink, appearing to read "J. Bornstein", written in a cursive style.

Jeremy Bornstein
Partner

LEGAL*65431155.5

**NOTICE OF INTENTION TO ENFORCE SECURITY UNDER SECTION 244(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

TO:

Envie Enterprises Inc., an insolvent person (the “Debtor”)

18 Antares Drive

Ottawa, Ontario K2E 1A6

Attention: David Choo

TAKE NOTICE THAT:

1. Under section 244(1) of the *Bankruptcy and Insolvency Act* (Canada), Computershare Trust Company of Canada as title holder for ACM Commercial Mortgage Fund (the “**Secured Party**”) intends to enforce its security on the debts and liabilities, present and future, of 2195186 Ontario Inc. (“**2195186**”) to the Debtor (collectively, the “**Collateral**”).
2. The security that is to be enforced (the “**Security**”) is in the form of:
 - a. a guarantee by the Debtor in favour of the Secured Party dated November 16, 2017 of all present and future amounts owing by 2195186 to the Debtor, which contains an assignment to the Secured Party of all present and future amounts owing by 2195186 to the Debtor; and
 - b. all other security delivered by the Debtor to the Secured Party, and all ancillary and supplemental documents thereto.
3. As of September 25, 2024, the total amount of indebtedness secured by the Security is \$11,972,346.14 (which amount includes all applicable interest up to September 25, 2024). All applicable interest continues to accrue under the Security in accordance with its terms, and the Secured Party is entitled to payment of all fees and expenses incurred by the Secured Party (including, without limitation, all legal costs and disbursements) to the date of payment in full.
4. The Secured Party will not have the right to enforce the Security until after the expiry of the ten-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement by returning to the Secured Party an executed copy of the enclosed consent.

DATED at Toronto, the 27th day of September, 2024.

**COMPUTERSHARE TRUST COMPANY
OF CANADA** as title holder for ACM
Commercial Mortgage Fund

By its Solicitors:

CASSELS BROCK & BLACKWELL LLP
Suite 3200, Bay Adelaide Centre- North
Tower
40 Temperance St.
Toronto, Ontario M5H 0B4

Per: _____



Jeremy Bornstein

**CONSENT TO EARLIER ENFORCEMENT OF SECURITY UNDER SECTION 244(2) OF
THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

- TO:** Computershare Trust Company of Canada as title holder for ACM Commercial Mortgage Fund (the “**Secured Party**”)
- RE:** Notice of Intention to Enforce Security under Section 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**Act**”), dated September , 2024 from the Secured Party (the “**Notice**”)
-

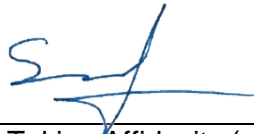
Capitalized terms used in this consent and waiver and not otherwise defined have meanings given to them in the Notice.

The undersigned hereby acknowledges that it has received the Notice and, in accordance with section 244(2) of the Act, it consents to earlier enforcement by the Secured Party of its Security on the Collateral.

Dated _____, 2024.

Envie Enterprises Inc.

This is Exhibit "Y" referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M



News / Local News



Ottawa retirement home operator issued a compliance order by provincial oversight body

The order was made after a complaint alleged that a resident was forced to pay for care services that were not provided by Alavida Lifestyles

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Published Jul 09, 2024 • Last updated Jul 10, 2024 • 3 minute read

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Les Promenades retirement residence in Orléans. PHOTO BY JEAN LEVAC /POSTMEDIA

Ottawa retirement home operator Alavida Lifestyles has been issued a compliance order by the regulatory body that oversees retirement homes in Ontario. The order was made July 3 after a complaint that a resident of its Les Promenades retirement home in Orléans was forced to pay for care services that were not provided by the home, according to the Retirement Homes Regulatory Authority.

Alavida operates several retirement homes and seniors residences in Ottawa. It is the focus of complaints by tenants after some retirement home residents were told to pay hundreds — even thousands — of dollars more a month in fee increases. Alavida is a subsidiary of Ashcroft Homes, which recently defaulted on a \$6.5-million loan, sending three of its Richmond Road condominium properties into receivership.

The compliance order was not directly related to the issue of fee increases, which, unlike rent increases, are largely unregulated in retirement homes. Opposition politicians and families have been calling for better regulations to protect the elderly from such fee increases.

The RHRA said it inspected the home after a complaint relating to plans of care and alleged financial abuse. The inspector found that a resident was being required to pay for care not provided by the home. It also found the company failed to ensure that plans of care were updated to reflect changes in residents' care needs, and that there were no documented efforts to include information about care being provided by external care providers. It also found the company did not have protocols in place to "promote collaboration between home staff and external care providers."



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TRENDING 🔥

1



Canadian special forces spy plane unit sees staff exodus

2



Ottawa police search for suspect in alleged LRT sexual assault

3



Downtown Ottawa streets briefly closed for suspicious package

4



Feds ignored calls to rename Victims of Communism memorial

5



Canada Post strike threatens donations to Ottawa charities

The retirement home authority has ordered the company to demonstrate protocols are in place to “promote collaboration” between staff and external care providers, to demonstrate it has protocols to assess residents returning to the home from hospitals so that staff know what care is being provided and whether staff at the home are responsible for providing that care, and to submit results of an internal audit related to the issues.

Retirement residents sometimes require extra care after being hospitalized. That care can sometimes be provided by publicly funded nurses.

Meanwhile, some residents continue to fight fee increases at Alavida Lifestyles retirement homes in the city. That includes a 97-year-old resident of the company’s retirement home in Ottawa called the Ravines. Magdalena Rogall’s monthly bill for her studio residence in the building will go up by \$2,500 according to her family.



Dan Rogall and his sister, Brigitte Selkirk, say their mother, Magdalena Rogall, can’t afford the steep cost increases and they are worried a move would be physically difficult for her. PHOTO BY JEAN LEVAC /POSTMEDIA

Stephen Blais, the Liberal MPP for Orléans, has met with residents at Le Promenades who are shocked by the fee increases.

“Some of the dollar figure increases were enormous, to the point that many residents were concerned about their capacity to pay,” Blais said.

STORY CONTINUES BELOW

This advertisement has not loaded yet, but your article continues below.

Company officials have told residents that it is phasing out so-called “marketing discounts”. Residents say they were unaware those were temporary or could be taken away.

Blais said the company told residents in Orléans that if the discounts did not go away, it would put the financial health of the home at risk. “They were using fear with older people who are vulnerable, almost as a motivating factor to try to extract more money. That is how it appeared,” Blais said.

He, like NDP MPP Chandra Pasma, who has met with Alavida residents in her riding, Ottawa West-Nepean, is calling for more regulations to protect retirement home residents from such steep fee spikes.

Manny DiFilippo, Ashcroft’s chief financial officer, said the company cannot afford to keep the marketing discounts in place.

“As there are financial pressures across our different parts of the business, the ability to continue to support the marketing discounts that were always intended to be of a temporary nature can simply no longer be supported. It is for those reasons that we have taken the measures by working with all residents to find a reasonable way to work through the elimination of these discounts.”

Officials from Alavida did not respond to a request for comment about the compliance order.

Our website is your destination for up-to-the-minute news, so make sure to bookmark our homepage and [sign up for our newsletters](#) so we can keep you informed.

RECOMMENDED FROM EDITORIAL



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This is Exhibit “Z” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

COMPLIANCE ORDER TO BE MADE AVAILABLE IN HOME

Pursuant to the *Retirement Homes Act, 2010* S.O. 2010, Chapter 11, section 90.

Alavida Lifestyles
o/a Les Promenades
110 Rossignol Crescent
Orleans, ON K42 0N2

COMPLIANCE ORDER NO. 2024-N0143-90-01

Under section 90 of the *Retirement Homes Act, 2010* (the “Act”), if the Deputy Registrar of the Retirement Homes Regulatory Authority (the “Deputy Registrar” and the “RHRA”, respectively) believes on reasonable grounds that a licensee has contravened a requirement under the Act the Deputy Registrar may serve an order on a licensee ordering it to refrain from doing something, or to do something, for the purpose of ending the contravention and achieving compliance, ensuring that the contravention is not repeated, and that compliance is maintained. The Deputy Registrar issues this Compliance Order (the “Order”) to ensure Alavida Lifestyles (the “Licensee”) operating as Les Promenades (the “Home”) comes into compliance and maintains compliance with the Act.

The Contraventions and Order listed below are followed by the reasons for this Order, and information on the appeal process.

CONTRAVENTION

The Deputy Registrar has reasonable grounds to believe that the Licensee is not in compliance with the following sections of the Act:

- Section 62(4)(a-c) – failing to ensure that there is a written plan of care for each resident of the Home that sets out the care services being provided.
- Section 62(5) – failing to ensure that the resident and/or the resident’s substitute decision-maker is involved in the development and implementation of the resident’s plan of care.
- Section 62(6) – failing to ensure that the resident’s plan of care is based on an assessment of the resident and the needs and preferences of the resident.
- Section 62(8) – failing to ensure that there are protocols to promote collaboration between staff, external care providers, and others involved in the different aspects of care of the resident.
- Section 67(1) of the Act – failing to protect residents of the Home from abuse by anyone.

BRIEF SUMMARY OF FACTS

On December 7, 2023, an RHRA inspector inspected the Home following a complaint relating to plans of care and alleged financial abuse.

A resident was required to pay for care services that were not provided by the Home. The Licensee failed to ensure that plans of care were updated to reflect changes in residents' care needs, there were no documented efforts to include information about care provided by external care providers, and the Licensee did not have protocols in place to promote collaboration between home staff and external care providers.

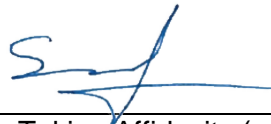
REQUIRED ACTION

1. Within 30 days of the issuance of this Order, demonstrate there are protocols in place to promote collaboration between staff and external care providers.
2. Within 30 days of the issuance of this Order, demonstrate there is a protocol in place to assess residents returning to the Home from hospital such that staff are aware what care is needed and whether staff of the Home are responsible for providing that care.
3. Within 30 days of the issuance of this Order, submit the results of the internal audits conducted by the licensee related to assessing residents and updating resident plans of care, including with respect to care provided by external care providers.

The Licensee must demonstrate through written reports to the RHRA that it has complied with the actions set out above. The internal audits must be anonymized and submitted by email to enforcement@rhra.ca.

Issued on July 3, 2024.

This is Exhibit “**AA**” referred to in the Affidavit of Ishbel Buchan sworn December 11, 2024. The affiant and I were located in the City of Toronto in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to be 'S. Fernandes', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Stephanie Savannah Fernandes
Law Society of Ontario Number: 85819M

**ONTARIO
SUPERIOR COURT OF JUSTICE**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED*

AND IN THE MATTER OF ASHCROFT URBAN DEVELOPMENTS INC, 2067166 ONTARIO INC, 2139770 ONTARIO INC, 2265132 ONTARIO INC, ASHCROFT HOMES – LA PROMENADE INC, 2195186 ONTARIO INC, ASHCROFT HOMES – CAPITAL HALL INC AND 1019883 ONTARIO INC

Applicants

CONSENT

The undersigned, KSV Restructuring Inc. (“**KSV**”), hereby consents to act as court-appointed interim receiver pursuant to section 47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended, without security, over all of the Property of the Debtors (as both terms are defined in the order substantially in the form filed with the Court on or about December 12, 2024 by ACM Advisors Ltd.), as such order may be amended in a manner satisfactory to KSV.

DATED AT TORONTO, ONTARIO this 11th day of December, 2024

KSV RESTRUCTURING INC.



Name: Mitch Vininsky
Title: Managing Director

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED**

Court File No. CV-24-00098058-0000

**AND IN THE MATTER OF ASHCROFT URBAN DEVELOPMENTS INC, 2067166
ONTARIO INC, 2139770 ONTARIO INC, 2265132 ONTARIO INC, ASHCROFT HOMES –
LA PROMENADE INC, 2195186 ONTARIO INC, ASHCROFT HOMES – CAPITAL HALL
INC AND 1019883 ONTARIO INC**

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
OTTAWA

CONSENT

NORTON ROSE FULBRIGHT CANADA LLP
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Lauren Archibald LSO#: 87151U

Tel: 416.278.3787

lauren.archibald@nortonrosefulbright.com

Lawyers for the Receiver

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ASHCROFT URBAN DEVELOPMENTS INC., 2067166 ONTARIO
INC., 213 9770 ONTARIO INC., 2265132 ONTARIO INC., ASHCROFT HOMES – LA PROMENADE INC., 2195186 ONTARIO INC, ASHCROFT
HOMES – CAPITAL HALL INC., AND 1019883 ONTARIO INC.

Court File No. CV-24-00098058-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
OTTAWA

AFFIDAVIT OF ISHBEL BUCHAN
(Sworn December 11, 2024)

Cassels Brock & Blackwell LLP
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Stephanie S. Fernandes LSO #: 85819M
Tel: 416.416 860 6481
Email: sfernandes@cassels.com

Lawyers for ACM Advisors Ltd.

TAB 3

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE _____) ~~WEEKDAY~~ THURSDAY, THE # 12th
)
JUSTICE — MEW) DAY OF ~~MONTH~~ DECEMBER, ~~20YR~~ 2024

PLAINTIFF¹

Plaintiff

~~—and—~~

DEFENDANT

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

~~Defendant~~

AND IN THE MATTER OF ASHCROFT URBAN DEVELOPMENTS INC.,
2067166 ONTARIO INC., 2139770 ONTARIO INC., 2265132 ONTARIO INC.,
ASHCROFT HOMES – LA PROMENADE INC., 2195186 ONTARIO INC.,
ASHCROFT HOMES – CAPITAL HALL INC. AND 1019883 ONTARIO INC.

Applicants

ORDER

(~~appointing~~ Appointing Interim Receiver)

THIS MOTION made by ~~the Plaintiff~~² ACM Advisors Ltd., and supported by each of the mortgagees listed in Schedule "A" (the "Mortgagees"), for an Order pursuant to section

¹ ~~The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

² ~~Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

~~24347~~(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]~~KSV Restructuring Inc. ("KSV") as Interim Receiver (in such capacities, the "~~Receiver~~"Interim Receiver") without security, of ~~all of the assets, undertakings and properties of [DEBTOR'S NAME] (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor~~the property and lands listed on Schedule "A" hereto and all of the property, assets and undertaking (the "Property") of each of the debtors listed in Schedule "A" (the "Debtors"), was heard this day ~~at 330 University Avenue, by~~judicial teleconference via Zoom at Toronto, Ontario.

ON READING the affidavit of ~~[NAME]~~Ishbel Buchan sworn ~~[DATE]~~December 11, 2024 and the Exhibits thereto, the affidavit of Robert Gartner sworn December 10, 2024 and the Exhibits thereto, the affidavit of [●] sworn December 11, 2024 and the Exhibits thereto, the affidavit of David Choo sworn December 4, 2024 and the Exhibits thereto, the affidavit of David Choo sworn December [11], 2024 and the Exhibits thereto, the pre-filing report dated as of December 11, 2024 of KSV as proposed Interim Receiver (the "Pre-Filing Report") and on hearing the submissions of counsel for ~~[NAMES] each of the Mortgagees, counsel for the Debtors and such other parties listed on the Counsel Slip~~, no one appearing ~~for [NAME]~~ although duly served as appears from the affidavit of service of ~~[NAME]~~Stephanie Fernandes sworn ~~[DATE]~~December 11, 2024 and on reading the consent of ~~[RECEIVER'S NAME]~~KSV to act as the Interim Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion is hereby abridged and validated³ so that this motion is properly returnable today and hereby dispenses with further service thereof.

³~~If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

CCAA TERMINATION

2. THIS COURT ORDERS that, as of the Effective Termination Time (defined below) the CCAA proceedings as it relates to the Debtors are hereby terminated without any act or formality.

3. THIS COURT ORDERS that upon the filing of a certificate by the Interim Receiver in the form attached as Schedule "B" here to (the "**Effective Termination Time**") confirming that the Transition (as defined in the Pre-Filing Report) has been completed, Grant Thornton Limited is hereby discharged from its duties as the Monitor (as defined in the initial order made in these proceedings on December 5, 2024 (the "**Initial Order**")) and shall have no further duties, obligations or responsibilities as Monitor from and after the date thereof; provided that the Monitor is hereby directed that prior to the Effective Termination Time it shall take no further actions in respect of its appointment as Monitor other than with the consent and at the direction of the Interim Receiver.

4. THIS COURT ORDERS that, notwithstanding any provision of this Order and the termination of the within CCAA proceedings, nothing herein shall affect, vary, derogate from, limit or amend, and the Monitor shall continue to have the benefit of, all of the rights, approvals and protections in favour of the Monitor at law or pursuant to the CCAA or the Initial Order.

5. THIS COURT ORDERS that, for greater certainty, as of the Effective Termination Time, the Administration Charge (as defined in the Initial Order) shall be terminated.

6. THIS COURT ORDERS that effectively immediately, the Financial Advisor (as defined in the Initial Order) be and is hereby discharged.

APPOINTMENT

7. ~~2.~~ THIS COURT ORDERS that pursuant to section ~~243~~47(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~KSV is hereby appointed Interim 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")~~ the Property of the Debtors.

8. THIS COURT ORDERS that the estates of the Debtors will be jointly administered by the Interim Receiver for procedural purposes, provided, however, that nothing herein shall be

deemed or constructed as directing a substantive consolidation of the Debtors or the Property, and provided further that the Interim Receiver shall, without limitation:

- a) **Maintain segregated Debtor specific bank accounts (the “Segregated Accounts”);**
- b) **Funds in the Segregated Accounts shall be used to fund disbursements in connection with the associated Debtor including, without limitation, taxes, payroll, insurance, operational expenses associated with the Debtor, the associated Property and business operated by the Debtor;**
- c) **Deposit any funds borrowed pursuant to paragraph 31 below into the applicable Segregated Account and not use any such borrowed funds for any purpose other than fees, costs and expenses associated with such Debtor unless otherwise consented to by the applicable Mortgagee; and**
- d) **Keep segregated time and billing on a per Debtor basis in respect of its and its counsel’s respective fees and disbursements.**

INTERIM RECEIVER’S POWERS

9. ~~3.~~ THIS COURT ORDERS that the Interim 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 Interim Receiver is hereby expressly empowered and authorized to do any of the following where the Interim Receiver considers it necessary or desirable:

- a) ~~(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, including without limitation the Debtors’ bank accounts related to the Property wherever located;
- b) ~~(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) ~~(e)~~ to manage, operate, and carry on the business of the ~~Debtor~~Debtors, or any one or more of them, 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 or disclaim any contracts of the ~~Debtor~~Debtors, or any one or more of them, in respect of the Property;
- d) ~~(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~~Interim Receiver's powers and duties, including without limitation those conferred by this Order;
- e) ~~(e)~~ to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the ~~Debtor~~Debtors, or any one or more of them, with respect to the Property or any part or parts thereof;
- f) ~~(f)~~ to receive and collect all monies and accounts now owed or hereafter owing to the ~~Debtor~~Debtors, or any one or more of them, with respect to the Property and to exercise all remedies of the ~~Debtor~~Debtors, or any one or more of them, in collecting such monies, including, without limitation, to enforce any security held by the ~~Debtor~~Debtors, or any one or more of them;
- g) ~~(g)~~ to settle, extend or compromise any indebtedness owing to the ~~Debtor~~Debtors, or any one or more of them, with respect to the Property;
- h) ~~(h)~~ to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the ~~Receiver's~~Interim Receiver's name or in the name and on behalf of the ~~Debtor~~Debtors, or any one or more of them, 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.~~⁴The authority hereby conveyed shall

~~⁴This 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~~

~~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,]⁵ shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.~~

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.

⁵ If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.

~~(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;—~~

i) ~~(m)~~ to report to, meet with and discuss with such affected Persons (as defined below), as the Interim Receiver deems appropriate on all matters relating to the Property and the ~~receivership~~Interim Receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable;

j) to consult with the Mortgagees and other creditors of the Debtors on all matters relating to the Property and the Interim Receivership, subject to such terms as to confidentiality as the Interim Receiver deems advisable;

k) ~~(n)~~ to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

l) ~~(o)~~ to apply for any permits, licences, approvals or permissions with respect to the Property as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Interim Receiver, in the name of the ~~Debtor~~Debtors, or any one or more of them;

~~(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~~

m) ~~(r)~~ to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

n) and in each case where the Interim Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as

defined below), including the ~~Debtor~~Debtors, or any one or more of them, and without interference from any other Person.

10. THIS COURT ORDERS that nothing in this Order in any way derogates from the obligations of the Interim Receiver to comply with all requirements under the Retirement Homes Act, 2010, S.O. 2010 c.11 (the "Retirement Homes Act") and O. Reg. 166/11 or limits the exercise of the regulatory authority of the Retirement Homes Regulatory Authority.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER

11. ~~4.~~ THIS COURT ORDERS that (i) the ~~Debtor~~Debtors together with any of their affiliates, (ii) all of ~~its~~their current and former directors, officers, employees, agents, accountants, legal counsel ~~and~~, shareholders, and all other persons acting on ~~its~~their 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 Interim Receiver of the existence of any Property in such ~~Person's~~Person's possession or control, shall grant immediate and continued access to the Property to the Interim Receiver, and shall deliver all such Property to the Interim Receiver upon the ~~Receiver's~~Interim Receiver's request.

12. ~~5.~~ THIS COURT ORDERS that all Persons shall forthwith advise the Interim Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the ~~Debtor~~Debtors, or any one or more of them, 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~~Person's possession or control, and shall provide to the Interim Receiver or permit the Interim Receiver to make, retain and take away copies thereof and grant to the Interim 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 Interim Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

13. ~~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 Interim Receiver for the purpose of allowing the Interim 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 Interim Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Interim Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Interim Receiver with all such assistance in gaining immediate access to the information in the Records as the Interim Receiver may in its discretion require including providing the Interim Receiver with instructions on the use of any computer or other system and providing the Interim Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

14. THIS COURT ORDERS the Interim Receiver shall ensure that it treats all documents and Records in accordance with the obligations contained in the Retirement Homes Act and other applicable legislation, including the Personal Health Information Protection Act, 2004, c.3 Sched. A.

15. ~~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.~~ all Persons, including without limitation, the Debtors and their affiliates, and each of them, shall be required to cooperate, and share information, with the Interim Receiver, in connection with all books and records, contracts, agreements, permits, licenses and insurance policies and other documents in respect of the Debtors, or any one or more of them, and the Property. In addition to the foregoing, general cooperation and information sharing

requirements, the Debtors and their affiliates, or any of them, shall be required to do the following: (a) in respect of any and all such contracts, agreements, permits, licenses and insurance policies and other documents: (1) maintain them in good standing and provide immediate notice and copies to the Interim Receiver of any communications received from regulators, providers, lessors or franchisors in respect thereof; (2) provide immediate notice to the Interim Receiver of any material change and/or pending material change to the status quo in respect thereof; and (3) provide thirty (30) days' written notice to the Interim Receiver of any renewal date, termination date, election date or similar date in respect thereof; and (b) assist, and cooperate with, the Interim Receiver in obtaining any further permits and licenses that may be required in the Interim Receiver's discretion, acting reasonably, in consultation with the Mortgagees.

NO PROCEEDINGS AGAINST THE INTERIM RECEIVER

16. ~~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 Interim Receiver except with the written consent of the Interim Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE ~~DEBTOR~~DEBTORS OR THE PROPERTY

17. ~~9.~~ THIS COURT ORDERS that no Proceeding against or in respect of the ~~Debtor~~Debtors, or any one or more of them or the Interim Receiver, or their respective employees, advisors, counsel and other representatives acting in such capacities, or the Property shall be commenced or continued except with the written consent of the Interim Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the ~~Debtor~~Debtors, or any one or more of them, or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

18. ~~10.~~ THIS COURT ORDERS that, subject to paragraph 20, all rights and remedies against the ~~Debtor, the~~Debtors, or any one or more of them, the Interim Receiver, or their respective employees, advisors, counsel and other representatives acting in such capacities, or affecting the Property, including, without limitation, licenses and permits, are hereby stayed and suspended except with the written consent of the Interim Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible

financial contract¹¹ as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Interim Receiver or the Debtor Debtors, or any one or more of them, to carry on any business which the Debtor Debtors, or any one or more of them, is not lawfully entitled to carry on, (ii) exempt the Interim Receiver or the Debtor Debtors, or any one or more of them, 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 INTERIM RECEIVER

19. ~~H.~~ THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, Debtors, or any one or more of them, in respect of the Property without written consent of the Interim Receiver or leave of this Court.

ENTITLEMENT OF MORTGAGE LENDERS

20. THIS COURT ORDERS that notwithstanding any other provision of the Order, nothing shall prevent or limit any Mortgagee, upon payment of any outstanding Property specific costs of the interim receivership and providing at least 5 business days' notice to the Interim Receiver, from taking steps or exercising any rights under their security or at law, including without limitation, the appointment of a receiver and manager pursuant to Section 243(1) of the BIA and Section 101 of the CJA.

PROPERTY MANAGEMENT

21. THIS COURT ORDERS that if the Interim Receiver elects to retain the services of 1019883 Ontario Inc., Ashcroft Homes – Central Park Inc., Alavida Lifestyles Inc., or any other entity affiliated with the corporate group known as Ashcroft Homes Group that provides management or support services to any one or more of the Debtors (collectively, the “**Ashcroft Managers**”), it shall have the discretion to pay out of rents received on January 1, 2025, the Ashcroft Managers in respect of those services in accordance with past practice and as set out in the cash flow forecast appended as Exhibit [“2”] in the Monitor’s First Report filed December [10], 2024.

22. THIS COURT ORDERS that the Ashcroft Managers and the Debtors shall cooperate fully with the Interim Receiver and shall continue to provide property management and other services to the Interim Receiver in accordance with arrangements with the Debtors until such time as the Interim Receiver no longer requires their services. Neither the Ashcroft Managers nor the Debtors shall have any power or authority to make any discretionary decisions in respect of property management nor shall they have any power or authority to alter any contractual obligations and neither the Ashcroft Managers nor the Debtors shall have any powers in respect of banking arrangements and credit authorization in respect of the Property.

CONTINUATION OF SERVICES

23. ~~12.~~ THIS COURT ORDERS that all Persons, having oral or written agreements with the ~~Debtor~~Debtors, or any one or more of them, in connection with or relating to the Property 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~~Debtors, or any one or more of them, in connection with or relating to the Property 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 Interim Receiver, and that the Interim Receiver shall be entitled to the continued use of the ~~Debtor's~~Debtors', or any one or more of their, 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 Interim Receiver in accordance with normal payment practices of the ~~Debtor or~~Debtors, or any one or more of their, or such other practices as may be agreed upon by the supplier or service provider and the Interim Receiver, or as may be ordered by this Court.

INTERIM RECEIVER TO HOLD FUNDS

24. ~~13.~~ THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Interim 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 in connection with or relating to the Property, 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")~~ in the Segregated Account that has been opened and designed to the applicable Property and the monies standing to the credit of such ~~Post Receivership~~ Segregated Accounts from time to time, net of any disbursements provided for herein, shall be held by the Interim Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

25. ~~14.~~ THIS COURT ORDERS that all employees of the ~~Debtor~~ Debtors, or any one or more of them, shall remain the employees of ~~the~~ such Debtor until such time as the Interim Receiver, on ~~the Debtor's~~ behalf of the Debtors, or any one or more of them, may terminate the employment of such employees. The Interim 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 Interim 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

26. ~~16.~~ THIS COURT ORDERS that nothing herein contained shall require the Interim 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 Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Interim Receiver shall not, as a result of this Order or anything done in pursuance of the ~~Receiver's~~Interim 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 INTERIM RECEIVER'S LIABILITY

27. ~~17.~~ THIS COURT ORDERS that the Interim 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 Interim Receiver by section 14.06 of the BIA or by any other applicable legislation.

~~RECEIVER'S~~INTERIM RECEIVER'S ACCOUNTS

28. ~~18.~~ THIS COURT ORDERS that the Interim Receiver and counsel to the Interim 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 Interim Receiver and counsel to the Interim Receiver shall be entitled to and are hereby granted a charge (the "~~Receiver's~~Interim 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~~Interim Receiver's Charge shall form a first charge

on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶ Notwithstanding the foregoing, the Interim Receiver's Charge in respect of any particular Property owned by a Debtor shall secure only such fees and disbursements of the Interim Receiver and its counsel that are allocated to such Debtor and Property in accordance with paragraph 8 above.

29. ~~19.~~ THIS COURT ORDERS that the Interim Receiver and its legal counsel shall pass ~~its~~their accounts from time to time, and for this purpose the accounts of the Interim Receiver and its legal counsel are hereby referred to a judge of the ~~Commercial List of the~~ Ontario Superior Court of Justice.

30. ~~20.~~ THIS COURT ORDERS that prior to the passing of its accounts, the Interim 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 Interim 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 INTERIM RECEIVERSHIP

31. ~~21.~~ THIS COURT ORDERS that the Interim Receiver be at liberty and it is hereby empowered, in consultation with the Mortgagees of a Debtor, to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$ ~~_____~~ 200,000 per Debtor (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 Interim Receiver by this Order, including interim expenditures. ~~The whole of~~ on a property specific basis. Only the Property of the specific Debtor in respect of which the Interim Receiver is required to borrow monies shall be and is hereby charged by way of a fixed and specific

~~⁶Note 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".~~

charge (the ~~"Receiver's"~~"Interim 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, fees, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, on the specific property, but subordinate in priority to the Interim Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

32. ~~22.~~ THIS COURT ORDERS that neither the ~~Receiver's~~Interim Receiver's Borrowings Charge nor any other security granted by the Interim Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

33. ~~23.~~ THIS COURT ORDERS that the Interim Receiver is at liberty and authorized to issue certificates in respect of any specific property substantially in the form annexed as Schedule ~~"A"~~"C" hereto (the ~~"~~"Interim Receiver's Certificates"~~"~~) for any amount borrowed by it pursuant to this Order.

34. ~~24.~~ THIS COURT ORDERS that the monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court and any and all Interim Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, in respect of the specific property so charged in accordance with paragraph 29 unless otherwise agreed to by the holders of any prior issued ~~Receiver's~~Interim Receiver's Certificates.

SERVICE AND NOTICE

35. ~~25.~~ THIS COURT ORDERS that ~~the E-Service Protocol of the~~The Guide Concerning Commercial List E-Service (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/>~~<https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) 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.ksvadvisory.com/experience/case/Ashcroft>.

36. ~~26.~~ THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Interim 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~~ Debtors', or any one or more of their, creditors or other interested parties at their respective addresses as last shown on the records of the ~~Debtor~~ Debtors, or any one or more of them, 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.

37. THIS COURT ORDERS that during the pendency of the Canada Post strike, any obligation of the Interim Receiver to provide notice by ordinary mail shall be suspended provided that the Interim Receiver shall post all such notices on its website and shall, to the extent possible, send such notices by email.

COMEBACK MOTION

38. THIS COURT ORDERS that a comeback motion in this proceeding shall be heard on January 31, 2025.

GENERAL

39. ~~27.~~ THIS COURT ORDERS that the Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

40. ~~28.~~ THIS COURT ORDERS that nothing in this Order shall prevent the Interim Receiver from acting as a receiver or trustee in bankruptcy of the ~~Debtor~~ Debtors, or any one or more of them.

41. ~~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 Interim 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 Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Interim Receiver and its agents in carrying out the terms of this Order.

42. ~~30.~~ THIS COURT ORDERS that the Interim 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 Interim 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.

43. ~~31.~~ THIS COURT ORDERS that the PlaintiffMortgagee shall have its costs of this ~~motion~~Motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff'sMortgagee's security or, if not so provided by the Plaintiff'sMortgagee's security, then on a substantial indemnity basis to be paid by the Interim Receiver from the ~~Debtor's-estate~~Debtors, or any one or more of their estates, with such priority and at such time as this Court may determine.

44. THIS COURT ORDERS that at any time after January 31, 2025 any Mortgagee may file with the Court and serve on all parties to these proceedings a certificate in the form attached as Schedule "D" (the "Termination Certificate") advising that such Mortgagee wishes to terminate these receivership proceedings in respect of the Property against which it holds security. Effective as of 12:01 a.m. (Prevailing Eastern Time) on the date of such filing (the "Termination Time") without further act or formality, the Interim Receiver shall be discharged as Receiver of the respective Property and Debtors, provided however, that notwithstanding its discharge herein (a) the Interim Receiver shall remain interim receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein; and (b) the Interim Receiver shall continue to have the benefit of the provisions of this Order and any other Orders made in this proceeding, including the Interim Receiver's Charge, the Interim Receiver's Borrowing Charge, all approvals, protections and stays of proceedings in favour of the Interim Receiver in its capacity as Receiver, including in connection with any action taken by the Interim Receiver following the Termination Time.

45. THIS COURT ORDERS that the respective Debtor(s) and the Interim Receiver will cooperate with such Mortgagee(s) to ensure an orderly transition from these proceedings to

any Mortgagee-driven proceeding or other arrangement in respect of such Mortgagee(s) and the respective Debtor's Property.

46. ~~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 Interim 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.

47. THIS COURT ORDERS that this Order is effective from today's date and it is not required to be entered.

SCHEDULE "A" – LIST OF SUPPORTING MORTGAGEES, PROPERTY AND DEBTORS

DESCRIPTION OF THE REAL PROPERTY

<u>Mortgagee</u>	<u>Debtor</u>	<u>Legal Description of Real Property</u>
<u>ACM Advisors Ltd.</u>	<u>2067166 Ontario Inc.</u>	<u>PART OF BLOCK 69 ON 4M-1047 BEING PARTS 1,2,3,4 AND 6 4R-21512, OTTAWA. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 1 TO 5 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC487047. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PARTS 9 TO 11 ON 4R-20298 OVER PART 3 ON 4R-21512 AS IN OC494285. TOGETHER WITH A RIGHT-OF-WAY OVER PARTS 2 AND 5 ON 4R-20298AS IN OC487047.TOGETHER WITH A RIGHT-OF-WAY OVER PART 9 ON 4R-20298 AS IN OC494285. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 6 ON 4R-21512 AS IN OC654077. SUBJECT TO A RIGHT-OF-WAY IN FAVOUR OF PART 5 ON 4R-21512 OVER PART 4 ON 4R-21512 AS IN OC654077. SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 ON PLAN 4R-28152 AS IN OC1621378.; TOGETHER WITH AN EASEMENT OVER PART BLOCK 69 PLAN 4M1047 PART 5 4R21512 AS IN OC1966865, being PIN 03998-1732 (LT)</u>
<u>ACM Advisors Ltd.</u>	<u>2265132 Ontario Inc.</u>	<u>PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794. SUBJECT TO AN EASEMENT OVER PART 21 PLAN 4R25794 AS IN NS45154. SUBJECT TO AN EASEMENT OVER PARTS 8, 21 AND 46 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; SUBJECT TO AN EASEMENT AS IN OC1435034; TOGETHER WITH AN EASEMENT OVER ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794 AS IN OC1451771; CITY OF OTTAWA, being PIN 04052-0799 (LT)</u>

<u>ACM Advisors Ltd.</u>	<u>1384274 Ontario Inc.</u>	<u>ALL OF BLOCK 9 AND PART OF BLOCKS 10, 11 AND 25 PLAN 4M1327, PARTS 1, 3, 4, 5, 6, 7, 10, 11, 14, 15, 16, 17, 18, 20, 23, 24, 26, 27, 28, 32, 33, 34, 35, 37, 39, 40, 41, 42, 43, 44, 50, 51, 52 AND 54 PLAN 4R25794. SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 1, 16, 17, 18, 23, 24, 27 AND 28 PLAN 4R25794 AS IN OC881843. SUBJECT TO AN EASEMENT OVER PARTS 3, 4, 5, 6, 7, 10, 11, 14, 15, 20, 26, 32, 33, 34, 35, 39, 40, 41 AND 54 PLAN 4R25794 AS IN OC909083; SUBJECT TO AN EASEMENT AS IN OC1200007; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1254247; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 12 PLAN 4M1327, PART 19 PLAN 4R25794 AS IN OC1451770; SUBJECT TO AN EASEMENT IN FAVOUR OF PART OF BLOCKS 10 AND 25 PLAN 4M1327, PARTS 2, 22, 25, 29, 30, 31, 36 AND 53 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 8, 9, 21, 45 AND 46 PLAN 4R25794; PART OF BLOCKS 10 AND 11 PLAN 4M1327, PARTS 12, 13, 38, 47, 48 AND 49 PLAN 4R25794 AS IN OC1451771; SUBJECT TO AN EASEMENT IN GROSS AS IN OC1560118; CITY OF OTTAWA, being PIN 04052-0801 (LT)</u>
<u>ACM Advisors Ltd.</u>	<u>2195186 Ontario Inc.</u>	<u>PART LOTS 7, 8, 9, 10, 11 AND PART LANE, AS CLOSED BY ORDER CR234928 PLAN 131037, PART 1 PLAN 4R29600; SUBJECT TO AN EASEMENT AS IN OC1804530; SUBJECT TO AN EASEMENT IN GROSS OVER PART 2 PLAN 4R33801 AS IN OC2393098; CITY OF OTTAWA, being PIN 04102-0340 (LT)</u>
<u>CMLS Financial Ltd.</u>	<u>Ashcroft Urban Developments Inc.</u>	<u>101 Queens Street, Ottawa and 110 Sparks Street, Ottawa [Complex legal description which is to be inserted into the proposed Order]</u>
<u>Equitable Bank</u>	<u>Ashcroft Homes - Capital Hall Inc.</u>	<u>105 Champagne Ave, Ottawa [Complex legal description which is to be inserted into the proposed Order]</u>
<u>Institutional Mortgage Capital Canada Inc.</u>	<u>Ashcroft Homes – La Promenade Inc.</u>	<u>PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PARTS 7, 8, PLAN 4R29684; TOGETHER WITH AN EASEMENT OVER PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PARTS 2, 4, PLAN 4R29684 IN FAVOUR OF PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PART 7, PLAN 4R29684 AS IN OC1822752; TOGETHER WITH AN EASEMENT OVER PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PARTS 2, 3, 4, 5, 6, PLAN 4R29684 IN FAVOUR OF PART LOTS 34, 35, CONCESSION 1 CUMBERLAND (OLD SURVEY) DESIGNATED AS PART 7, PLAN 4R29684 AS IN OC1822752; SUBJECT TO AN EASEMENT IN GROSS OVER PLAN 4R30928 AND PART 1 ON PLAN4R31325 AS IN OC2032997; CITY OF OTTAWA</u>

SCHEDULE "B"

Court File No. CV-24-00098058-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF ASHCROFT URBAN DEVELOPMENTS INC,
2067166 ONTARIO INC, 2139770 ONTARIO INC, 2265132 ONTARIO INC,
ASHCROFT HOMES – LA PROMENADE INC, 2195186 ONTARIO INC,
ASHCROFT HOMES – CAPITAL HALL INC AND 1019883 ONTARIO INC

Applicants

CCAA TERMINATION CERTIFICATE

This CCA Termination Certificate is the certificate referred to in paragraph 3 of the Order of the Honourable Justice Mew dated December 12, 2024 in these proceedings, a copy of which is attached hereto. Capitalized terms not otherwise defined herein shall have the meaning given to them in the Order.

The undersigned, hereby gives notice that the Transition (as defined in the Pre-filing Report) has been completed to the satisfaction of the Interim Receiver.

Dated as of _____ [am/pm] this _____ day of December, 2024.

	<u>KSV RESTRUCTURING INC. solely in its capacity as interim receiver of the property, assets and undertaking of the Property, and not in its personal capacity</u> <hr/> <u>Name:</u> <u>Title:</u>
--	---

SCHEDULE "C"

INTERIM 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~~KSV RESTRUCTURING INC., the Interim Receiver (the "Interim Receiver") of all of the properties, assets and undertaking of _____ (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___~~, CV-24-00098058-0000; has received as such Interim Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Interim 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 Interim 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 Interim 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 Interim 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 Interim 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 Interim 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], KSV~~
RESTRUCTURING INC. solely in its capacity
- as ~~Receiver of the Property~~, interim receiver of
the property, assets and undertaking of [insert
applicable debtor] and not in its personal
capacity

Per: _____
Name:
Title:

SCHEDULE "D"

Court File No. CV-24-00098058-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF ASHCROFT URBAN DEVELOPMENTS INC,
2067166 ONTARIO INC, 2139770 ONTARIO INC, 2265132 ONTARIO INC,
ASHCROFT HOMES – LA PROMENADE INC, 2195186 ONTARIO INC,
ASHCROFT HOMES – CAPITAL HALL INC AND 1019883 ONTARIO INC

Applicants

RECEIVERSHIP TERMINATION CERTIFICATE

This Receivership Termination Certificate is the certificate referred to in paragraph 44 of the
Order of the Honourable Justice Mew dated December 12, 2024 in these proceedings, a copy
of which is attached hereto. Capitalized terms not otherwise defined herein shall have the
meaning given to them in the Order.

The Mortgagee, [Insert Name], hereby gives notice that the Mortgagee wishes to terminate
these receivership proceedings in respect of the following Debtor(s) and Property:

<u>Debtor</u>	<u>Legal Description of Real Property</u>

DATED the _____ day of _____, 20__.

[Mortgagee Name]

Per:

Name:

Title:

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IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36

AND IN THE MATTER OF ASHCROFT URBAN DEVELOPMENTS INC., 2067166 ONTARIO INC., 2139770 ONTARIO INC., 2265132 ONTARIO INC., ASHCROFT HOMES – LA PROMENADE INC., 2195186 ONTARIO INC., ASHCROFT HOMES – CAPITAL HALL INC. AND 1019883 ONTARIO INC.

Court File No: CV-24-00098058-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
OTTAWA

INTERIM RECEIVERSHIP ORDER

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Summary report:	
Litera Compare for Word 11.6.0.100 Document comparison done on 12/11/2024 12:26:41 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://cassels.cloudimanage.com/LEGAL/66867006/1	
Modified DMS: iw://cassels.cloudimanage.com/LEGAL/66843332/12	
Changes:	
<u>Add</u>	361
Delete	228
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	5
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	594

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36

AND IN THE MATTER OF ASHCROFT URBAN DEVELOPMENTS INC., 2067166 ONTARIO INC., 2139770 ONTARIO INC., 2265132 ONTARIO INC., ASHCROFT HOMES – LA PROMENADE INC., 2195186 ONTARIO INC., ASHCROFT HOMES – CAPITAL HALL INC. AND 1019883 ONTARIO INC.

Court File No: CV-24-00098058-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
OTTAWA

MOTION RECORD

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