Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

APPLICATION RECORD
Returnable May 5, 2020

April 28, 2020

THORNTON GROUT FINNIGAN LLP
TD West Tower, Toronto-Dominion Centre
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7
Fax: (416) 304-1313

D.J. Miller (LSO# 34393P)
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Lawyers for the Applicant, Hillmount Capital Inc.

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TAB 1

Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
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IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

NOTICE OF APPLICATION

TO THE RESPONDENTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following pages.

THIS APPLICATION will come on for a hearing before a Judge on May 5, 2020 at 2:00 p.m. or as soon after that time as the application can be heard by judicial videoconference via Zoom. Please reference to the conference details attached as Schedule "A" hereto in order to attend the application and advise if you intend to join the application by emailing Rachel Bengino at rbengino@tgf.ca.

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

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2:00 p.m. on the day before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, AN ORDER MAY BE MADE IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. If you wish to oppose this application but are unable to pay legal fees, legal aid may be available to you by contracting a Local Legal Aid office.

DATE: April 28, 2020

Issued by: Ray Williams

Ray Williams, Registrar

Address of Court office:
330 University Avenue, 9th Fl
Toronto, Ontario M5G 1~~E6~~ R7

TO:	**THIS HONOURABLE COURT**
AND TO:	**SERVICE LIST**

SERVICE LIST
(April 28, 2020)

TO:	**THORNTON GROUT FINNIGAN LLP** Barristers and Solicitors 100 Wellington Street West Suite 3200 Toronto, ON M5K 1K7 Fax: 416-304-1313 **D.J. Miller** Email: djmiller@tgf.ca Tel: (416) 304-0559 **Rachel Bengino** Tel: (416) 304-1153 Email: rbengino@tgf.ca Lawyers for the Applicant, Hillmount Capital Inc.
AND TO:	**FOGLER, RUBINOFF LLP** Ste 3000, P.O. Box 95 77 King Street West TD Centre North Tower Toronto, ON M5K1G8 Fax: (416) 941-8852 **Joseph Fried** Tel: (416) 864-9700 Email: jfried@foglers.com Lawyers for the Applicant, Hillmount Capital Inc.

AND TO:	**ERSNT & YOUNG INC.** 100 Adelaide Street West Toronto ON M5H 1S3 Fax: (416) 943-3300 **Alex Morrison** Tel: (416) 941-7743 Email: alex.f.morrison@ca.ey.com **Greg Adams** Tel: (613) 598-4350 Email: greg.j.adams@ca.ey.com Proposed Court-appointed Receiver
AND TO:	**MILLER THOMSON LLP** 40 King Street, Suite 5800 Scotia Plaza Toronto ON M5H 3S1 Fax: (416) 595-8695 **Craig Mills** Tel: (416) 595-8596 Email: cmills@millerthomson.com Lawyers for Brookhill Development Inc. and Brookhill Holdings Inc.
AND TO:	**FORTRESS BROOKHILL INC.** 25 Brodie Drive Unit 1 Richmond Hill, ON L4B 3K7 **Vincenzo Petrozza** Email: vince@fortressrdi.com
AND TO:	**VINCENZO PETROZZA** 471 Sunset Beach Road Richmond Hill, ON L4E 3J3 Email: vince@fortressrdi.com
AND TO:	**JAWAD S. RATHORE** 2 Scandia Court Markham, ON L6C 1G6

AND TO:	**JAEKEL CAPITAL INC.** 10376 Yonge Street Suite 203 Richmond Hill, ON L4C 3B8 **Richard Jaekel, Vice President** Email: richardjaekel@jaekelcapital.ca
AND TO:	**OLYMPIA TRUST COMPANY** 2200, 125-9th Avenue SE Calgary, AB T2G OP6 **Jonathan Bahnuik, General Counsel** Email: bahnuikj@olympiatrust.com
AND TO:	**COMPUTERSHARE TRUST COMPANY OF CANADA** 510 Burrard Street, 3rd Floor Vancouver, BC V6C 3B9
AND TO:	**OSLER, HOSKIN & HARCOURT LLP** 100 King Street West 1 First Canadian Place Suite 6200, P.O. Box 50 Toronto ON M5X 1B8 Fax: (416) 862-6666 **Michael De Lellis** Tel: (416) 862-5997 Email: mdelellis@osler.com **Jeremy Dacks** Tel: (416) 862-4923 Email: jdacks@osler.com Lawyers for FAAN Mortgage Administrators Inc. as Trustee for Building & Development Mortgages Canada Inc.

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APPLICATION

THE APPLICANT, Hillmount Capital Inc. ("**Hillmount**"), makes an application for an Order:

1. abridging the time for service of this Notice of Application and the materials filed in support of the application and dispensing with further service thereof;

2. appointing Ernst & Young Inc. as the receiver (the "**Receiver**") of the property, assets and undertaking of (i) Brookhill Holdings Inc. ("**Brookhill**") and (ii) the beneficial interests of Brookhill Development Inc. ("**BDI**") in the Properties (as defined below) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**"); and

3. granting such other relief as counsel may request and this Honourable Court may deem just.

THE GROUNDS FOR THE APPLICATION ARE:

Mortgage Loan Commitment and Security

4. Brookhill is a real estate holding company that owns real property in Ontario on behalf of BDI as beneficial owner;

5. pursuant to a Mortgage Loan Commitment agreement most recently dated May 3, 2018 (as amended on August 2, 2019 and November 29, 2019, the "**Loan Commitment**"), Hillmount made a mortgage loan available to Brookhill in the principal amount of $4.2

million plus interest and costs (the "**Loan**") for the purpose of refinancing the existing first mortgages on title to the Properties (as defined below);

6. as at the opening of business on February 21, 2020, Brookhill was indebted to Hillmount under the Loan in the aggregate amount of $4,416,344.88 together with accruing interest, costs and fees, including legal fees and disbursements, incurred by Hillmount;

7. pursuant to the Loan Commitment, as security for its obligations to Hillmount, Brookhill granted, among other things:

    (a) a General Security Agreement dated May 24, 2018 (the "**GSA**") pursuant to which Brookhill granted Hillmount security over all of its personal property associated with, situate or derived from Brookhill's business and assets situate at the Properties; and

    (b) a charge securing the principal amount of $4.2 million plus interest and costs (the "**Charge**") over Brookhill's real properties located at (i) 2499 Nash Road, Clarington, Ontario, (ii) 2494 Regional Road 57, Clarington, Ontario, and (iii) 2538 Regional Road 57, Clarington, Ontario (collectively, the "**Properties**") (which is only subject to prior charges in favour of Hillmount, as further described in the Declaration of Itzhak Levinson, to be affirmed), together with an indenture regarding an assignment of rents and leases date May 24, 2018, each of which were registered on title to the Properties on July 4, 2018;

8. it is a term of the GSA and Charge that the Bank may appoint a receiver upon default by Brookhill in any of its obligations to the Bank;

9. the obligations of Brookhill to Hillmount were guaranteed by each of BDI, Fortress Brookhill Inc., Vincenzo Petrozza and Jawad Rathore pursuant to a joint and several unlimited guarantee dated May 24, 2018;

Properties

10. Brookhill holds legal title to the Properties in trust for BDI as beneficial owner pursuant to a Nominee Agreement dated January 12, 2016;

11. pursuant to a Nominee Direction and Acknowledgment dated June 18, 2018 (the "**Nominee Acknowledgment**") from BDI to Hillmount, BDI confirmed, among other things, that the security interests granted in connection with the Loan apply to and create security interests in and to its beneficial interests in and to all assets and property charged under the Security Documents (as defined therein), including, without limitation, the Properties and pledged its beneficial interest in the Properties and Collateral (as defined therein) to Hillmount;

12. the Bank has registered its security interest against each of Brookhill and BDI pursuant to the *Personal Property Security Act*;

13. there are two subsequent mortgages registered on title to the Property in favour of (i) Jaekel Capital Inc.; and (ii) Building & Development Mortgages Canada Inc., Computershare Trust Company of Canada and Olympia Trust Company, each of which is fully postponed to the first-ranking charge in favour of Hillmount;

Default and issuance of Demand and Notice of Sale

14. Brookhill defaulted in payment of its January 1, 2020 mortgage payment, which was a breach of the Loan Commitment;

15. by letter dated January 27, 2020, (the "**Demand**"), Hillmount demanded payment from Brookhill of all amounts outstanding under the Loan as at February 6, 2020 (being the deadline for payment under the Demand) and together therewith delivered a Notice of Intention to Enforce Security (the "**BIA Notice**") pursuant to Section 244 of the BIA;

16. the notice period under the Demand and BIA Notice has expired;

17. on February 21, 2020, Hillmount issued a Notice of Sale under Mortgage (the "**Notice of Sale**") pursuant to the *Mortgages Act* demanding payment from Brookhill of all amounts then outstanding under the Loan and Charge. The Notice of Sale indicated that the Properties will be sold unless all amounts outstanding under the Loan are paid on or before March 28, 2020;

18. the notice period under the Notice of Sale has now expired;

Need for a Receiver

19. the appointment of a Receiver is necessary and appropriate as a result of the following:

    (a) the Loan has matured and has not been repaid;

    (b) the appointment of the Receiver is needed to realize on the collateral subject to Hillmount's security;

    (c) the security held by Hillmount contemplates the appointment of a Receiver;

    (d) the relevant notice periods under the Demand, BIA Notice and Notice of Sale have expired;

(e) Hillmount has been advised by the Respondents that they do not oppose the proposed Receivership Order; and

(f) it is just and convenient to appoint the Receiver;

20. the security granted by Brookhill to Hillmount is in relation to the Properties and any personal property of Brookhill relating to the Properties. In order for the Receiver to thoroughly exercise its powers, without limitation, the Applicant is seeking the appointment of the Receiver over all assets, properties and undertaking of Brookhill. To the extent that any personal property exists and was not explicitly pledged as security to Hillmount for the Loan, the Applicant seeks the appointment of the Receiver over such assets pursuant to s. 101 of the CJA;

21. Ernst & Young Inc. has consented to act as the Receiver;

22. Rules 2.03, 3.02, 14.05(2), 41 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg 194, Section 243(1) of the BIA and Section 101 of the CJA; and

23. such other grounds as counsel may advise and this Honourable Court may deem just.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of this application:

1. the Declaration of Itzhak Levinson, to be affirmed;

2. Consent of Ernst & Young Inc.; and

3. such further and other evidence as counsel may advise and this Honourable Court may permit.

April 27, 2020

Thornton Grout Finnigan LLP
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Rachel Bengino (LSO# 68348V)
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Email: rbengino@tgf.ca

Lawyers for the Applicant, Hillmount Capital Inc.

Schedule "A"

Zoom instructions for application returnable on May 5, 2020 at 2:00 p.m.:

Join Zoom Meeting: https://us04web.zoom.us/j/6754685886

Meeting ID: 675 468 5886

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC. and **BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.**

Applicant / Respondents

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

NOTICE OF APPLICATION

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Lawyers for the Applicant, Hillmount Capital Inc.

TAB 2

Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
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IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

DECLARATION OF ITZHAK LEVINSON
(Declared April 28, 2020)

I, ITZHAK LEVINSON, of the City of Toronto, in the Province of Ontario, SOLEMNLY DECLARE AND SAY AS FOLLOWS:

1. I am the President of Hillmount Capital Inc. ("**Hillmount**") having primary responsibility for this matter on behalf of Hillmount and, as such, I have knowledge of the matters to which I depose herein and declare to the fact that they are true. Unless I indicate to the contrary, the facts herein are within my own personal knowledge. Where I have indicated that I have obtained facts from other sources, I have identified the sources and believe those facts to be true. Certain of the documents referenced in this Declaration may have been

executed by me as "Yitz Levinson". I confirm that "Yitz Levinson" and myself are one in the same person.

Overview

2. This declaration is in support of an application by Hillmount for an order appointing Ernst & Young Inc. as the receiver (the "**Receiver**"), of (i) the property, assets and undertaking of Brookhill Holdings Inc. ("**Brookhill**") and (ii) the beneficial interests of Brookhill Development Inc. ("**BDI**") in the Properties (as defined below) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**").

3. Brookhill is a real estate holding company that owns real property in Ontario on behalf of BDI as beneficial owner. Hillmount is a secured creditor of Brookhill and a mortgagee of the Properties as defined below.

4. Brookhill has defaulted on its loan from Hillmount, which was guaranteed by BDI. On January 27, 2020 Hillmount issued a demand for payment and Notice of Intention to Enforce Security under the BIA. On February 21, 2020, Hillmount issued a Notice of Sale (as defined below) which expired on March 28, 2020.

The Respondents

5. According to the records maintained by the Ministry of Government Services, Brookhill was incorporated in Ontario on January 7, 2016. The registered head office of Brookhill is 56 The Esplanade Suite 406, Toronto, Ontario (the "**Head Office**"). The Corporation

Profile Report for Brookhill lists Sam Crignano, Domenic Fazari, Mauro Tonietto and Guiseppe Valela as directors.

6. According to the records maintained by the Ministry of Government Services, BDI was incorporated in Ontario on January 11, 2016. The registered head office of BDI is the Head Office. The Corporation Profile Report for BDI lists Sam Crignano, Domenic Fazari, Mauro Tonietto and Guiseppe Valela as directors.

7. A copy of the corporate search results with respect to Brookhill and BDI are attached hereto as **Exhibit "A"**.

Mortgage Loan Commitment

8. Pursuant to a Mortgage Loan Commitment agreement most recently dated May 3, 2018 (as amended on August 2, 2019 and November 29, 2019, the "**Loan Commitment**"), Hillmount made a mortgage loan available to Brookhill in the principal amount of $4.2 million plus interest and costs (the "**Loan**") for the purpose of refinancing the existing first mortgages on title to the Properties (as defined below). The Loan accrues interest at a rate of 10.25% per annum compounded and calculated monthly. The Loan matured on March 1, 2020, but went into default prior to that date. Attached as **Exhibit "B"** is a copy of the Loan Commitment, including the renewals and amendments thereto (redacted only with respect to the amount of the valuation of the Properties as at the date of the Loan Commitment).

9. As at the opening of business on February 21, 2020 (the date that the Notice of Sale was issued), Brookhill was indebted to Hillmount under the Loan in the aggregate amount of

$4,416,344.88 together with accruing interest, costs and fees, including legal fees and disbursements, incurred by Hillmount.

Security Held by Hillmount

10. Pursuant to the Loan Commitment, as security for its obligations to Hillmount, Brookhill granted to Hillmount:

(a) A General Security Agreement dated May 24, 2018 (the "**GSA**") pursuant to which Brookhill granted Hillmount security over all of its personal property associated with, situate or derived from Brookhill's business and assets situate at the Properties (as defined below), together with any monies, certificates of deposits, guaranteed investment certificates or like instruments pledged by Brookhill in favour of third parties, governmental authorities, the Province of Ontario, financial institutions, or any other persons to ensure completion or performance of services and Brookhill's obligations in respect of the project at the Properties. Attached as **Exhibit "C"** is a copy of the GSA. It is a term of the GSA that Hillmount may appoint a receiver upon default by Brookhill in any of its obligations to Hillmount;

(b) a charge securing the principal amount of $4.2 million plus interest and costs (the "**Charge**") over Brookhill's real properties located at (i) 2499 Nash Road, Clarington, Ontario, (ii) 2494 Regional Road 57, Clarington, Ontario, and (iii) 2538 Regional Road 57, Clarington, Ontario (collectively, the "**Properties**") (which is only subject to prior charges in favour of Hillmount, as further described in paragraph 12 and 16 below), together with an indenture regarding an assignment of rents and leases date May 24, 2018 (the "**Assignment of Rents**"), each of which were registered on title to the Properties on July 4, 2018. It is a term of the Charge that Hillmount may appoint a receiver upon default by Brookhill in any of its obligations to Hillmount. Attached as **Exhibit "D"** is a copy of the registered Charge, together with the Standard Charge Terms, and the Assignment of Rents;

(c) an Assignment of Rights Under Agreements of Purchase and Sale dated May 24, 2018 (the "**Assignment of APSs**") which assigned to Hillmount all rights, benefits and privileges under the Agreements of Purchase and Sale for the sale of lots/units to be developed on the Properties, including all deposits and sale proceeds received by Brookhill thereunder. Deposits received by Brookhill are to be held in a solicitor's trust account, as discussed below. The Assignment of APSs further provides that, in the event that Hillmount exercises its rights under the Assignment of APSs, it shall have the right to apply any sale proceeds or deposits received by it against the outstanding amounts owing to Hillmount by Brookhill. As of the date of this Declaration, to Hillmount's knowledge, Brookhill has not entered into any Agreements of Purchase and Sale for the sale of lots/units to be developed on the Properties and has not collected any deposits. Attached as **Exhibit "E"** is a copy of the Assignment of APSs; and

(d) Assignment of Construction Contracts Agreement dated May 24, 2018, Assignment of Municipal Approvals dated June 18, 2018 and Assignment of Plans and Reports dated May 24, 2018, all of which are attached as **Exhibit "F"** hereto.

11. The obligations of Brookhill to Hillmount were guaranteed by each of BDI, Fortress Brookhill Inc. ("**Fortress**"), Vincenzo Petrozza and Jawad Rathore pursuant to a joint and

several unlimited guarantee dated May 24, 2018 (the "**Guarantee**"). Attached as **Exhibit "G"** is a copy of the Guarantee.

12. Further, since the Loan was used in part to refinance the obligations owing by Brookhill to Vector Financial Services Limited ("**Vector)**, Vector assigned to Hillmount its right, title and interest in the General Security Agreement granted by Brookhill to Vector dated December, 2016 (the "**Vector GSA**") pursuant to an Assignment of General Security Agreement dated June 2018 (the "**Vector Assignment**"). Pursuant to the Vector GSA, Hillmount holds a security interest in all personal property of Brookhill relating to the Properties and in all proceeds thereof. It is a term of the Vector GSA that Hillmount may appoint a receiver upon default by Brookhill in any of its obligations to Hillmount. A copy of the Vector Assignment, which appends the Vector GSA, is attached hereto as **Exhibit "H"**. As additional security, the charges against the Properties in favour of Vector in the amount of $1.36 million, as registered on December 9, 2016, were transferred to Hillmount on July 4, 2018. On the property located at 2499 Nash Road, Clarington, Ontario, Vector transferred an additional charge to Hillmount in the amount of $1.5 million, which was initially registered in favour of Myra Ann Douglas on March 22, 2016, transferred to Vector on December 9, 2016, and subsequently transferred to Hillmount on July 4, 2018.

Properties

13. Brookhill holds legal title to the Properties in trust for BDI as beneficial owner pursuant to a Nominee Agreement dated January 12, 2016 (the "**Nominee Agreement**") between Brookhill, BDI and Fortress. As evidenced in a certificate to Hillmount dated August 2, 2019 from counsel to Brookhill and BDI (the "**Certificate**"), Brookhill and Fortress

subsequently sold their beneficial interests to BDI, and accordingly, BDI is the sole beneficial owner of the Properties.

14. Pursuant to a Nominee Direction and Acknowledgment dated June 18, 2018 (the "**Nominee Acknowledgment**") from BDI to Hillmount, BDI confirmed, among other things, that the security interests granted in connection with the Loan apply to and create security interests in and to its beneficial interests in and to all assets and property charged under the Security Documents (as defined therein), including, without limitation, the Properties. Further, BDI agreed that, until such time as the indebtedness owing by Brookhill to Hillmount is satisfied, BDI will not create or assume any security interest in the Collateral (as defined therein) or sell, transfer, exchange, lease or other dispose of the Collateral or any interest therein. BDI further charged, pledged, assigned and transferred its beneficial interests in the Properties, Collateral and all proceed therefrom to Hillmount as security for the indebtedness under the Loan Commitment. Attached as **Exhibit "I"** is a copy of the Nominee Acknowledgment (which appends the Nominee) and the Certificate.

15. I am advised by Medina Young, real estate law clerk with Fogler Rubinoff LLP, Hillmount's real estate counsel herein, and do verily believe that there are two subsequent mortgages registered on title to the Properties (the "**Subsequent Mortgages**" each a "**Subsequent Mortgage**"), each of which is fully postponed to the first-ranking charge in favour of Hillmount, as follows:

(a) the first Subsequent Mortgage is in favour of Jaekel Capital Inc., originally registered on April 22, 2016, which was subordinated to the Charge and security interest of Hillmount pursuant to a Subordination Agreement dated June 28, 2018 (the "**Jaekel Subordination Agreement**"); and

(b) the second Subsequent Mortgage is in favour of Building & Development Mortgages Canada Inc. ("**BDMC**"), Computershare Trust Company of Canada and Olympia Trust Company (collectively "**Olympia**"), registered on February 14, 2017, which was subordinated to the Charge and security interest of Hillmount pursuant to a Subordination Agreement dated June 28, 2018 (the "**Olympia Subordination Agreement**"). Pursuant to an Appointment Order of the Ontario Superior Court of Justice dated April 20, 2018, FAAN Mortgage Administrators Inc. was appointed trustee (in such capacity, the "**Trustee**") of all of the assets, undertakings and properties of BDMC and pursuant to an Order of the Ontario Superior Court of Justice dated June 26, 2018, the Trustee was authorized to enter into postponement agreements on behalf of BDMC.

16. Additionally, on July 4, 2018, (i) Jose Brito transferred its first ranking charge on the real property located at 2538 Regional Road 57, Clarington, Ontario in the amount of $1,062,000 to Hillmount, and (ii) Alfredo De Brito transferred its first ranking charge on the real property located at 2494 Regional Road 57, Clarington, Ontario in the amount of $1,267,5000 to Hillmount, since the Loan was also used in part to refinance the obligations owing by Brookhill to such parties.

17. .Attached hereto as **Exhibits "J", "K", "L"** and **"M"** respectively, are: (a) a summary of the amount and registered priority of all mortgages registered on title to the Properties including the Charge and the Subsequent Mortgages, as prepared by Medina Young (which

also lists the transfer of charges to Hillmount as described in paragraphs 12 and 16 above), (b) the parcel registry searches for the Properties current as of March 27, 2020, (c) the Jaekel Subordination Agreement and registration of same, and (d) the Olympia Subordination Agreement and registration of same.

18. On December 19, 2018, Brookhill entered into a Secondary Plan Funding Agreement between the Corporation of the Municipality of Clarington (the "**Municipality**") and certain other registered owners of real property situated within the Brookhill Secondary Plan Area (as defined therein) (the "**Developers**"), pursuant to which the Developers agreed to fund the Municipality's costs to complete certain studies and plans to facilitate development within the Brookhill Secondary Plan Area. A copy of this agreement (without schedules) is attached hereto as **Exhibit "N"**.

Default and Issuance of Demand for Payment

19. Brookhill defaulted in payment of its January 1, 2020 mortgage payment, which was a breach of the Loan Commitment. By letter dated January 27, 2020, (the "**Demand**"), Hillmount demanded payment from Brookhill of all amounts outstanding under the Loan as at February 6, 2020 (being the deadline for payment under the Demand) and together therewith delivered a Notice of Intention to Enforce Security (the "**BIA Notice**") pursuant to Section 244 of the BIA. Therein, Hillmount also advised that upon the maturity date under the Loan (being March 1, 2020), the Loan will not be renewed. The notice period under the Demand and BIA Notice has expired. Attached as **Exhibit "O"** is a copy of the Demand and BIA Notice.

20. On February 21, 2020, Hillmount issued a Notice of Sale under Mortgage (the "**Notice of Sale**") pursuant to the *Mortgages Act* demanding payment from Brookhill of all amounts then outstanding under the Loan and Charge. The Notice of Sale indicated that the Properties will be sold unless all amounts outstanding under the Loan are paid on or before March 28, 2020. The notice period under the Notice of Sale has now expired. Attached as **Exhibit "P"** is a copy of the Notice of Sale.

Registrations under the PPSA

21. On December 8, 2016, Vector made a joint registration against each of Brookhill and BDI pursuant to the *Personal Property Security Act* ("**PPSA**") against all classes of collateral, except "consumer goods" and "motor vehicle" (the "**Registration**"), which was subsequently assigned to Hillmount on July 5, 2018 pursuant to the Vector Assignment. Hillmount has additionally made the following registrations: (i) on June 13, 2018 against each of Brookhill and BDI against all classes of collateral, except "consumer goods"; (ii) on April 1, 2020 against Brookhill against all classes of collateral, except "consumer goods; and (iii) on April 1, 2020 against BDI against all classes of collateral, except "consumer goods".

22. There are registrations against each of Brookhill and BDI under the PPSA prior in time to the Registration in favour of BDMC and Olympia Trust Company registered against all classes of security, except "consumer goods" and "motor vehicle". These registrations have been subordinated to the Registration in favour of Hillmount, pursuant to the Olympia Subordination Agreement.

23. Attached as **Exhibit "Q"** is a copy of the certified PPSA searches conducted in respect of Brookhill and BDI.

Need for a Receiver

24. Hillmount requires repayment of the amount outstanding under the Loan Commitment. It will only make further funds available to a Receiver appointed by the Court for the purpose of preserving and protecting the Properties and realizing upon same. The Applicant is seeking the appointment of the Receiver (i) over the assets, properties and undertakings of Brookhill, and (ii) over BDI to the extent of its beneficial interest in the Properties.

25. The appointment of a Receiver is necessary and appropriate as a result of the following:

(a) the Loan has matured and has not been repaid;

(b) the appointment of the Receiver is necessary to realize on the collateral subject to Hillmount's security;

(c) the security held by Hillmount contemplates the appointment of a Receiver;

(d) the relevant notice periods under the Demand, BIA Notice and Notice of Sale have expired;

(e) Hillmount has been advised by the Respondents that they do not oppose the proposed Receivership Order; and

(f) it is just and convenient to appoint the Receiver.

Receivership Order

26. The security granted by Brookhill to Hillmount is in relation to the Properties and any personal property of Brookhill relating to the Properties. In order for the Receiver to thoroughly exercise its powers, without limitation, the Applicant is seeking the appointment of the Receiver over all assets, properties and undertaking of Brookhill. To the extent that any personal property exists and was not explicitly pledged as security to Hillmount for the Loan, the Applicant seeks the appointment of the Receiver over such assets pursuant to s. 101 of the CJA.

27. The Order sought by Hillmount provides for the retention of independent counsel by the Receiver to address any issue or matter where there may be an actual or perceived conflict with Hillmount, including any and all potential priority disputes. In all other situations the draft Order provides authorization for the Receiver to use Hillmount's counsel, as a matter of cost efficiency.

28. I solemnly declare this declaration in support of an application by Hillmount for the appointment of the Receiver on the terms set out in the draft Order contained in the Application Record, and for no other or improper purpose.

29. I, ITZHAK Levinson, make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath.

Declared before me by videoconference at the City of Toronto, in the Province of Ontario, this 28th day of April, 2020.	
R. Bengino	
Commissioner for Taking Declarations	**ITZHAK LEVINSON**

EXHIBIT “A”

This is Exhibit “A” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2499676	BROOKHILL DEVELOPMENT INC.	2016/01/11

Jurisdiction

ONTARIO

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

Registered Office Address

56 THE ESPLANADE

Suite # 406
TORONTO
ONTARIO
CANADA M5E 1A7

Mailing Address

56 THE ESPLANADE

Suite # 406
TORONTO
ONTARIO
CANADA M5E 1A7

Date Amalgamated	Amalgamation Ind.
NOT APPLICABLE	NOT APPLICABLE

New Amal. Number	Notice Date
NOT APPLICABLE	NOT APPLICABLE

Letter Date

NOT APPLICABLE

Revival Date	Continuation Date
NOT APPLICABLE	NOT APPLICABLE

Transferred Out Date	Cancel/Inactive Date
NOT APPLICABLE	NOT APPLICABLE

EP Licence Eff.Date	EP Licence Term.Date
NOT APPLICABLE	NOT APPLICABLE

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

Activity Classification

NOT AVAILABLE

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	**Corporation Name**
2499676	BROOKHILL DEVELOPMENT INC.

Corporate Name History	**Effective Date**
BROOKHILL DEVELOPMENT INC.	2016/01/11

Current Business Name(s) Exist: NO

Expired Business Name(s) Exist: NO

Administrator:
Name (Individual / Corporation)

SAM

CRIGNANO

Address

56 THE ESPLANADE

Suite # 308
TORONTO
ONTARIO
CANADA M5E 1A7

Date Began	**First Director**	
2016/01/11	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
DIRECTOR		Y

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	**Corporation Name**
2499676	BROOKHILL DEVELOPMENT INC.

Administrator:
Name (Individual / Corporation)

DOMENIC

FAZARI

Address

56 THE ESPLANADE

Suite # 308
TORONTO
ONTARIO
CANADA M5E 1A7

Date Began	**First Director**	
2016/01/11	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
DIRECTOR		Y

Administrator:
Name (Individual / Corporation)

DOMENIC

FAZARI

Address

56 THE ESPLANADE

Suite # 308
TORONTO
ONTARIO
CANADA M5E 1A7

Date Began	**First Director**	
2016/01/11	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	SECRETARY	Y

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2499676	BROOKHILL DEVELOPMENT INC.

Administrator:

Name (Individual / Corporation)	Address
DOMENIC FAZARI	56 THE ESPLANADE **Suite #** 308 TORONTO ONTARIO CANADA M5E 1A7

Date Began	First Director	
2016/01/11	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	TREASURER	Y

Administrator:

Name (Individual / Corporation)	Address
MAURO TONIETTO	56 THE ESPLANADE **Suite #** 308 TORONTO ONTARIO CANADA M5E 1A7

Date Began	First Director	
2016/01/11	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
DIRECTOR		Y

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Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number

2499676

Corporation Name

BROOKHILL DEVELOPMENT INC.

Administrator:
Name (Individual / Corporation)

MAURO

TONIETTO

Address

56 THE ESPLANADE

Suite # 308
TORONTO
ONTARIO
CANADA M5E 1A7

Date Began	First Director	
2016/01/11	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	VICE-PRESIDENT	Y

Administrator:
Name (Individual / Corporation)

GIUSEPPE

VALELA

Address

56 THE ESPLANADE

Suite # 406
TORONTO
ONTARIO
CANADA M5E 1A7

Date Began	First Director	
2016/01/11	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
DIRECTOR		Y

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	**Corporation Name**
2499676	BROOKHILL DEVELOPMENT INC.

Administrator:

Name (Individual / Corporation)	**Address**
GIUSEPPE VALELA	56 THE ESPLANADE **Suite #** 406 TORONTO ONTARIO CANADA M5E 1A7

Date Began	**First Director**	
2016/01/11	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	PRESIDENT	Y

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Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2499676	BROOKHILL DEVELOPMENT INC.

Last Document Recorded

Act/Code	Description	Form	Date
CIA	CHANGE NOTICE	1	2017/10/06 (ELECTRONIC FILING)

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

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

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

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2499216	BROOKHILL HOLDINGS INC.	2016/01/07
		Jurisdiction
		ONTARIO

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

Registered Office Address

56 THE ESPLANADE

Suite # 406
TORONTO
ONTARIO
CANADA M5E 1A7

Mailing Address

56 THE ESPLANADE

Suite # 406
TORONTO
ONTARIO
CANADA M5E 1A7

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

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

Activity Classification

NOT AVAILABLE

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	**Corporation Name**
2499216	BROOKHILL HOLDINGS INC.

Corporate Name History	**Effective Date**
BROOKHILL HOLDINGS INC.	2016/01/07

Current Business Name(s) Exist: NO

Expired Business Name(s) Exist: NO

Administrator:

Name (Individual / Corporation)	**Address**
SAM CRIGNANO	56 THE ESPLANADE **Suite #** 406 TORONTO ONTARIO CANADA M5E 1A7

Date Began	**First Director**	
2019/07/26	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
DIRECTOR		Y

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	**Corporation Name**
2499216	BROOKHILL HOLDINGS INC.

Administrator:
Name (Individual / Corporation)

SAM

CRIGNANO

Address

56 THE ESPLANADE

Suite # 406
TORONTO
ONTARIO
CANADA M5E 1A7

Date Began	**First Director**	
2019/07/26	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	VICE-PRESIDENT	

Administrator:
Name (Individual / Corporation)

DOMENIC

FAZARI

Address

56 THE ESPLANADE

Suite # 406
TORONTO
ONTARIO
CANADA M5E 1A7

Date Began	**First Director**	
2016/03/22	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
DIRECTOR		Y

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2499216	BROOKHILL HOLDINGS INC.

Administrator:
Name (Individual / Corporation)

DOMENIC

FAZARI

Address

56 THE ESPLANADE

Suite # 406
TORONTO
ONTARIO
CANADA M5E 1A7

Date Began	First Director	
2019/07/26	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	SECRETARY	

Administrator:
Name (Individual / Corporation)

DOMENIC

FAZARI

Address

56 THE ESPLANADE

Suite # 406
TORONTO
ONTARIO
CANADA M5E 1A7

Date Began	First Director	
2019/07/26	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	TREASURER	

Certified a true copy of the data as recorded on the Ontario Business Information System.

Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2499216	BROOKHILL HOLDINGS INC.

Administrator:
Name (Individual / Corporation)

MAURO

TONIETTO

Address

56 THE ESPLANADE

Suite # 406
TORONTO
ONTARIO
CANADA M5E 1A7

Date Began	First Director	
2019/07/26	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
DIRECTOR		Y

Administrator:
Name (Individual / Corporation)

MAURO

TONIETTO

Address

56 THE ESPLANADE

Suite # 406
TORONTO
ONTARIO
CANADA M5E 1A7

Date Began	First Director	
2019/07/26	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	VICE-PRESIDENT	

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Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number
2499216

Corporation Name
BROOKHILL HOLDINGS INC.

Administrator:
Name (Individual / Corporation)

GIUSEPPE

VALELA

Address

56 THE ESPLANADE

Suite # 406
TORONTO
ONTARIO
CANADA M5E 1A7

Date Began	First Director	
2016/01/07	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
DIRECTOR		Y

Administrator:
Name (Individual / Corporation)

GIUSEPPE

VALELA

Address

56 THE ESPLANADE

Suite # 406
TORONTO
ONTARIO
CANADA M5E 1A7

Date Began	First Director	
2016/01/11	NOT APPLICABLE	
Designation	**Officer Type**	**Resident Canadian**
OFFICER	PRESIDENT	Y

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Director
Ministry of Government Services
Toronto, Ontario

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
2499216	BROOKHILL HOLDINGS INC.

Last Document Recorded

Act/Code	Description	Form	Date
CIA	CHANGE NOTICE	1	2019/08/20 (ELECTRONIC FILING)

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

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

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

EXHIBIT "B"

This is Exhibit “B” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

HILLMOUNT
CAPITAL INC.

May 3, 2018

Mortgage Loan Commitment

Patrick Delaney
Broker Financial Group
7270 Woodbine Avenue
Markham, ON L3R 4B9

Dear Patrick:

RE: 1st Mortgage – 2499 Nash Road, 2494 Regional Road 57 and 2538 Regional Road 57, Clarington, ON, L1C 3K4 (the "Properties")

We wish to confirm that, based upon and subject to the accuracy of information furnished to us, mortgage financing on the subject security has been approved subject to the following terms and conditions set out below:

MORTGAGEE / LENDER:	Hillmount Capital Inc. and/or their assignees
MORTGAGOR(S) / BORROWER(S):	Brookhill Holdings Inc. and its beneficial owners (Brookhill Development Inc. and Fortress Brookhill Inc).
GUARANTOR(S):	Vincenzo Petrozza, Jawad S. Rathore, Brookhill Development Inc. and Fortress Brookhill Inc.
PRIORITY / SECURITY:	1st Mortgage - 2499 Nash Road, 2494 Regional Road 57 and 2538 Regional Road 57, Clarington, ON
LOAN AMOUNT:	$4,050,000 (not to exceed 50% LTV of the "As Is" value – based on $300,000 per net developable acre and current OP / Zoning approvals)
DESCRIPTION OF PROPERTIES:	2499 Nash Road – property consists of 8.30 ac. of land 2494 Regional Road 57 - property consists of 9.74 ac. of land 2538 Regional Road 57 - property consists of 9.79 ac. of land
FEES:	Hillmount Capital Fee – 2.00% Processing Fee – $595.00 Broker Fee – Broker Financial Group – 1% Lender Legal Fees, Disbursements and HST – To be determined by Lender's solicitor. Appraisal Fee - Borrower to pay and deal with directly (Your acceptance of a Commitment will be your undertaking to pay the Legal and Hillmount Fees and/ Broker Fees whether or not this mortgage is advanced).
INTEREST RATE & PAYMENT:	Interest shall be compounded and calculated monthly at a rate of 10.25% per annum and will be prepaid for the term of the mortgage. Interest adjustment date to the 1st of the following month.
AMORTIZATION:	0, Interest Only
CLOSING DATE:	The funding date is to be no later than May 18, 2018 and not sooner than 5 full business days from receipt of fully executed commitment, receipt of non-refundable work fee, and satisfactory receipt of material requested by the Lender. It is further conditional upon the Lender's solicitor receiving all requisitioned material on a timely basis. The closing date may be advanced as agreed to by the Lender's and Borrower's solicitors. [In the event the funds have not been advanced pursuant to the terms of this commitment by May 30, 2018 the

Borrower(s) & Guarantor(s) Initials:

obligations of the Lender to make any advance of funds here under shall cease and this commitment shall be null and void unless extended at the Lender's sole option]

LENDER'S SOLICITOR: Joseph Fried - Meyer, Wassenaar & Banach LLP
Tel (416) 223-9191

TERMS OF LOAN & PREPAYMENT PRIVILEDGE: This loan will mature in 12 months. When not in default the Borrower shall have the right to prepay the loan at any time upon 2 months interest as a bonus in the 1st 6 months and thereafter on 1.5 months interest bonus and 30 days written notice **(See Renewal Condition)**

VALUE OF PROPERTY: [redacted]

ADVANCES: The proceeds of this loan shall be advanced less Broker/Lender's fees (including Lender's expenses that may arise), legal fees and disbursements, interest adjustment, payout of existing 1st mortgages on title of the Properties (as described below), interest prepayment for 1 year and prepayment of the Property taxes for the term of the mortgage. Any excess funds shall be returned to the Lender and held as a reserve (Lender at its sole discretion to decide if it will be applied to property taxes and / or interest reserve for the 2nd year, or transactions costs of the Borrower etc.)

PURPOSE OF LOAN: The loan has been requested by the Borrower to refinance the 1st mortgages on title of the Properties (which are past due and payable) as follows:

i. **Discharge the current 1st Mortgage on title of 2499 Nash Road from** Vector Financial Services registered for $1,360,000). This mortgagee has initiated enforcement proceedings against the Properties and Borrower;
ii. Discharge the 1st Mortgage on title for 2494 Regional Road 57 from Alfredo De Brito and Laurentina De Brito registered for $1,267,500 with a current balance owing of approximately ~~$967,500~~; and $1,050,000 ~~[illegible]~~
iii. Discharge the 1st Mortgage on title for 2538 Regional Road 57 from Jose Brito registered for $1,062,000 with a current balance owing of approximately ~~[illegible]~~ $ 930,000

This loan will also facilitate the draft site plan approval process as the Borrower anticipates to receive draft plan approval within the next 12 months (to 18 months at the outset).

SECURITY:

1. 1st Mortgage registered against title to the Properties.
2. Personal and Corporate Covenants of the Borrower/Guarantors.
3. Liability insurance (Lender will be noted on the policy as first mortgagee and loss payee).
4. General assignment of rents and leases – if any
5. Environmental Indemnity and Warranty.
6. Title insurance on the property.
7. General Security Agreement – having 1st priority over any and all personal property used in connection with or arising from or out of the Properties (including without limitation, 1st charge (PPSA) over all equipment and machinery, vehicles, fixtures, furniture used in connection with the Property) - in a form to be determined by Lender's solicitor.
8. An assignment of all municipal approvals and agreements, construction contracts, project letters of credit, permits, joint venture agreements and architectural and mechanical drawings.
9. An assignment and pledge of all securities posted in relation to the Properties, including, but not limited to, cash security posted directly with (a) Tarion, (b) the city/town/municipality, or (c) posted with a financial institution as security for letters of credit for the project. The Borrower) is to provide a direction to the party holding the cash security (i.e. Tarion,

Borrower(s) & Guarantor(s) Initials:

City/Municipality, Financial Institution, etc.) directing all releases/reductions in the cash security to the Lender.

10. Postponement and Standstill Agreement in favour of the Lender to be entered into with all subsequent mortgagees on the Properties. Lenders solicitor to confirm that the Trustee (as defined in the Court Order dated **April 20, 2018 appointing FAAN Mortgage Administrators Inc. as Trustee** of the Property of BDMC (the "Trustee")) does not have priority with respect to any charges and borrowings and satisfactory confirmation (to Hillmount and its solicitors) from the Trustee that it does not have any priority to Hillmount's mortgage, failing which a Court Order will be **obtained with respect to the Postponement and Standstill Agreement.**
11. **Such other security, assurances and / or documents as may be required by our solicitors or by the Lender.**

ADDITIONAL CONDITIONS AND REPRESENTATIONS:

This commitment is subject to the following conditions to be satisfied at the time of advance of funds under this commitment which conditions the Lender in its sole discretion may waive in full or in part:

1. **Written acceptance of the Commitment by the Borrower/Guarantors.**
2. The Borrower will attend to the lawful execution and delivery of such documents as the solicitors for the Lender may deem necessary or advisable to fulfill the terms and conditions of the agreement (including a copy of an up-to-date survey of the Properties (will not apply with Title insurance).
3. **We are to receive the favourable opinion of the Lender's solicitors with** respect to the priority, validity and enforceability of the mortgage and all other requirements usual to a transaction of this nature (including any documents deemed necessary to close the transaction by Lender's solicitor).
4. **Satisfactory inspection of the Properties by the Lender's agent. Borrower to be responsible for agent fees (fee is $2,500).**
5. Satisfactory review of an appraisal of the Properties, performed by a **Lender approved appraiser. Appraisal is to be in the Lender's name or a letter of transmittal is to be addressed to the Lender. Property values are** to be no less than as stated above. Borrower to be responsible for appraisal fees.
    a. **Lender accepts the Blake Marshal appraisal already provided and requires a letter** of transmittal.
6. Satisfactory review of the existing Phase 1 and 2 environmental reports, supplemental reports, remediation cost estimates, and any other relevant **reports and results (by the Lender approved environmental consultant – S2S Environmental Inc). Borrower is responsible for all costs.**
7. **Satisfactory review of Geotech report by Lender's consultant. The cost of the review is to be the responsibility of the Borrower.**
8. Satisfactory review **and confirmation by the Lender's Planning** Consultant, including:
    a. **That the subject property meets** current **OP guidelines and confirmation of the** appraiser's **assumption.**
    b. **A** review **of the net developable lands, including** a **discussion with** the **Borrower's** planning **consultant, city planners and Intrepid Quantity Surveying.**
    c. **Borrower is responsible for consultant's fees.**
9. **Satisfactory** due **diligence review** of the application, including
    a. Satisfactory **review of** signed application (listing all assets of the Borrower) / net-worth statement / credit bureau. The applicant(s) certify that the information given in the mortgage application is true and correct and confirm authorization of a full credit **investigation has been granted.**
    b. **Satisfactory interview with the Borrower at the site or on the phone.**
    c. Satisfactory review of the financials of the Borrower / Guarantors to indicate that the Borrower can afford the monthly interest payments after the interest reserve is depleted.

Borrower(s) & Guarantor(s) Initials:

d. Satisfactory review of the Borrower's plans and budget.
e. Satisfactory review of the exit strategy.
f. Satisfactory review of the Articles of Incorporation for the Borrower(s) / Guarantor(s).

10. All realty taxes to be current at the time of closing and prepaid for the term of the mortgage.
11. A copy of an up-to-date survey of the Properties (may not apply with Title insurance) and the site layout (if one exists).
12. Please see Schedule "A" for additional terms of the mortgage which are not necessarily preconditions to the closing.
13. Borrower consents that they have the power, capacity and authority to enter into a commitment and to complete this transaction, which has been duly authorized, where required, by all necessary corporate action and that no consents are necessary for this transaction to be completed.
14. The Borrower hereby represents and warrants that they have the ability to service the mortgage debt.
15. No subsequent encumbrances, debt or other mortgages with respect to the Properties without the Lender's consent other than as listed below:
    a. Borrower will be allowed to maintain the current 2nd and 3rd mortgage registered on title, provided that they will postpone, standstill and subordinate their interests (in a form determined by Lender's solicitor) to the Lender's1st mortgage.
16. Please be advised that this commitment is subject to cancellation (or change) at our option if there has been any material change to your financial status as disclosed in your application (or any misrepresentations on your application) or if there has been an unapproved material change to the mortgaged premises that adversely affect the value. If the loan size or material information changes, the Lender reserves the right to change the rate and fees.
17. Notwithstanding anything contained in the mortgage, it is hereby agreed by and between the Lender and the Borrower that any monies tendered in respect of the mortgage payments or other payments due shall be paid by 1 p.m. on the business day upon which they are due. If received after that time (i.e. for computing interest), the monies will be deemed to be received the next business day.
18. Mortgage is non-transferable and non-assumable except at the option of the Mortgagee.
19. The Borrower represents and warrants that the lands and all activities comply with all environmental laws and that the lands contain no hazardous substances, have not been subject to previous remediation or clean-up of hazardous substances and there are no investigations or other actions arising under or relating to environmental laws. All existing environmental assessments, audits, tests and reports relating to the lands within the knowledge of the Borrowers have been delivered to Hillmount and the Lender.
20. In the event the Borrower sells, conveys, transfers his interest into any agreement of sale or otherwise encumbers the Title to the mortgaged premises, or defaults in the payment of any prior encumbrances or mortgages, or defaults in the payment of any taxes against the mortgaged premises, then all monies then outstanding, together with accrued interest, default fees and other prepayment penalties shall forthwith become due and payable.
21. If at any time or from time to time, any default or breach of covenant occurs under any other encumbrance registered against the Properties, it shall constitute a default hereunder and under the Mortgage/Charge granted pursuant hereto and any other obligation owing to the Mortgagee. At the Mortgagee's option, the entire principal sum owing hereunder together with interest and all costs and fees shall become immediately due and payable.
22. The Borrower shall execute an irrevocable authorization that permits the utility companies, insurance companies, taxing authorities, and mortgage companies directly involved in the secured properties to discuss matters

Borrower(s) &
Guarantor(s) Initials: ___ WP

relevant to the Lenders interest in the event of a default in the mortgage.

23. The Borrower shall execute and deliver whatever consents are required by the Lender and its solicitors concerning the release and disclosure of information by the Lender to third parties and by third parties to the Lender in accordance with provisions of the *Personal Information Protection and Electronic Documentation Act* (Canada).
24. Satisfactory confirmation by the Borrower that there are no outstanding work orders, notices of violations or other municipal or governmental authorities affecting the Properties.
25. **Confirmation that the Borrower and Guarantors meet all regulatory compliance requirements.**
26. Satisfactory evidence (as determined by Lender's solicitor) that prior discharged mortgages have been paid and properly discharged.
27. The Borrower hereby agrees with the Lender that the agreements herein, on the part of the Borrower to grant a mortgage to the Lender, constitutes an equitable charge on the Properties to be mortgaged pursuant to this commitment.
28. **Confirmation that Brookhill Holdings Inc. is a holding company and not an operating company:**
    a. **Confirmation that Brookhill Holdings Inc. is current on all its regulatory filings.**
    b. **Confirmation that Vincenzo Petrozza and Jawad Rathore are the shareholders, directors and 100% owners of Fortress Brookhill Inc. which owns 49.9% of the Borrower and will not sell their shares while the Lender's mortgage is still owed and outstanding.**
    c. **Confirmation that ~~Giuseppe Vulelu, and Marc Tupel~~ Salvatore (Sam) Crignano, Domenico (Domenic) Fanzari are the ~~shareholders,~~ directors and 100% owners of ~~Brookhill Development Inc.~~ that Cityzen Brookhill Inc. is which owns 49.9% of the Borrower and will not sell their shares while the Lender's mortgage is still owed and outstanding. Any transfer of shares will be deemed to be an act of default of the mortgage.**
    d. **Satisfactory review, by the Lender's solicitor, of the ownership structure of Brookhill Holdings Inc. including Joint Venture Agreement and Co-Tenancy Agreement.**

RENEWAL CONDITION:

At the Lender's sole discretion, the Lender will agree **to extend the mortgage for an additional 12 months** under **the following conditions:**

a. **Mortgage not being in default at any point during the first 12 months.**
b. Property valuation **has** not decreased.
c. OPA and Zoning approvals have been received. Alternatively, substantial progress has been made to obtain the OPA and zoning required for the proposed development project or are reasonably assured to be received within next 12 months (i.e. after the 1st 12-month term has matured) as determined by Lender's consultant
d. **1.25% Renewal Fee to the Lender.**

EXPIRY OF COMMITMENT: This commitment shall be open for acceptance until <u>5:00 PM on May 7, 2018</u> after which it shall be deemed revoked.

OTHER: The Borrower/Guarantor(s) hereby consent to Hillmount Capital Inc. and/or the Lender (and its authorized agents or other representatives) obtaining, using and disclosing of credit and/or any and all personal information on the Borrower / Guarantor(s) from any source as may be necessary for Hillmount Capital Inc. and/or the Lender to complete its due diligence and to proceed with the transactions contemplated herein and such other collection, use and **disclosure of any and all personal information about the undersigned as may be** required or **permitted** by law. Each source is hereby authorized to provide such information to Hillmount Capital Inc. and / or the Lender. Mortgagee's lawyer is authorized by the **Borrower to forward all information and documentation** regarding this transaction to Hillmount Capital Inc.

Borrower(s) & Guarantor(s) Initials:

In the event you are in agreement with the terms and conditions herein, please sign and return this letter as proof of acceptance to us by **5:00 PM on May 7, 2018.** The Borrower acknowledges having received and/or executed a "Disclosure to Borrowers" at least 48 hours prior to signing this commitment and a copy has been retained by the Borrower. In case of any discrepancy or conflict between any provision of this commitment letter and any provision of the Mortgage or other security provided, the Mortgagee may, in its sole discretion, determine which provisions shall prevail.

Yours truly,

Hillmount Capital
416-849-0322
Lic. #10453 and #11925

ACCEPTED

I / We hereby accept this Commitment and confirm my / our agreement with all of the terms and conditions thereof, having either obtained (independent) legal counsel advice or having been satisfied that legal advice is not required. The Hillmount Capital Commitment Fee is fully earned by the Lender upon acceptance of the terms of this Commitment (the "Commitment Fee"). The Commitment Fee is due and payable as follows: a deposit of $15,000.00, of which $5,000 has been received to date, (the "Deposit") by certified cheque payable to Hillmount Capital Inc. upon acceptance hereof and the balance of the Commitment Fee is due the earlier of the advance of funds hereunder or the date of termination of the Commitment, unless such Commitment results from a default of the Lender. The undersigned agree(s) that if the loan is not advanced, the Deposit is forfeited to the Lender as liquidated damages, and not as a penalty, without prejudice to the Lender's right to be paid the Commitment Fee, all costs incurred by the Lender in connection with this Commitment and Loan, including broker's fees, insurance consultants fees, legal costs and to claim such further and other damages the Lender may sustain (collectively the "Lender's Costs"). Providing the Mortgage is advanced fully on or before the Closing Date, the Deposit will be applied towards the Commitment Fee. Regardless of whether the above conditions are met or the Loan is advanced, upon signing this Commitment Letter, the Borrower agrees that it is liable, save if the Lender is in default, for the balance of the Commitment Fee and all of the Lender's Costs.

Accepted this 06 TH day of May, 2018.

Brookhill Holdings Inc. ("Borrower")
Name (ASO):
GIUSEPPE VALELA

Vincenzo Petrozza ("Guarantor")

Jawad S. Rathore ("Guarantor")

Brookhill Development Inc. ("Guarantor")
Name (ASO):
GIUSEPPE VALELA

Fortress Brookhill Inc. ("Guarantor")

Borrower(s) & Guarantor(s) Initials

Borrower's Solicitor:
Name: DAVID FORGIONE
Firm: OWENS WRIGHT LLP
Telephone: 416-848-4708
Email: DFORGIONE@OWENSWRIGHT.COM

Name (ASO):

SCHEDULE - A

Conditions

ACCRUED INTEREST — Accrued interest calculated from the date that this mortgage is advanced to the Interest Adjustment Date will be deducted from the gross funds advanced. The Interest Adjustment Date is set at the Mortgagee's options

ASSIGNMENT OF COMMITMENT — Neither this Commitment nor the Mortgage/Charge loan is assignable by the Borrower(s) without the lender's consent

FIRE INSURANCE — Fire and extended insurance coverage in a form and for an amount acceptable to the Mortgagees is to be taken out with an insurance company or insurance companies approved by us for the full insurable value of the Mortgage/Charge property and assigned to lender Chargee/Mortgagee. Co-insurance is not acceptable.

LEGAL AND OTHER COSTS AND FEES — All legal, appraisal, survey, title insurance premiums, environmental audits, and other costs and fees incurred in connection with this Mortgage/Charge loan are payable by the Borrower(s) whether or not the loan is ultimately completed and the funds advanced

PREPAYMENT RESTRICTIONS — It is intended and agreed that the Mortgage/Charge loan may not be prepaid prior to the maturity date unless provided herein

REGULATIONS — The Charged/Mortgaged property must comply with all municipal, provincial and federal statues, regulations and requirements

SURVEY REQUIREMENTS — Prior to any advance of funds under the mortgage loan, Lender will require a survey acceptable to it, showing the lands and the location of the buildings to be secured by this Mortgage/Charge. This survey is to be prepared, dated, signed and sealed by a duly qualified Provincial Land Surveyor and is to indicate the land area of the property and the location of all improvements and easements or rights-of-way.

TAXES — Any tax bills issued and unpaid at the interest adjustment date are to be paid in full from the proceeds of this mortgage loan. At closing, and at the Mortgagees option, the Mortgagor shall establish with the Mortgagee a property tax escrow account (and undertakes to provide funds to establish the subject account satisfactory to the Mortgagee), and the Mortgagor agrees to pay the Mortgagee 1/12 of the annual taxes on a monthly basis, and the Mortgagee will remit same to the local municipality as taxes are due. No interest will be paid to the Mortgagor on funds held in the property tax escrow account. If a tax escrow account is not established, the mortgagee can request evidence from the mortgagor that all realty taxes due and owing to the municipality within which the mortgaged lands are situated have been fully paid or are current for the calendar year.

PURCHASER APPROVAL — The Charge/Mortgage will be due on sale of the property with bonus and may not be assigned by the borrower without prior written consent and approval of mortgagee, which consent may be reasonably withheld,

ASSIGNMENT BY LENDER — The lender shall have 7 normal business days following the acceptance of this Mortgage Commitment, and upon receipt of all requested underwriting information to assign all or part of the of the loan in an amount to be determined by the lender at its discretion and subject to terms satisfactory to the lender.

TITLE INSURANCE — At the lender's sole option, the Borrower may be required to provide title insurance for the mortgaged property. The cost of the title insurance shall be at the Borrower's expense.

ADDITIONAL PROVISIONS — Our current schedule of administration and servicing fees include (but not limited to) the following charges:

$300.00	Missed payment fee: Payable for each missed or late installment payment and for replacing and processing each NSF cheque or returned payment for any charge on this property (ie 1st and / or 2nd mortgagee) or any other creditor (ie utility company, property taxes, etc)
$300 00	Insurance: Payable for dealing with each cancellation, premium payment or other non-compliance with insurance requirements
$2,000.00	Default: Payable for each act or proceeding instituted.
$100 00	Mortgage Statements: For preparation of each statement
$300.00	Lenders administration fee for renewal or discharge of this mortgage.
$1,000.00	Possession: For attending to take possession following default.
$100 00	Administration. For administering maintenance and security of the property in our possession, per day.
$300 00	Mortgage Discharge & Statement Fee: For discharge on one property. $100 00 for each additional property
$250 00	Tax Default Fee: For failure by the Borrower to provide satisfactory confirmation of tax payments
$200 00	Annual Tax Account Administration Fee: For administering and maintaining the tax account
$300 00	For each written request necessitated by the mortgagor not replacing dishonoured cheques forthwith
$250 00	Failure to provide postdated cheques
$250 00	Failure to notify mortgagee of registration of lien by the Condominium Corporation for common maintenance arrears
$295 00	For each hour of administrative time spent by the Mortgagee or its agent in dealing with issues of default related to these mortgages. This rate does not apply to solicitor services
$395 00	Mortgage Insurance Admin Fee
$350 00	Inspection Fee
$50 00	Bank Wire Transfer Fee

Mortgagee reserve the right to charge reasonable fees for other administrative services. Renewal and renewal fee to be at the discretion of the Mortgagee.

In the event of a further occurrence of the administrative fees as set out herein, the administrative fees shall increase by a further sum of $50 00 and this shall be on a cumulative basis.

Borrower(s) & Guarantor(s) Initials

Borrower(s) &
Guarantor(s) Initials:

HILLMOUNT CAPITAL

Mortgage Renewal

August 2, 2019

Brookhill Holdings Inc. c/o Guiseppe Valela
56 The Esplanade, Suite 406
Toronto, ON M5E 1A7

Dear Guiseppe Valela:

RE: Hillmount Capital Inc. (the "Mortgagee") loan secured by *inter alia* a 1st Mortgage Financing against 2499 Nash Road, 2494 Regional Road 57 and 2538 Regional Road, Clarington, ON (the "Properties")

We wish to confirm that, based upon and subject to the accuracy of information furnished to us, the Mortgagee has agreed to renew your mortgage financing and charge on the Property. All the terms of the original mortgage commitment dated May 3, 2018 (the "**Commitment**") and the Mortgage Security documents dated July 4, 2018 (the "**Mortgage**") will prevail subject to the following terms and conditions:

MORTGAGE BALANCE:	$4,200,000.00
INTEREST RATE & PAYMENT:	Interest shall be compounded and calculated monthly at a rate of **10.25% per annum** and will be repayable monthly in the amount of **$35,875.00** which will be automatically deducted from your account via the preauthorized debit plan.
TERMS OF LOAN:	Mortgage will be renewed as of July 1, 2019. Renewal period shall be for a period of three months. For greater clarity, the mortgage will mature on October 1, 2019.

This Mortgage Renewal will be subject to the following conditions, which must be satisfied within five (5) business days:

1. **Receipt and satisfactory review of the following:**
   a. **Solicitor's Certificate certifying the purchase of 49.99% beneficial interest of Fortress Brookhill Inc. and 0.2% interest of Brookhill Holdings Inc. by Brookhill Development Inc. in a form satisfactory to our solicitors.**
   b. **The liability insurance policy indicating that it has been renewed and listing the mortgagee as the loss payee; and**
   c. **The Property tax bills or certificates indicating that the properties' realty taxes are current.**

The Borrower also confirms and acknowledges that it is responsible for the Lender's legal fees in respect of this Renewal which will be payable on discharge of the Loan or a subsequent Renewal of the Mortgage and in any event within 90 days hereof.

You may return your renewal package in one of the following ways:

1. Mail to:
   Hillmount Capital Inc.

Borrower(s)/Guarantor(s) Initials: ____________

89 Tycos Drive, Suite 208
Toronto, ON M6B 1W3

2. Fax: 416-849-0321

3. Email: sharon@hillmount.ca

This Mortgage Renewal must be executed by the Borrower, and all terms and conditions must be satisfied, on or before **August 2, 2019,** failing which the Mortgage Renewal will be cancelled and the Mortgage shall become due and payable immediately.

Yours truly,

Lender / Hillmount Capital
416-849-0322
Lic. #11925 / 10453

ACCEPTED this 02 ~~day of~~ AUGUST, 20 19.

Company: Brookhill Holdings Inc. **("Borrower")**
A.S.O.: Guiseppe Valela
I have authority to bind the corporation.

Company: Brookhill Development Inc. **("Guarantor")**
A.S.O.: Guiseppe Valela
I have authority to bind the corporation.

HILLMOUNT CAPITAL

Mortgage Renewal

November 29, 2019

Brookhill Holdings Inc. c/o Guiseppe Valela
56 The Esplanade, Suite 406
Toronto, ON M5E 1A7

Dear Guiseppe:

RE: Hillmount Capital Inc. (the "Mortgagee") loan secured by *inter alia* a 1st Mortgage Financing against 2499 Nash Road, 2494 Regional Road 57 and 2538 Regional Road, Clarington, ON (the "Properties")

We wish to confirm that, based upon and subject to the accuracy of information furnished to us, the Mortgagee has agreed to renew your mortgage financing and charge on the Property. All the terms of the original mortgage commitment dated May 3, 2018 (the "**Commitment**") and the Mortgage Security documents dated July 4, 2018 (the "**Mortgage**") and the Mortgage Renewal dated August 2, 2019 (the "**Renewal**") will prevail subject to the following terms and conditions:

MORTGAGE BALANCE:	$4,200,000.00
INTEREST RATE & PAYMENT:	Interest shall be compounded and calculated monthly at a rate of **10.25% per annum** and will be repayable monthly in the amount of **$35,875.00** ~~which will be automatically deducted from your account via the preauthorized debit plan~~.
EXTENSION FEE:	Hillmount Capital Inc. Renewal Fee - $10,500.00 (0.25%) Broker Renewal Fee – RMAI Real Mortgage Associates Inc. - $10,500.00 (0.25%) ~~(Your acceptance of this extension will be your undertaking to pay these costs whether or not this mortgage is renewed)~~. WE REQUIRE INVOICES FOR THESE COSTS.
TERMS OF LOAN:	Mortgage will be renewed as of October 1, 2019. Renewal period shall be for a period of five months. For greater clarity, the mortgage will mature on March 1, 2020.

This Mortgage Renewal will be subject to the following conditions, which must be satisfied within five (5) business days:

1. **Receipt and satisfactory review of the following:**
   a. **The Property tax bills or certificates indicating that the properties' realty taxes are current.**

The Borrower also confirms and acknowledges that it is responsible for the Lender's legal fees in respect of this Renewal which will be payable ~~on discharge of the Loan or a subsequent Renewal of the Mortgage and in any event within 90 days hereof~~. FORTHWITH.

Borrower(s)/Guarantor(s) Initials: ____________

You may return your renewal package in one of the following ways:

1. Mail to:
   Hillmount Capital Inc.
   89 Tycos Drive, Suite 208
   Toronto, ON M6B 1W3

2. Fax: 416-849-0321

3. Email: diane@hillmount.ca

This Mortgage Renewal must be executed by the Borrower, and all terms and conditions must be satisfied, on or before **December 3, 2019,** failing which the Mortgage Renewal will be cancelled and the Mortgage shall become due and payable immediately.

Yours truly,

Lender / Hillmount Capital
416-849-0322
Lic. #11925 / 10453

ACCEPTED this 3 day of DECEMBER, 2019.

Company: Brookhill Holdings Inc. **("Borrower")**
A.S.O.: Guiseppe Valela
I have authority to bind the corporation.

Company: Brookhill Development Inc. **("Guarantor")**
A.S.O.: Guiseppe Valela
I have authority to bind the corporation.

EXHIBIT "C"

This is Exhibit “C” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

GENERAL SECURITY AGREEMENT

THIS AGREEMENT made this 24th day of May, 2018.

B E T W E E N :

Hillmount Capital Inc.

(hereinafter called the " Holder ")

OF THE FIRST PART;

- A N D -

Brookhill Holdings Inc.

(hereinafter called the " Debtor ")

OF THE SECOND PART;

1. Grant of Security Interest

As a general continuing security for the payment of the aggregate principal amount of **Four Million Two Hundred Thousand Dollars ($4,200,000.00)** (the "Indebtedness") as provided in a mortgage from the Debtor to the Holder securing **FIRSTLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0238 LT), municipally known as 2499 Nash Road, Clarington, Ontario**
SECONDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0239 LT), municipally known as 2494 Regional Road 57, Clarington, Ontario
THIRDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0240 LT), municipally known as 2538 Regional Road 57, Clarington, Ontario (the "Property") the Debtor grants to the Holder a security interest in the following described property, (hereinafter collectively called the "Collateral"):

(a) Accounts Receivable

All debts, accounts, claims, monies and choses in action which now are or which may at any time hereafter be due or owing to or owned by the Debtor, and also all securities, bills, notes and other documents now held or owned by the Debtor or anyone on behalf of the Debtor in respect of the said debts, claims, monies and choses in action or any part hereof, and also all books and papers recording, evidencing or relating to said debts, accounts, claims, monies and choses in action or any part thereof (all of the foregoing being hereinafter called the "accounts receivable"),

(b) Inventory

All inventory of whatever kind and wherever situate now owned or hereafter acquired or reacquired by the Debtor including all goods, merchandise, raw materials, goods in process, finished goods and other tangible personal property held for sale, lease or resale or furnished or to be furnished under contracts for service or used or consumed in the business of the Debtor, together with the products and cash and non-cash proceeds thereof (all of the foregoing being called the "inventory");

(c) Equipment

All machinery, equipment and other tangible personal property now owned or hereafter acquired or reacquired by the Debtor and not included in subparagraphs (a) and (b) above (all of which is hereinafter called the "equipment");

(d) Intangibles

All intangible property now owned or hereafter acquired by the Debtor and not included in subparagraph (a) and (b) above including, without limiting the generality of the foregoing, all contractual rights, goodwill, patents, trade-marks, copyrights and other industrial property and intellectual property (all of which are hereinafter called the "intangibles");

(e) Limit on Security

Notwithstanding the generality of the foregoing, the Security Interest created by this Agreement affects only such Collateral associated with, situate at or derived from the Debtor's business and assets situate at the Property but shall include any monies, certificates of deposits, guaranteed investment certificates or like instruments pledged by the Debtor in favour of third parties such as Tarion Warranty Corporation, governmental authorities, the Province of Ontario, financial institutions, or any other persons to ensure completion or performance of services and its obligations in respect of the project at the Property.

2. Covenants

The Debtor hereby covenants and agrees with the Holder as follows:

(a) The Debtor shall from time to time forthwith on request furnish to the Holder in writing all information requested relating to the Collateral and the Holder shall be entitled from time to time to inspect the aforesaid Collateral and to take temporary custody of and make copies of all documents relating to accounts receivable and/or proceeds and for such purposes the Holder shall have access to all the premises occupied by the Debtor or where the Collateral or any of it may be found.

(b) The Debtor shall from time to time forthwith on the Holder's request do, make and execute all such financing statements, further assignments, documents, acts, matters and things as may be required by the Holder of or with respect to the Collateral or any part thereof or as may be required to give effect to these presents, and the Debtor hereby constitutes and appoints any officer or employee of the Holder, or any receiver appointed by the Court or the Holder as hereafter set out, the true and lawful attorney of the Debtor irrevocably with full power of substitution to do, make and execute all such assignments, documents, acts, matters or things with the right to use the name of the Debtor whenever and wherever it may be deemed necessary or expedient.

(c) The Debtor shall keep the inventory and equipment insured against loss by fire and such other risks as the Holder may reasonably require for their full insurable value and will pay all premiums in connection with such insurance. All policies of insurance and the proceeds thereof will be held in trust by the Debtor for the benefit of the Holder under the provisions of this agreement. If the Debtor neglects to provide such insurance, the Holder may obtain the same and charge the premiums therefor to the Debtor, together with interest at the rate currently charged to the Debtor under its obligations to the Holder at the date of payment of the premium by the Holder.

3. Default

Time shall be in all respects of the essence of this agreement. The Debtor shall be in default hereunder, and the security hereby constituted shall become enforceable:

(a) If the Debtor fails to pay when due any amount owing to the Holder;

(b) If the Debtor fails to keep and perform any of the terms and conditions of this agreement;

(c) If the Debtor shall become bankrupt or insolvent or shall take or attempt to take advantage of any statute for the relief of bankrupt or insolvent Debtor or if a receiver shall be appointed of any of the Debtor's assets or if the Collateral is substantially damaged or destroyed or seized under any judicial process or for rent or otherwise confiscated;

(d) If any execution or any other process of any court becomes enforceable against the Debtor or if any distress or analogous process is levied upon the Collateral;

(e) If the Debtor ceases or threatens to cease to carry on business;

(f) If the Debtor makes or proposes to make any sale of its assets in bulk or out of the ordinary course of its business; or

(g) If a resolution is passed or a petition is filed or if any order is made for the winding-up of the Debtor.

4. Remedies Upon Default

If the security hereby constituted shall become enforceable, all amounts owing hereunder shall forthwith become due and payable and the Holder may immediately sue for the entire remaining balance of the Indebtedness, and all expenses incurred by the Holder in recovering the same including all legal costs, together with interest thereon after default and until payment in full, at the rate charged by the Holder at that time on past due accounts, and the Holder shall have and may exercise all of the rights of a secured party under the Personal Property Security Act of Ontario (the " PPSA "). The Holder may also cancel any insurance on the Collateral and collect the unearned premium, for which purpose the Debtor hereby irrevocably appoints any officer of the Holder its attorney. All rights of repossession may be exercised by the Holder without notice or demand and without legal process. The proceeds of any disposition of the Collateral may, in addition to any application allowed under the PPSA, be applied to the reasonable value of time and materials furnished by the Holder in repairs and otherwise preparing the Collateral for disposition and to reasonable legal and other costs in respect of the repossession and disposition thereof. The Debtor covenants and agrees to pay to the Holder on demand, any deficiency after sale of the Collateral. Should the Holder elect to retain the Collateral, all payments previously made thereon shall remain the property of the Holder as liquidated damages and not as penalty. The Debtor expressly waives all actions, claims and demands against the Holder arising out of this agreement or the repossession, resale or retention of the Collateral.

If the security hereby constituted shall become enforceable, the Debtor will, upon request by the Holder, deliver forthwith to the Holder lists or copies of all accounts receivable and/or proceeds. The Holder shall have full power to collect, compromise, endorse, sell or otherwise deal with the same in its own name or that of the Debtor and the Holder may apply any amounts received in connection therewith to any part of the Indebtedness secured hereunder as its sees fit.

All remedies of the Holder at law and hereunder are cumulative and concurrent.

5. Licensed Premises

In the event that the Charge/Mortgage to which this General Security Agreement relates (the "Charge") is secured against lands and premises (the "Charged Premises") which are licenced for the carrying on of a business or for a use of any kind, the following provisions shall be applicable:

(a) The Debtor does hereby covenant and agree that all existing licences, permits and authorities issued by anybody or authority having licencing jurisdiction, in connection with any business or use of any kind carried on upon the Charged Premises, including any licences issued under the Liquor Licence Act (Ontario), shall as of and from the date hereof stand as security for and shall be held by the Debtor for the benefit of the Holder as security for the observance, performance and carrying out of the terms and conditions of the Charge until the monies secured therein are fully paid and satisfied.

(b) The Debtor covenants and agrees that it has not and will not do or omit to do any act having the effect of terminating, cancelling or preventing the renewal of existing licences, permits and authorities issued by any body or authority having licencing jurisdiction in connection with the aforementioned business or special use of any kind carried on upon the Charged Premises, and the Debtor does further covenant with the Holder that the Debtor shall comply with, observe, perform and carry out all of the provisions of all legislation governing and controlling and affecting the carrying on of the business or the use being carried on at the premises as well as complying, observing, performing and carrying out all the provisions of all the rules, regulations and directions required to keep the said licences, permits and authorities in full force and effect. It is acknowledged that failure to observe, perform and carry out the terms and conditions of this provision, resulting in cancellation of the licences, permits and authorities issued for the Charged Premises shall constitute default under the terms of the Charge and this Agreement and the whole of the principal sum and interest secured under the Charge shall, at the option of the Holder, forthwith become due and payable.

(c) The Debtor further agrees and acknowledges that, in the event of default of payment of any monies secured by the Charge as and when such payments become due, or in the event of failure of the Debtor to observe, perform or carry out any of the covenants and agreements in the Charge or in this Agreement contained, including the conditions contained in the within paragraph, such event shall and does hereby operate to constitute the Holder as a succesor and assign, subject to the approval of the body or authority or board or commission having licencing jurisdiction in connection with the aforesaid business or use carried on upon the Charged Premises such approval being for all existing licences, permits and authorities issued by the said body or authority or board or commission having such licencing jurisdiction in connection with the aforementioned business or use carried on upon the Charged Premises; provided however, this assignment is taken only as security for the due payment of the principal and interest secured by the Charge and as security for the due observance, performance and carrying out of the terms and conditions thereof, and subject to the reservation that none of the rights or remedies of the Holder shall be merged or prejudiced in any way by the acceptance of this assignment as security.

(d) In the event of any proceedings being taken by the Holder by the reason of default being made in payment of the monies secured by the Charge, then in such event the Debtor shall be deemed to be in default hereunder and the Holder shall be entitled to exercise its rights hereunder, and to have the Holder or its nominee or assignee become holder of the above mentioned licences, permits and authorities and to apply to the body or authority or board or commission having the necessary jurisdiction for the approval of the transfer to the Holder or his nominee or assignee of all the licences, permits and authorities now or hereafter in existence in connection with any business or use carried on or being made of the Charged Premises.

(e) This indenture further witnesses that the Debtor and the Guarantors do hereby irrevocably constitute and appoint the Holder their attorney in the premises to do and perform all acts, matters and things necessary to effectively transfer the said licences, permits and authorities and to vest the same in the Holder or its nominees or assignees to all intents and purposes as the Debtor itself could do; it being agreed that this power of attorney is only exercisable on default by the Debtor. A statutory declaration that default has occurred under and in respect of the Charge, and that such default still continues, entitling the Holder to exercise its rights hereunder, shall be conclusive evidence of the Holder's rights to exercise the power of attorney hereby given.

6. Receiver

If the security hereby constituted shall become enforceable, the Holder may, by instrument in writing, appoint any person or persons, whether an officer or officers or an employee or employees of the Holder or not, to be a receiver or receivers of all or any part of the Collateral, and may remove any receiver or receivers so appointed and may appoint another or others in his or their stead. Any such receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor and in no event the agent of the Holder, and the Holder shall not be in any way responsible for any misconduct, negligence or non- feasance on the part of any such receiver. Subject to the provisions of the instrument appointing such receiver, any such receiver or receivers so appointed shall have the power to take possession of the Collateral or any part thereof and to carry on or concur in carrying on the business of the Debtor and to sell or concur in selling all or any part of the Collateral. Except as may be otherwise directed by the Holder, all monies from time to time received by such receiver shall be held in trust for and paid over to the Holder. The term "receiver" as used in this paragraph includes a receiver and manager.

7. Waiver

The Holder may waive any breach by the Debtor of any of the provisions contained in this agreement or any default by the Debtor in the observance or performance of any term or condition hereof provided always that no act or omission of the Holder shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default of the Debtor or the rights resulting therefrom.

8. Payment

The Indebtedness secured hereunder shall be paid and shall be assignable free from any right of set-off or counter-claim or equities between the Debtor and the Holder.

9. Security

The security hereby constituted is in addition to and not in substitution for any other security now or hereafter held by the Holder.

10. Entire Contract

This agreement constitutes the entire contract between the parties and there are no representations, warranties, conditions or collateral agreements, express or implied, statutory or otherwise, with respect to this agreement or the rights of the parties other than as herein contained. No modification of this agreement shall be valid unless made in writing and signed by the parties hereto.

11. Acknowledgment

The Debtor hereby acknowledges receipt as of the date of execution of these presents of a copy of this agreement.

12. Binding Effect

This agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns, as the case may be.

13. Assignment

The Debtor shall not assign this agreement or any of its rights hereunder.

14. Applicable Law

This agreement and all the terms hereof shall be construed in accordance with the laws of the Province of Ontario.

15. Titles

All headings and titles in this agreement are for reference only and are not to be used in the interpretation of the terms hereof.

The undersigned hereby acknowledges receipt of a copy of this agreement.

SIGNATURES ON THE FOLLOWING PAGE

EXECUTED and sealed this 18th day of June, 2018.

BROOKHILL HOLDINGS INC.

Per: ____________________
Name: Giuseppe Valela
Title: President
I have authority to bind the corporation.

EXHIBIT “D”

This is Exhibit “D” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

Properties

PIN	26613 - 0238 LT	*Interest/Estate*	Fee Simple
Description	PART LOT 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON		
Address	2499 NASH ROAD CLARINGTON		
PIN	26613 - 0239 LT	*Interest/Estate*	Fee Simple
Description	PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON		
Address	2538 REGIONAL ROAD 57 CLARINGTON		
PIN	26613 - 0240 LT	*Interest/Estate*	Fee Simple
Description	PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON		
Address	2494 REGIONAL ROAD 57 CLARINGTON		

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 BROOKHILL HOLDINGS INC.
Address for Service 56 The Esplanade, Suite 406
Toronto,
Ontario, M5E 1A7

I, Giuseppe Valela, 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 HILLMOUNT CAPITAL INC.
Address for Service 89 Tycos Drive, Suite 208
Toronto, Ontario, M6B 1W3

Statements

Schedule: See Schedules

Provisions

Principal	$4,200,000.00	*Currency*	CDN
Calculation Period	monthly, not in advance		
Balance Due Date	2019/07/01		
Interest Rate	10.25% per annum		
Payments			
Interest Adjustment Date	2018 07 01		
Payment Date	1st day of each month		
First Payment Date	2018 08 01		
Last Payment Date	2019 07 01		
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor	Brookhill Development Inc., Fortress Brookhill Inc., Vincenzo Petrozza and Jawad S. Rathore		

Additional Provisions

Payments: Interest only monthly, on the principal balance outstanding from time to time.

Signed By

Liya Rakhshan	5001 Yonge St., suite 301 Toronto M2N 6P6	acting for Chargor(s)	Signed	2018 06 29

Signed By

Tel 416-223-9191

Fax 416-223-9405

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

Submitted By

MEYER, WASSENAAR & BANACH	5001 Yonge St., suite 301 Toronto M2N 6P6	2018 07 04

Tel 416-223-9191

Fax 416-223-9405

Fees/Taxes/Payment

Statutory Registration Fee	$63.65
Total Paid	$63.65

File Number

Chargee Client File Number : 2018-1276 JF/LL

THIS IS A SCHEDULE TO A CHARGE/MORTGAGE between BROOKHILL HOLDINGS INC. as Chargor (the "Chargor") and HILLMOUNT CAPITAL INC. as Chargee (the "Chargee")

ADDITIONAL PROVISIONS

DEFINITIONS

As used herein the following words or terms have the following respective meanings unless there is something in the context or the subject matter inconsistent therewith.

"Additional Mortgages" means, the mortgages on the Charged Property in favour of Vector Financial Services Limited registered as Instrument Nos. DR1458570 and DR1547722, in favour of Alfredo De Brito and Laurentina De Brito registered as Instrument No. DR1439153 and in favour of Jose Brito registered as Instrument No. DR1439151 (collectively, the "**Assignors**"), which are to be assigned by the Assignors to the Chargee and which are to be held by the Chargee as further and additional security for the Indebtedness of the Chargor to the Chargee pursuant to the Security Documents;

"Applicable Laws" means, in respect of any person, property, transaction or event, all applicable federal, provincial or municipal laws, statues, regulations, rules, by-laws, policies and guidelines, orders, permits, licenses, authorization, approvals and all applicable common laws or equitable principles whether now or hereafter in force and effect

"Borrower" means Brookhill Holdings Inc., Brookhill Development Inc. and Fortress Brookhill Inc.

"Charge" means, collectively, the electronic Charge/Mortgage to which the Schedule is attached, the Schedule and all other Schedules and Appendices to the Charge/Mortgage or to the Schedule.

"Charged Property" means all legal and beneficial right, title, estate and interest in (a) the land described in the Properties section of the electronic Charge/Mortgage to which the Schedule is attached, and any schedule to the Charge, together with any greater estate therein as hereafter may be acquired by the Chargor (the "**Lands**"), (b) all buildings, structures and other improvements, now or hereafter situated, placed or constructed upon the Lands from time to time (the "**Improvements**"), (c) all fixtures, materials, supplies, machinery, equipment, apparatus and other items or personal property now owned or hereafter acquired by the Chargor and now or hereafter attached to, installed in or used in connection with any of the Improvements or the Lands, including without limitation, water, gas, electrical, heating, cooling, ventilation, storm and sanitary sewer fixtures, equipment and facilities and all other utilities whether or not situated in easements (the "**Fixtures**"), (d) all plans, specifications, shop drawings and other technical descriptions prepared for construction, repair or alteration of the Improvements, and all amendments and modifications thereof (the "**Plans**"), (e) all leases, subleases, licenses, concessions, occupancy agreements, rental contracts, or other agreements (written or oral) now or hereafter existing relating to the use or occupancy of all or any part of the Lands and the Improvements, together with all guarantees, letters of credit and other credit support, modifications, extensions and renewals thereof and all related security and other deposits (the "**Leases**"), (f) all rents, revenues, issues, income, proceeds, profits, and all other payments of any kind under the Leases for using, leasing, licensing, possessing, operating from, residing in, selling or otherwise enjoying all or any part of the Lands and the Improvements (the "**Rents**"), (g) all other agreements, including without limitation property management agreements, construction contracts, architects' agreements, engineers' contracts, utility contracts, maintenance agreements, franchise agreements, service contracts, permits, licences, certificates and entitlements in any way relating to the development, construction, use, occupancy, operation, maintenance, enjoyment, acquisition or ownership of the Charged Property (collectively, the "**Property Agreements**"), (h) all rights, privileges, tenements, rights-of-way, easements, appendages and appurtenances appertaining to the foregoing, all accessions, replacements and substitutions for any of the foregoing and all proceeds thereof, (i) all insurance policies, unearned premiums therefore and proceeds from such policies covering any of the above Charged Property now or hereafter acquired by the Chargor, (j) all of the Chargor's right, title and interest in and to any awards, remunerations, reimbursements, settlements or compensation heretofore made or hereafter to be made by any governmental authority pertaining to the Lands, Improvements or Fixtures and (m) all renewals, substitutions, improvements, accessions, attachments, additions, replacements and proceeds to, of or from each of the foregoing, and all conversions of the security constituted thereby so that the foregoing shall immediately and automatically be deemed a part of the Charged Property and subject to the security of the Charge as fully and completely and with the same priority and effect as those now owned by the Chargor and specifically described herein, without any further mortgage or assignment or conveyance by the Chargor. As used in this Charge, the term "Charged Property" shall mean all or, where the context permits or requires, any portion of the above or any interest therein.

"Chargee" means the Person or Persons named as Chargee in the Chargee(s) section of the electronic Charge/Mortgage to which this Schedule is attached and their respective successors and assigns.

"Chargor" means the Person or Persons named as Chargor in the Chargor(s) section of the electronic Charge/Mortgage to which the Schedule is attached and their respective heirs, executors, administrators, legal representatives, successors and permitted assigns.

"Commitment" means the Commitment Letter dated May 3, 2018 issued by Hillmount Capital Inc. to the Borrower, and shall include all amendments, addenda, modifications, extensions, renewals, restatements, supplements or replacements thereto or thereof from time to time.

"**Costs**" means all fees, costs, charges and expenses incurred by or on behalf of the Chargee for or incidental to (a) preparing, executing and registering the Security Documents, renewals thereof and any amendments thereto (b) collecting payments due to the Chargee hereunder, the Commitment or under the Security Documents, (c) enforcing and realizing on this Charge and the other Security Documents, including power of sale, foreclosure, execution, judicial sale, court appointed or private receivership, possession and/or management of the Charged Property and other enforcement proceedings, and including without limiting the generality of the foregoing, all fees, costs, charges and expenses incurred in connection with the sale or attempted sale of the Charged Property, including real estate commissions, auctioneer's fees, termination fees, stalking-horse fees, cancellation of listing agreement fees and all other like or incidental fees, (d) inspecting, protecting, securing, completing, insuring, repairing, equipping, taking and keeping possession of, managing, selling or leasing the Charged Property, including all protective disbursements and curing any defaults under or renewing any leasehold interests, (e) exercising any rights of a receiver appointed under this Charge or otherwise and such receiver's fees and expenses (including all legal fees and disbursements and agent's costs and expenses), (f) obtaining any environmental audits or other inspections, tests or reports with respect to the Charged Property, (g) complying with any notices, orders, judgments, directives, permits, licences, authorizations or approvals with respect to the Charged Property, (h) performing the obligations of the Chargor under the Security Documents, (i) all legal fees and disbursements in connection with the Indebtedness, on a substantial indemnity basis, and (j) any other fees, costs, charges or expenses including, renewal fees, forbearance fees, the Administration Fees and servicing fees payable to the Chargee hereunder, under the Commitment or under any of the Security Documents or otherwise at law or in equity. **"Costs"** will also include all other fees, costs, charges and expenses that are referred to elsewhere in this Charge or in any of the other Security Documents and interest at the interest rate chargeable herein on all such fees, costs, charges and expenses.

"Covenantor(s)" means any one of the Borrower, Vincenzo Petrozza, Jawad S. Rathore or any other guarantor, joint debtor, indemnifier, beneficial owner or other obligor of or in respect of the Loan, the Indebtedness or the Charged Property.

"Indebtedness" means all existing and future indebtedness, other covenants and obligations and liabilities owing or made by the Chargor to the Chargee from time to time pursuant to the Commitment, hereunder, from time to time, or under the Security Documents, matured or not, direct or indirect, absolute or contingent, including, (a) the amounts advanced hereunder, from time to time, on account of principal, (b) all interest due hereunder including, compound interest (c) Costs, (d) any amount, cost, charge, expense or interest which has been added to the Indebtedness hereunder or pursuant to the Security Documents or which are otherwise due and payable thereunder, and (e) payment performance and discharge and satisfaction of all obligations of the Chargor to the Chargee under the Security Documents or otherwise under and in respect of the Indebtedness.

"Lien" means any mortgage, charge, pledge, hypothec, assignment, lien, lease, sublease, easement, right of way, security interest, restrictions, covenants or encumbrances of any kind or nature affecting all or any part of the Charged Property.

"Loan" means the loan made by the Chargee to the Borrower pursuant to the Commitment in the original principal amount of $4,200,000.00 and all other amounts secured by this Charge and the other Security Documents.

"Permitted Encumbrances" means, as of any particular time, (i) any registered easements, rights of way, restrictive covenants and servitudes and other similar rights in land granted to, reserved or taken by any governmental authority or public utility relating to the Charged Property, (ii) any registered subdivision, development, servicing, site plan or other similar agreement with any governmental authority or public utility relating to the Charged Property, and (iii) any other encumbrances relating to the Charged Property previously consented to by the Chargee in its sole and subjective discretion, provided in each case that:

(a) the Chargee is satisfied in its sole and subjective discretion that the same do not materially impair the servicing, development, construction, operation, management or marketability of the Charged Property;

(b) the same does not materially affect the validity, enforceability, or priority of this Charge; and

(c) the same has been complied with in full.

"Person" means and is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the estate trustees or other legal representatives of an individual in such capacity.

"Security Documents" means collectively, all documents, instruments, agreement, guarantees and opinions now or hereafter evidencing, securing, guaranteeing and or relating to the Loan and the Indebtedness or any part thereof, including, without limitation, the Commitment, the Charge, the Assignment of Rents, the General Security Agreement, the Guarantee, Assignment of Rights Under Agreements of Purchase and Sale, Assignment of Construction Contracts, Assignment of Municipal Approvals, Assignment of Plans and Reports, Assignment and Direction to TARION, Assignment and Direction to Bank, Assignment and Direction to Authority, Nominee Direction and Acknowledgement, the Assignments of the Additional Mortgages and all certificates, declarations, undertakings, documents and writings provided or as required which are incidental to any of the foregoing and any other instrument or agreement provided and shall include all amendments, modifications, extensions, renewals, restatements, or replacements thereto or thereof from time to time.

COMPOUND INTEREST

If the Chargor defaults in any payment of interest, or other payment due pursuant to this Charge, compound interest at the interest rate chargeable hereunder will accrue and be payable on the sum in arrears (including all arrears of interest) from time to time, both before and after default, demand, maturity and judgment until paid and shall be paid forthwith. If the arrears and the compound interest are not paid within the interest calculation period provided for herein from the time of default, a rest will be made and compound interest at the interest rate chargeable hereunder will be payable on the aggregate amount then due, both before and after maturity, default and judgment, and so on from time to time until paid. All such compound interest shall be added to the Indebtedness and shall be secured by this Charge.

APPLICATION OF PAYMENTS

Prior to an Event of Default, all payments received by the Chargee on account of the Indebtedness shall be applied as follows, regardless of any other designation of such payments as principal, interest or other charges: first, to the repayment of sums advanced by the Chargee pursuant to this Charge or any of the other Security Documents for any reason (other than the principal amount), including sums advanced to pay realty taxes, Costs, insurance premiums or other charges against the Charged Property (together with interest thereon at the interest rate chargeable hereunder from the date of advance until paid), then to the payment of accrued but unpaid interest which is then due and payable, and finally, to reduction of the principal amount. Notwithstanding the foregoing, from and after an Event of Default, all payments received by the Chargee pursuant to the Loan shall be applied by the Chargee to principal, interest and such other charges due hereunder or under the other Security Documents in such order as the Chargee shall determine in its sole discretion.

ADVANCES AND COSTS

Neither the preparation, execution nor registration of this Charge or the other Security Documents shall bind the Chargee to advance all or any part of the Loan. The Chargor covenants to pay all Costs to the Chargee forthwith on demand whether or not all or any part of the Loan is advanced. Until paid, all Costs together with interest thereon at the interest rate chargeable hereunder shall be added to the Indebtedness and secured by this Charge.

PROOF OF OUTSTANDING AMOUNTS

The records maintained by the Chargee of the amounts of the Loan advanced to the Chargor/Borrower, as the case may be and secured by this Charge, the amount of advances of the Loan which are outstanding and the amount of interest and other fees and Costs payable or secured under this Charge shall constitute *prima facie* proof thereof in any legal proceedings or action in respect of the Loan or this Charge.

FEES AND COSTS

NOTWITHSTANDING anything to the contrary contained in the Standard Charge Terms (and in the event of any contradiction, the following provisions shall prevail), the Chargor covenants and agrees with the Chargee as follows:

1. To pay to the Chargee its administration and/or servicing fees, all of which are secured by the within Charge, for the following matters in the amounts set forth:

a) Missed payment fee (payable for each missed or late instalment and for processing each "NSF" cheque or other returned payment) - $300.00 per occurrence or the amount set forth in the Commitment.

PROVIDED that if any cheque is returned NSF, any replacement cheque must be certified. If such replacement cheque is not certified, the Chargee shall be entitled to have it certified, and to add all the costs of certification (including courier charges to and from the Chargor's Bank) to the amount owing on the Mortgage.

b) An insurance default fee of $300.00 for cancelled insurance and an insurance replacement fee of $250.00 in addition to the insurance premium.

c) Taxes - for tax status inquiry - $100.00 plus cost of municipal tax certificate.

d) Default proceedings (payable for each demand, action or proceeding instituted) - $2,000.00 including without limitation $2,000.00 for each of the following: Demand letter; Notice of Intention to Enforce Security; Notice of Sale; Statement of Claim; Summary Judgement; Writ of Possession.

e) Possession/Eviction - for attending to take possession following default - $1,000.00

f) Maintenance - for administering maintenance and security on the property in Chargee's possession, per day - $100.00.

g) Mortgage Statements (for preparation of each Information Statement) - $100.00.

h) Discharge Statement and Administration fee - $300.00 for one property or the amount set forth in the Commitment. $100.00 for each additional property.

i) The Chargor further agrees to pay to the Chargee an annual administration charge of $200.00 for collection and payment of the property taxes payable annually in advance commencing on the funding date.

j) Purchaser approval - for processing each application for assumption, whether or not approved or completed - $300.00.

k)	Construction Administration Advance fee:	$200.00 per advance
l)	Bank Wire Transfer Fee:	$80.00 per transfer
m)	Miscellaneous Document Execution:	Subdivision plans, non-disturbance agreements; postponement agreements; Consents for Condominium Declarations or other like documents $50.00 per document
n)	Copy of Survey:	$25.00
o)	Courier Fee:	$35.00
p)	Long Distance Charges:	$7.50 per call (minimum) plus actual cost incurred
q)	Tax Default Fee:	$250.00 for failure by the Chargor to provide satisfactory confirmation of tax payments
r)	Post-dated cheques:	$250.00 for failure to provide post-dated cheques
s)	Administration time:	$295.00 for each hour of administrative time spent by the Mortgagee or its agent in dealing with issues of default related to this mortgage, excluding solicitor services
t)	Written requests for dishonoured cheques:	$300.00 for each written request necessitated by the Chargor not replacing dishonoured cheques forthwith.

u)	Renewal Administration fee	$300.00
v)	Failure to notify the mortgage of registration of lien by the Condominium Corporation for common maintenance arrears:	$250.00
w)	Annual Insurance Administration Fee	$395.00
x)	Inspection Fee	$350.00

The Chargee reserves the right to charge reasonable fees for other administrative services.

In the event of a further occurrence as set out herein, the administrative fees shall increase by a further sum of $50.00 and this shall be on a cumulative basis.

Any service or administration fee plus HST if applicable, owing by the Chargor to the Chargee which is not paid forthwith after having been incurred, the same shall be added to the Indebtedness and shall bear interest at the rate herein set forth.

The Chargor agrees that if it agrees to pay the Chargee any fees during the currency of the within Charge but fails to do so then such fees shall be added to the Indebtedness and shall bear interest at the rate herein set forth. Such fees shall include but shall not be limited to renewal fees, forbearance fees etc.

2. The Chargor agrees to pay all legal and other expenses incurred by the Chargee in connection with the preparation and registration of any security interests pursuant to the Personal Property Security Act and any renewals thereof forthwith upon demand and such fees and expenses, together with interest thereon at the interest rate charges hereunder, shall be added to the principal sum secured by the within charge if not paid by the Chargor.

3. The Covenantor(s) agree that should the Chargee herein be a trustee for beneficiaries, the Covenantor(s) shall have no claims against the beneficial owners of the Charge.

PRIVACY PROVISIONS

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

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

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

CROSS DEFAULT

The occurrence of an Event of Default under the provisions of this Charge, under any of the other Security Documents or under the Commitment or pursuant to any other charge or Security Documents between the Chargor and the Chargee, including any document pursuant to which the Chargor is a guarantor, or any default by the Chargor under any lease which is not cured within any applicable cure period, shall be deemed to be an Event of Default hereunder and under all the Security Documents and shall entitle the Chargee to pursue its remedies under any or all of the Security Documents.

NON-MERGER

Notwithstanding the registration of this Charge and the advance of funds hereunder, the terms and provisions of the Commitment shall remain binding and effective upon the parties. It is understood and agreed that any default under the said Commitment shall be deemed a default under this Charge. In the event of any inconsistency, discrepancy or conflict between the terms of the Charge and the terms of the Commitment, the Chargee may, in its sole discretion, determine which shall prevail. The Chargor acknowledges that the terms and provisions of the Commitment are not exhaustive. The Chargor acknowledges that any provisions contained herein or in any of the other Security Documents which are not dealt with in the Commitment or which expand and elaborate on provisions in the Commitment shall be deemed not to be an inconsistency or in conflict with the provisions of the Commitment.

PAYMENTS

ANY DISCHARGE of this charge shall be prepared by the Chargee at the Chargor's expense within a reasonable time after repayment of the principal sum secured herein together with accrued interest thereon, as well as the payment of all costs and any other amounts that are outstanding under this Charge. All payments hereunder shall be made payable to:

HILLMOUNT CAPITAL INC.
at: 89 Tycos Drive
Suite 208
Toronto, Ontario M6B 1W3

or such other place as the Chargor is notified of from time to time. All payments received after 1:00 p.m. shall be deemed to have been received on the following business day. The loan secured herein and the amounts payable by the Chargor hereunder is due and payable on the dates set out in the Charge and shall be made without any deduction, set-off or counterclaim by the Chargor for any reason whatsoever.

The Chargor acknowledges and agrees that any payments made to discharge the said Charge to the Chargees' Solicitors or any other authorized agents of the Chargees shall not be deemed to constitute payment received by the Chargee until the same is received by the Chargee at its offices as set out above.

ENVIRONMENTAL

The Chargee or agent of the Chargee may, at any time after default, and for any purpose deemed necessary by the Chargee, enter upon the Lands to inspect the Lands and Improvements thereon. Without in any way limiting the generality of the foregoing, the Chargee (or its respective agents) may enter upon the Lands 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, with interest at the rate charged herein for the Loan, shall be payable by the Chargor forthwith and shall be a charge upon the Lands. The exercise of any of the powers enumerated in this clause shall not deem the Chargee, or its respective agents to be in possession, management or control of the Lands and Improvements.

In consideration of the advance of funds by the Chargee, the Chargor hereby agrees that, in addition to any liability imposed on the Chargor under any instrument evidencing or securing the Indebtedness, the Chargor shall be jointly and severally liable for any and all of the costs, expenses, damages, or liabilities of the Chargee, its directors and officers (including, without limitation, all reasonable legal fees) directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal or presence on, under or about the Property of any hazardous or noxious substances and such liability shall survive foreclosure of the security for the Indebtedness and any other existing obligations of the Chargor to the Chargee in respect of the Indebtedness and any other exercise by the Chargee of any remedies available to them of any default under the Charge.

The Chargor hereby represents and warrants that neither the Chargor, nor, to their knowledge, any other person, has ever caused or permitted any Hazardous Material (as hereinafter defined) to be placed, held, located or disposed of on, under or at the Property and that its business and assets are operated in compliance with applicable laws intended to protect the environment (including, without limitation, laws respecting the discharge, emission, spill or disposal of any Hazardous Materials) and that no enforcement actions in respect thereof are threatened or pending and covenants to cause any person permitted by the Chargor to use or occupy the Property or any part thereof to continue to so operate.

The Chargor hereby indemnifies the Chargee, its officers, directors, employees, agents and its shareholders and agrees to hold each of them harmless from and against any and all losses, liabilities, damages, costs, expenses and claims of any and every kind whatsoever which at any time or from time to time may be paid, incurred or asserted against any of them for, with respect to, or as direct result of, the presence on or under, or the discharge, emission, spill or disposal from, the Lands or into any land, the atmosphere, or any watercourse, body of water or wetland, of any Hazardous Material where it has been proven that the source of the Hazardous Material is the Property, including, without limitation: (i) the costs of defending any/or counter-claiming over against third parties in respect of any action or matter; and (ii) any cost, liability or damage arising out of a settlement of any action entered into by the Chargee; and the provisions of and undertakings and indemnification set out in this Section shall survive the satisfaction and release of the Security Documents and payment and satisfaction of the Indebtedness and liability of the Chargor to the Chargee pursuant to this Charge and any of the other Security Documents. The indemnity contained herein in favour of the Chargee shall enure to the benefit of the Chargee's successors and assigns of the Loan and the Security Documents. For the purposes of this Section "Hazardous Material" means any contaminant or pollutant or any substance that when released in the natural environment is likely to cause at some immediate or future time, material harm or degradation to the natural environment or material risk to human health and without restricting the generality of the foregoing, hazardous waste or dangerous goods as defined by applicable federal, provincial or municipal laws for the protection of the natural environment or human health.

The indemnity contained herein shall survive the repayment of the Indebtedness and shall continue in full force and effect so long as the possibility of any such liability, claim or loss exists.

CONFLICT/AMBIGUITY

Where conflict or ambiguity exists or arises between any one or more of the provisions contained in this Schedule and any one or more of the provisions contained in the standard charge terms, the provisions contained in this Schedule shall, to the extent of such conflict or ambiguity, be deemed to govern and prevail.

COMPLIANCE WITH APPLICABLE LAWS

The Chargor has and is presently complying with its obligations and will continue to comply with its obligations, to make payment of all taxes, deductions, withholdings and remissions to the Province of Ontario and the Government of Canada (collectively, the "**Governmental Authorities**") under the *Income Tax Act*, Canada, the *Excise Tax Act*, Canada, the *Canada Pension Act*, Canada, the *Employment Insurance Act*, Canada, the *Retail Sales Tax Act*, Ontario, the *Fuel Tax Act*, Ontario, the *Tobacco Tax Act*, Ontario, the *Development Charges Act*, Ontario, the *Workplace Safety and Insurance Act*, Ontario and any other Applicable Laws, whether provincial or federal, as any one or more of them may be amended from time to time, the default of which would form the basis of a super priority claim by any of such governmental authorities under such Applicable Laws over the Indebtedness and the priority of the Security Documents.

COLLECTION OF RENTS

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

SUBSEQUENT ENCUMBRANCES

In the event of the Chargor further encumbering the Lands without the prior written consent of the Chargee, such further encumbering shall constitute a default under this Charge and in such event, at the sole option of the Chargee, the Indebtedness owing under the within Charge shall immediately become due and payable.

PAYMENT OF OTHER CHARGES AND PERFORMANCE OF OTHER OBLIGATIONS BY THE CHARGEE

The Chargor covenants and agrees with the Chargee to pay all property taxes, public utility rates, charges, and insurance premiums as and when they become due, to keep all Liens and agreements registered against the title to the Charged Property in good standing in accordance with their terms, comply with all zoning by-laws, standards and work orders and not to permit the existence of any work orders, deficiency notices, letters of compliance, or judgements, or the registration of any Liens of any nature or kind; the failure of the Chargor to comply with this covenant shall constitute an Event of Default hereunder and entitle the Chargee at its sole option to avail itself of remedies available hereunder, the Security Documents and at law including the right to accelerate the Indebtedness. Waiver or indulgences granted by a prior encumbrancer shall not prevent non-payment from being a default under this charge.

In addition, at the Chargee's sole option, the Chargor hereby agrees that the Chargee may satisfy any charge, Lien, any matter raised in the previous paragraph or other encumbrance now or hereafter existing or to arise or be claimed upon the Charged Property and the Chargee may also expend monies in order to cure any default under any lease respecting the Charged Property or any part thereof, and the amounts so paid together with all costs associated therewith shall be added to the Indebtedness hereby secured and bear interest at the rate of interest set forth herein and shall be payable forthwith by the Chargor to the Chargee and in default of payment, the entire Indebtedness, shall become payable at the option of the Chargee and the remedies hereby given, under the Security Documents and available at law may be exercised forthwith without notice. In the event of the Chargee satisfying any such charge or claim, or expending such monies in order to cure a lease default, it shall be entitled to all equities and securities of the person or persons so satisfied and it may retain any discharge, cessation of charge, assignment of charge, unregistered or assignment of lease, until paid.

BANKRUPTCY AND INSOLVENCY

THE CHARGOR acknowledges and agrees that any and all Costs as may be incurred from time to time by the Chargee in order to effect compliance or avoid any adverse ramifications of the *Companies' Creditors Arrangement Act*, R.S., c.C-25, s.1 (the "**CCAA**"), the *Bankruptcy and Insolvency Act*, R.S., 1985, c.B-3, s.1, 1992, c.27, s.2 (the "**BIA**") or any other statute shall be entirely for the account of the Chargor. The Chargee shall be entitled to incur any such Costs, including any costs of its personnel and outside professionals, including legal counsel, in administering and addressing any requirements of the said Act and to add the same to the Indebtedness owing pursuant hereto and the same shall be secured hereunder and under any and all security held by the Chargee for the Indebtedness owing to the Chargee in the same manner and in the same priority as the principal secured hereunder.

REORGANIZATION PROCEEDINGS

The Chargor represents and warrants that the Charged Property is of such a unique nature that, in the event the Chargor sought to reorganize its affairs under any of the laws of Canada (or any province) which provides the ability of a debtor to reorganize its affairs with its creditors (including, without limitation, under the CCAA, the BIA or any other statute) or pursuant to which it sought protection from its creditors, the Chargee would not have a sufficient commonality of interests with any other creditor of the Chargor such that the Chargee would be required to vote on any reorganization, arrangement, compromise or other transaction in a class with any other creditors of the Chargor and, in that regard, covenants and agrees that the Chargee will be treated in its own exclusive class of creditors for such purpose. Without limiting the generality of the foregoing, the Chargor covenants and agrees that:

a) it will give the Chargee not less than ten (10) days written notice prior to the commencement of any proceedings under any of the CCAA, the BIA or any other similar or analogous legislation (such proceedings being referred to as **"Reorganization Proceedings"**);

b) in no circumstances will the Chargor seek, suffer or permit the right of the Chargee to be stayed or otherwise affected in any Reorganization Proceedings;

c) in the event that Reorganization Proceedings are commenced, the Chargor will consent to an order directing that all rents or other revenues generated or received in respect of the Charged Property will forthwith be deposited into a segregated trust account under the sole control of the Chargee and that same shall not constitute the Chargee to be a mortgagee in possession of or in control or management of the Charged Property or result in an acceleration of the Indebtedness hereunder unless so designated by the Chargee at its sole option; and

in the event of a Reorganization Proceeding: (i) the Chargor will not oppose any steps taken by the Chargee to seek an Order lifting any stay of proceedings that may be imposed; (ii) will not seek to prime the Chargee through any debtor in possession financing, receiver charge or any court-ordered charges; and (iii) will not seek to have the Charged Property sold as part of any process without the Chargee's prior consent.

ABANDONMENT OF CHATTELS

In the event that the Chargor vacates the Charged Property and leaves its chattels or trade fixtures (collectively, the **"Chattels"**) at the Charged Property, or if the Chargor fails to remove the Chattels upon being evicted then:

(a) the Chattels shall be deemed to have been abandoned by the Chargor;
(b) the Chargee shall be entitled to dispose of or sell or transfer the Chattels or store them, in its sole discretion;
(c) the Chargor shall pay all costs incurred by the Chargee relating to any sale, transfer, disposition, dumping or storage of the Chattels by the Chargee;
(d) the Chargee shall have a charge and lien on any stored Chattels for all storage costs relating thereto; and
(e) the Chargor hereby releases and forever discharges the Chargee from any claims, actions, causes of action, damages, losses, costs and expenses relating to any steps taken by the Chargee in respect of the Chattels including discarding and dumping same in a junk yard or otherwise for no consideration.

NO EXPLOITATION

The Chargor acknowledges and declares that the Chargor entered into this Charge freely and of its own will. In particular, the Chargor acknowledges that this Charge was freely negotiated by the Chargor and the Chargee in good faith, that this Charge does not constitute a contract of adhesion, that there was no exploitation of the Chargor by the Chargee, and that there is no disproportion between the consideration provided by the Chargee and that provided by the Chargor.

INDEPENDENT LEGAL REPRESENTATION

The Chargor hereto acknowledges that it has full knowledge of the purpose and essence of this Charge/Mortgage transaction, and that it has been appropriately and independently legally represented in that regard. The Chargor acknowledges and agrees with the Chargee that the Chargee's solicitors, Meyer, Wassenaar & Banach, LLP, do not represent the Chargor or provide the Chargor with any legal advice whatsoever. The Chargor acknowledges that the Charge, all supporting security documents and all electronic documents including the Charge, Notice of Assignment of Rents and Acknowledgement and Direction (the "Documents") and the effect of the Chargee's solicitors signing any of the electronic documents have been fully explained to the Chargor by its own independent counsel. The Chargor acknowledges that it has fully understood the import of the Documents.

NON-TRANSFER

Paragraph 14 of Standard Charge Terms 200033 is hereby deleted.

In the event that the Chargor purports to sell, convey, transfer, assign or exercise a power of appointment with respect to the Lands herein described to a purchaser, transferee or assignee or in the event of a change of shareholders of the Chargor which results in a change of control of the Chargor or in the event of a change in the beneficial ownership of the Lands herein described without first obtaining the consent in writing of the Chargee the entire Indebtedness hereby secured shall, at the option of the Chargee, forthwith become due and payable.

PRE-AUTHORIZED PAYMENT

The Chargor hereby covenants and agrees upon the Chargee's request to participate in the Chargee's pre-authorized chequing program by completing the necessary application and providing the Chargee with a sample "void" cheque, or alternatively, at the Chargee's request, the Chargor shall provide a series of 12 post dated cheques, from time to time.

TAXES

THE CHARGOR in addition to the aforesaid payments of principal and interest, covenants and agrees to pay taxes as hereinafter provided, the Chargee shall estimate the amount of the taxes chargeable against the Lands payable in each year and the Chargor shall pay to the Chargee one-twelfth of the estimated annual amount together with the aforesaid payments of principal and interest in each and every month during the term of this Charge, commencing with the first payment date aforesaid and the Chargee shall apply such payments on the taxes so long as the Chargor is not in default under this Charge, but nothing herein contained shall obligate the Chargee to apply such payments on account of the taxes oftener than yearly; provided, however, that if the Chargor shall pay any sum or sums to the Chargee to apply on the taxes, and if before the same shall have been so applied there shall be default by the Chargor in respect of any payment of principal or interest as herein provided, the Chargee may at its option apply such sum or sums in or towards payments of the principal and/or interest in default; and in the event that the taxes actually charged for any one year, together with any interest and penalties thereon, exceed the estimated amount, the Chargor shall pay to the Chargee on demand the amount required to make up the deficiency; and if the Chargor desires to take advantage of any discounts or avoid any penalties in connection with the payment of taxes, the Chargor may pay to the Chargee such additional amounts as are required for that purpose; and the Chargor shall transmit to the Chargee forthwith after receiving them the assessment notices, tax bills and other notices affecting the imposition of taxes upon the Lands.

TAXES shall mean and include all taxes, rates and assessments of whatever nature or kind, including local improvement rates and any and all interest and penalties thereon.

THE CHARGEE MAY, unless payment has otherwise been made, deduct from the charge advances, an amount necessary to pay the current year's taxes and an amount which together with the monthly tax payments to be made to and including April of the following calendar year, will be sufficient to pay the taxes for the following calendar year.

NO MONEYS paid to the Chargee pursuant to the foregoing shall be held in trust for nor bear interest to the credit of the Chargor.

THE FOREGOING tax clause is in addition to and without prejudice to the other provisions of the within Charge in regard to realty taxes.

PREPAYMENT PROVISIONS

a) Provided that during the period of time prior to January 1, 2019, the Chargor, when not in default hereunder, shall have the privilege of prepaying the whole of the said principal sum hereby secured on any banking day upon payment to the Chargee of an amount equal to two (2) months' interest on the principal amount prepaid as a bonus and upon paying to the Chargee the discharge statement administration fee as herein set out.

b) Provided that during the period of time from and after January 1, 2019, the Chargor, when not in default hereunder, shall have the privilege of prepaying the whole of the said principal sum hereby secured on any banking day upon providing the Chargee with thirty (30) days' written notice and upon payment to the Chargee of an amount equal to One and one-half (1 1/2) months' interest on the principal amount prepaid as a bonus and upon paying to the Chargee the discharge statement administration fee as herein set out.

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

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

NO IMPROVEMENT

The Chargor warrants that the purpose of this Charge is not to finance an improvement on the Lands. An "**improvement**" when used in this paragraph, shall have the meaning ascribed thereto in the *Construction Lien Act, R.S.O. 1990*. An improvement means any alteration, addition or repair to any building on the herein described Lands or any construction, erection or installation on the Lands.

INSURANCE RENEWAL

The Chargee shall be entitled to its standard servicing fee for dealing with each cancellation, premium payment or other non-compliance with insurance requirements. In the event that the evidence of continuation of insurance as herein required has not been delivered to the Chargee, the Chargee shall be entitled to its standard servicing fee for each written inquiry which the Chargee shall make to the insurer pertaining to such renewal (or resulting from the Chargor's non-performance of the within covenant). In the event that the Chargee pursuant to the within provision arranges insurance coverage with respect to the Lands and the Improvements, the Chargee in addition to the afore-noted servicing fee shall be entitled to a further servicing fee for arranging the necessary insurance coverage.

APPOINTMENT OF RECEIVER

AT ANY TIME after the Security Documents hereby constituted become enforceable, or the monies hereby secured shall have become payable, the Chargee may from time to time appoint by writing, or apply to a court of competent jurisdiction for the appointment of, a Receiver (which term shall include a receiver and manager) of the Charged Property or any part thereof, with or without Bond, and may from time to time remove the Receiver and appoint another in his stead, and any such Receiver appointed hereunder shall have the following powers (but shall not be limited to such powers):

(a) To take possession of the Charged Property and to collect and get in the same and for such purpose to enter into and upon any lands, premises and Improvements wheresoever and whatsoever and for such purpose to do any act and take any proceedings in the name of the Chargor or otherwise as he shall deem necessary;

(b) To carry on or concur in carrying on the business of the Chargor, and to employ and discharge agents, workmen, accountants and others upon such terms and with such salaries, wages or remuneration as he shall think proper, and to repair and keep in repair the Charged Property and to do all necessary acts and things for the carrying on of the business of the Chargor and the protection of the Charged Property of the Chargor;

(c) To sell or lease or concur in selling or leasing any or all of the Charged Property, or any part thereof, and to carry any such sale or lease into effect by conveying in the name of or on behalf of the Chargor or otherwise; and any such sale may be made either at public auction or private sale as seen fit by the Receiver and any such sale may be made from time to time as to the whole or any part or parts of the Charged Property; and he may make any stipulations as to title or conveyance or commencement of title or otherwise which he shall deem proper; and he may buy or rescind or vary any contracts for the sale of any part of the Charged Property and may resell the same; and he may sell any of the same on such terms as to credit or part cash and part credit or otherwise as shall appear in his sole opinion to be most advantageous and at such prices as can reasonably be obtained therefor and in the event of a sale on credit neither he nor the Chargee shall be accountable for or charged with any monies until actually received;

(d) To make any arrangement or compromise which the Receiver may think expedient in the interest of the Chargee and to consent to any modification or change in or omission from the provisions of this Charge and to exchange any part or parts of the Charged Property for any other property suitable for the purposes of the Chargee and upon such terms as may seem expedient and either with or without payment or exchange of money or regard to the equality of the exchange or otherwise;

(e) To borrow money to carry on the business of the Chargor and to charge the whole or any part of the Charged Property in such amounts as the Receiver may from time to time deem necessary and in so doing the Receiver may issue certificates that may be payable when the Receiver thinks expedient and shall bear interest as stated therein and the amounts from time to time payable under such certificates shall charge the Charged Property in priority to this Charge;

(f) To execute and prosecute all suits, proceedings and actions which the Receiver in his opinion considers necessary for the proper protection of the Charged Property, to defend all suits, proceedings and actions against the Chargor or the Receiver, to appear in and conduct the prosecution and defense of any suit, proceeding or action then pending or thereafter instituted and to appeal any suit, proceeding or action;

(g) To fully manage, develop, operate, lease, construct, deal with agreements, complete, repair, renovate or alter the Charged Property or any part thereof on behalf of the Chargor and to take all such actions as are required in the exercise of such powers including entering into, amending and terminating such contracts and other agreements relating to the Charged Property as are necessary or advisable, in the opinion of the Receiver, and the entering into, renewal, amendment, supplement, or termination of any agreements and leases as the Receiver may deem appropriate in its sole and absolute discretion;

(h) To execute and deliver to the purchaser of any part or parts of the Charged Property, good and sufficient deeds for the same, the Receiver hereby being constituted the irrevocable attorney of the Chargor for the purpose of making such sale and executing such deed, and any such sale made as aforesaid shall be a perpetual bar both in law and equity against the Chargor, and all other persons claiming the Lands or any part or parcels thereof by, from through or under the Chargor, and the proceeds of any such sale shall be distributed in the manner hereinafter provided;

(i) To exercise any powers as may be granted by a court upon such appointment;

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

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

(a) Firstly, in payment of all Costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise by him of all or any of the powers aforesaid including the reasonable remuneration of the Receiver and all amounts properly payable by him;

(b) Secondly, in payment of all Costs, charges and expenses payable hereunder;

(c) Thirdly, in payment to the Chargee of the principal sum owing hereunder;

(d) Fourthly, in payment to the Chargee of all interest and arrears of interest and any other portion of the Indebtedness remaining unpaid hereunder; and

(e) Fifthly, any surplus shall be paid in accordance with the *Mortgages Act* (Ontario) or any order of the Court; provided that in the event that any party claims a charge against all or a portion of the surplus, the Receiver shall make such disposition of all or a portion of the surplus as the Receiver deems appropriate in the circumstances.

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

The appointment of a Receiver by the Chargee shall not, to the extent permitted by law, incur or create any liability on the part of the Chargee in connection with 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 as a mortgagee in possession in respect of the Charged Property or any part thereof.

PAYMENT OF COSTS

The Chargor shall pay to the Chargee on demand all legal fees payable on a solicitor and his own client basis, Costs and out-of-pocket expenses incurred by any of the Chargee, its agents, officers and employees as herein set forth including costs incurred with respect to:

(a) the Chargee obtaining advice at any time as to its rights and responsibilities under this Charge or any of the instruments and documents comprising the Security Documents or relating thereto or in the event of exercise of any or all of its remedies hereunder or thereunder;

(b) the exercising of any or all of the rights, remedies and powers of the Chargee under this Charge or any of the instruments and documents comprising the Security Documents or relating thereto, or in defending or taking any measures to defend any action, claim, cause of action or in proceedings directly or indirectly relating to the provisions of any such instrument or document;

(c) any or all of the taking of, recovering of possession of any assets or property of the Chargor, or any proceedings taken for the purpose of enforcing any rights or remedies provided in this Charge or in any instrument or document comprising the Security Documents or relating thereto, or any proceedings otherwise taken in relation to any assets or property of the Chargor or subject to the security given by the Chargor to the Chargee, or any proceedings taken by reason of any non-payment or non-performance of the obligations of the Chargor hereunder; and

(d) any appraisals, environmental reports, engineering reports, cost consultants reports, or any other reports obtained at any time by the Chargee relating to the Charged Property.

In the event the Chargor fails to pay any such legal fees, Costs and expenses to the Chargee forthwith upon demand by the Chargee, then the amount of such unpaid legal fees, Costs and expenses shall be secured by this Charge and added to the Indebtedness secured hereunder and shall bear interest at the rate herein set forth.

LIMIT ON RATE OF INTEREST

(a) Adjustment

If any provision of the Commitment, this Charge or any other of the Security Documents would oblige the Chargor to make any payment of interest or other amount payable to the Chargee in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Chargee of interest at a criminal rate (as such terms are construed under the Criminal Code (Canada)), then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in receipt by the Chargee of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows:

(i) firstly, by reducing the amount or rate of interest required to be paid hereunder as applicable; and

(ii) thereafter, by reducing any fees, commissions, premiums and other amounts which would constitute interest for purposes of Section 347 of the Criminal Code (Canada).

(b) Reimbursement

If, notwithstanding the provisions subsection (a) above, and after giving effect to all adjustments contemplated thereby, the Chargee shall have received an amount in excess of the maximum permitted by such subsection, then the Chargor shall be entitled, by notice in writing to the Chargee, to obtain reimbursement from the Chargee of an amount equal to such excess, and pending such reimbursement such amount shall be deemed to be an amount payable by the Chargee to the Chargor.

(c) Calculation

Any amount or rate of interest referred to in this Section shall be determined in accordance with generally accepted actuarial practices and principles as an effective annual rate of interest over the term of any revolving loan on the assumption that any charges, fees or expenses that fall within the meaning of "interest" (as defined in the Criminal Code (Canada)) shall, if they relate to a specific period of time be prorated over that period of time and otherwise be prorated over the period from the date of this Charge to the maturity date thereof and, in the event of dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Chargee shall be conclusive for the purposes of such determination.

AGREEMENTS IN WRITING

No agreement for modification to the within Charge or to any other of the Security Documents provided to the Chargee, including any renewals hereof or for extension of the time for payment of the Indebtedness due hereunder shall result from, or be implied from, any payment or payments of any kind whatsoever made by the Chargor to the Chargee after the expiration of the Balance Due Date or of any subsequent term agreed to in writing between the Chargor and the Chargee, and that no modification, amendment, at any time to the within Charge or to any security agreement provided to the Chargee or any renewal hereof or extension of the time for payment of any Indebtedness due hereunder shall result from, or be implied from, any other act, matter or thing, save only an express agreement in writing between the Chargor and the Chargee.

CONTINUING SECURITY

Without limiting any other provision hereof, this Charge secures, *inter alia*, a current or running account and any portion of the principal amount may be advanced or readvanced by the Chargee in one or more sums at any future date or dates and the amount of such advances and readvances when so made will be secured by this Charge and be repayable with interest at the interest rate stipulated in this Charge. This Charge will be security for the ultimate balance owing to the Chargee arising from the current and running accounts represented by advances and readvances of the principal amount or any part thereof with interest at the interest rate stipulated in this Charge and all other amounts secured hereby and notwithstanding any change in the amount, nature and form of the loan Indebtedness from time to time. If the whole or any part of the principal amount hereby or other amount secured hereby is repaid, this Charge shall be and remain valid security for any subsequent advance or re-advance by the Chargee to the Chargor until such time as the Chargee has executed and delivered to the Chargor a complete discharge of this Charge. The provisions relating to defeasance contained in Subsection 6(2) of the *Land Registration Reform Act* (Ontario) are hereby expressly excluded from this Charge.

FARM DEBT MEDIATION ACT

The Chargor represents and warrants that it is not a "farmer" within the meaning of the *Farm Debt Mediation Act*, S.C. 1997, c.21 (the "Act") and covenants and agrees with the Chargee that, in the event that at any time during the term of this Charge the Chargor shall, at the option of the Chargee, become a "farmer" within the meaning of the Act, it shall forthwith provide written notice of this fact to the Chargee.

PAYMENT OF AMOUNTS OWING TO GOVERNMENTAL AUTHORITIES

During the term of the Charge and any renewal or extension thereof, the Chargor and/or the Covenantors will pay when due all amounts owing to any govermental authority which, if unpaid, would give such governmental authority recourse for such amounts ranking in priority to the within Charge or any of the other Security Documents and agreements given by the Chargor to the Chargee in connection with the advance of funds hereunder and the failure to pay any such amount when due will constitute, at the option of the Chargee, a default hereunder.

INSURANCE – ADDITIONAL PROVISIONS

In addition to any other insurance provisions contemplated by this Charge, the Commitment, or the Standard Charge Terms registered as No. 200033, the Chargor will at all times during the term maintain the insurance required by the Chargee including, without limitation, the following coverages:

(a) Comprehensive on an all-risks basis, or if applicable, builder's risk of direct physical loss or damage, including, without limitation, coverage for the foundations of all improvements and flood and earthquake coverage, all on a replacement cost basis with loss payable to the Chargee under an Insurance Bureau of Canada mortgage clause; the policy should allow for the improvements on the Lands to be completed (if applicable), for partial occupancy, and for the Lands to be vacant and unoccupied for a period of at least 30 days;

(b) Comprehensive broad form boiler and machinery insurance covering all pressure vessels (whether fired or unfired), air conditioning and miscellaneous electrical apparatus on the Lands, for an amount satisfactory to the Chargee, with loss payable to the Chargee under a Boiler and Machinery Insurance Association mortgage clause;

(c) Business interruption or rental income loss coverage on a gross profits or rentals form sufficient to cover 100% of the loss of Rents or loss of business income from the business conducted on the Lands for a period of twelve (12) months, based on the greater of actual or projected revenue, in respect of all perils described in (a) and (b) above;

(d) Comprehensive general liability insurance, inclusive of bodily injury, death or property damage or loss, for a minimum amount of $3,000,000.00 per occurrence or such other amount as the Chargee may reasonably request;

(e) Theft of chattels;

(f) Prior to any advance of the principal amount, the Chargor will provide to the Chargee or its solicitors certificates of insurance policies providing the above coverages. The Chargee may have the insurance policies reviewed by a qualified property insurance consultant to ensure the insurance requirements of the Commitment are satisfied;

(g) Evidence of policy renewal or satisfactory replacement must be provided annually at least thirty (30) days before expiry; and

(h) Coverage of such other risks and perils as the Chargee may consider advisable or desirable from time to time.

Although the Chargee reserves the right to insist that all policies be on a "no co-Insurance" basis, the Chargee may consider accepting stated amount co-insurance provided that the Chargor shall at all times maintain a sufficient amount of insurance to prevent the Chargor from becoming a co-insurer under the terms and conditions of the policy.

Each policy shall be in a form and with an insurer satisfactory to the Chargee and will provide that any loss shall be payable to the Chargee as their interest may appear, subject to the standard form of mortgage clauses approved by the Insurance Bureau of Canada. The above referenced policies shall provide that the Chargee shall receive thirty (30) days' prior written notice of cancellation or material change to the policies. The Chargor will furnish to the Chargee or its solicitors, prior to the advance of any funds, original or certified copies of insurance policies providing the above coverages. Evidence of policy renewal or satisfactory replacement must be provided annually at least (30) days before expiry of the policy.

If the Chargor fails to comply with the insurance obligations herein, the Chargee may take out insurance which it deems adequate, and the Chargor shall pay to the Chargee, on demand, all sums paid for that purpose plus accrued interest up to the reimbursement date at the rate payable hereunder.

In the event of a loss, the Chargor shall immediately advise the Chargee and shall not undertake any repairs or renovations without the consent of the Chargee. The Chargor acknowledges and agrees that any insurance monies received may, at the option of the Chargee, be applied in rebuilding, re-instating, or repairing any building, or be paid to the Chargor, or be applied in the sole discretion of the Chargee, in full or in part against the amounts due hereunder or any part thereof, whether due or not then due, or paid partly in one way and partly in another.

UNDERTAKINGS

In the event that an Event of Default has occurred with respect to any of the terms of any undertakings delivered to the Chargee in consideration of the advance of funds under this Charge, or thereafter or with respect to any covenant contained in these additional provisions and in any of the other Security Documents, such default, at the option of the Chargee, will be an Event of Default under this Charge and entitle the Chargee to all of its remedies hereunder, the Security Documents and at law, including, the acceleration of the Indebtedness without further notice to the Chargor.

AMENDMENT TO STANDARD CHARGE TERMS

Section 24 of Standard Charge Terms 200033 is hereby deleted.

SECURITY FOR INDEBTEDNESS AND OBLIGATIONS

This Charge is given as continuing security for the liability and obligations of the Chargor to the Chargee pursuant to the Commitment, hereunder and under all other Security Documents, including without limitation all of the following: (i) all performance and payment obligations of the Chargor to the Chargee, including payment of the Indebtedness, as provided herein, the Commitment, or the Security Documents; and (ii) all other obligations of the Chargor to the Chargee, in each case howsoever created, arising or evidenced, whether direct or indirect, joint or several, absolute or contingent, now or hereafter existing, absolute or past, contingent, extended or renewed, material or not, due or to become due, whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Chargor is bound alone or with another or others, including all Indebtedness and amounts due of any kind arising hereunder, the Commitment, or the other Security Documents and all Costs, including any and all advances, costs or expenses paid or incurred by Chargee to protect any or all of the security granted herein, the Commitment or the Security Documents, to perform any obligations of the Chargor hereunder, under the Commitment or under any other Security Documents, and interest at the interest rate set forth herein, on all of the foregoing.

EXPROPRIATION

If the Charged Property or any part thereof shall be expropriated under any Applicable Laws granting the power of expropriation, the Indebtedness remaining unpaid, shall, at the sole option of the Chargee, forthwith become due and payable, together with any prepayment charges provided for herein. In any event, all the proceeds of any expropriation of the Charged Property or any part thereof shall be paid to the Chargee, at its option, in priority to the claims of any other party.

WARRANTIES, REPRESENTATIONS AND COVENANTS

Each Covenantor represents, warrants to and covenants with the Chargee that:

(a) Organization, Power and Authority

Each Covenantor, as applicable, (i) if it is a corporation, is a duly organized and validly existing corporation under the laws of its jurisdiction; (ii) has full power, authority and legal right to own the Charged Property and to carry on its business thereon in compliance with all Applicable Laws and is duly licensed, registered or qualified in all jurisdictions where the character of its undertaking, property and assets or the nature of its activities makes such licensing, registration or qualification necessary or desirable; (iii) has full power, authority and legal right to enter into each of the Security Documents to which it is a party and to do all acts and execute and deliver all other documents as are required to be done, observed or performed by it in accordance with their respective terms; (iv) has taken all necessary action and proceedings to authorize the execution, delivery and performance of the Security Documents to which it is a party and to observe and perform the provisions of each in accordance with its terms; and (v) shall maintain in good standing its existence, capacity, power and authority as a corporation or partnership, as the case may be, and shall not liquidate, dissolve, wind-up, terminate, merge, amalgamate, consolidate, reorganize or restructure or enter into any transaction or take any steps in connection therewith.

(b) Enforceability of Security Documents

The Security Documents executed by each or any Covenantor, constitute valid and legally binding obligations of each Covenantor, enforceable against them in accordance with their terms, and are not subject to any right of recission, right of set-off, counterclaim or defence of any nature or kind. Neither execution and delivery of the Security Documents, nor compliance with the terms and conditions of any of them (i) has resulted or will result in a violation of the constating documents governing any Covenantor, include any unanimous shareholders' agreement, or any resolution passed by the board of directors, shareholders or partners, as the case may be, of any Covenantor, (ii) has resulted or will result in a breach of or constitute a default under Applicable Laws or any agreement or instrument to which any Covenantor is a party or by which any Covenantor or the Charged Property or any part thereof is bound, or (iii) requires any approval or consent of any Person except such as has already been obtained.

(c) Title

The Chargor has good and marketable title in fee simple to the Charged Property free and clear of all Liens except Permitted Encumbrances and the Lien of this Charge. The Chargor is the sole legal owner of the Charged Property. The Chargor shall defend title to the Charged Property for the benefit of the Chargee from and against all actions, proceedings and claims of all Persons. No Person has any option, right of first refusal or other right to acquire the Charged Property or any part thereof or interest therein.

(d) Priority

This Charge and the other Security Documents are and shall be a valid first Lien or Liens on the Charged Property at all times, subject only to the Permitted Encumbrances consented to by the Chargee.

(e) Litigation

No Covenantor has any judgments or orders of any court of tribunal outstanding against it. There is no litigation, administrative proceeding, investigation or other legal action or claims (including any proceeding under any applicable bankruptcy or insolvency laws) pending or, to the knowledge of each Covenantor, threatened, against the Charged Property or any Covenantor, including any dispute between any Covenantor and any governmental authority affecting any Covenantor or the Charged Property. Upon becoming aware of any such matters, the Covenantor shall promptly notify the Chargee of same and shall provide the Chargee with reasonable information in respect thereof as the Chargee may require from time to time, provided that in doing so, the Covenantor shall not be deemed to have cured the fact that its representation set out in this Subsection has become incorrect.

(f) Rights of Way, Easements, Permits, Services and Access

The Chargor has obtained and shall maintain in good standing at all times all rights of way, easements, grants, privileges, licenses, certificates, permits, approval entitlements, franchises and other similar property and rights necessary for the lawful construction, occupancy, operation and use of the Charged Property. The Charged Property has unrestricted and unconditional rights of access to public highways at all existing access points and is served by all services and utilities necessary or convenient to the full use and enjoyment of the Charged Property. All such services and utilities are located in the public highway(s) abutting the Lands, and are connected so as to serve the Charged Property without passing over other property, except to the extent such other property is subject to a perpetual easement for such utility benefiting the Charged Property. All roads necessary for the full utilization of the Charged Property for its current purpose have been completed and dedicated to public use and accepted by all governmental authorities.

(g) Operation and Maintenance

The Chargor shall diligently maintain, use, manage, operate and repair the Charged Property in a good, safe and insurable condition in accordance with all Applicable Laws, and all Property Agreements, any encumbrances on title such as easements, agreements, restrictions and the like so as to preserve and protect the Charged Property and maximize the earnings, incomes, Rents, issues and profits therefrom. The Chargor has complied and will hereafter at all times comply with all of its obligations under the Property Agreements, any encumbrances on title such as easements, agreements, restrictions and the like and all other permitted Liens and agreements relating to the Charged Property. The Chargor shall promptly make all necessary repair and replacements to the Charged Property. All repairs, replacements and work required under the Security Documents, or otherwise, shall be made in a good and workmanlike manner, shall (if applicable) be of equal or better in quality to the original work, shall be free of all Liens and shall comply with all Applicable Laws and Property Agreements. The Chargor shall preserve and keep in full force and effect its corporate status, franchises, rights and privileges under the laws of the jurisdiction of its formation, and all qualifications, licenses and permits applicable to the ownership, use and operation of the Charged Property.

(h) Compliance with Law

The Charged Property, including the construction thereof, complies with all Applicable Laws, any encumbrances on title such as easements, agreements, restrictions and the like and all Property Agreements. The present use and location of the Improvements are legal conforming uses under all Applicable Laws. No Improvements have been made or removed from the Lands since the date of the survey of the Lands and Improvements delivered by the Chargor prior to the Loan advance and such survey accurately shows the location of all Improvements. The Chargor shall not change the use of the Charged Property, abandon the Charged Property, commit or permit any waste on or of the Charged Property, apply for or consent to any public restriction (including any zoning by-law or amendment or minor variance) or private restriction, or permit the removal of any Improvements or Fixtures from the Charged Property (other than a tenant's improvements removable by a tenant in accordance with its Lease).

The Charged Property is free of structural defects, and all building systems contained therein are in good working order and repair subject to ordinary wear and tear. No proceedings have been commenced or, to the Chargor's knowledge are contemplated with respect to the expropriation of all or any portion of the Charged Property or for the relocation of roadways providing access to the Charged Property.

(i) Full and Accurate Disclosure

None of the Security Documents, Property Agreements, representations, warranties, information, and other documents and materials provided by or on behalf of any Covenantor to the Chargee now, heretofore, or hereafter until the repayment in full of the

Indebtedness, contains or shall contain any untrue statement of a material fact or omits to state any material fact necessary to make statements contained herein or therein not misleading. No statement of fact now made or shall be made by or on behalf of any Covenantor in this Charge or in any of the other Security Documents contains or shall contain any untrue statement of a material fact or omits to state any material fact necessary to make statements contained herein or therein not misleading. There is no fact presently known to any Covenantor which has not been disclosed to the Chargee which adversely affects, nor as far as any Covenantor can foresee, might adversely affect, the Charged Property or the business, operations or condition (financial or otherwise) of the Chargor.

(j) Financial Statements

The financial statements and net worth statements (if any) delivered by each Covenantor to the Chargee in connection with the Loan are true, correct and accurately reflect in all material respects the financial condition of each Covenantor, and no change, event, or condition has occurred since the date of preparation to the date of the Loan advance which has had, or is reasonably likely to have, a material adverse effect on any of the Covenantors or the Charged Property. Except as disclosed in such financial statements and net worth statements, there are no liabilities (fixed or contingent) affecting the Charged Property or the Chargor. The Chargor shall furnish to the Chargee:

(i) within 15 days before each anniversary date of the Loan advance, a detailed rent roll and detailed operating statement (showing yearly activity and year-to-date) stating operating revenues, operating expenses, operating income and net cash flow for the preceding calendar year; and

(ii) within 120 days after the end of each fiscal year of the Chargor's operation of the Charged Property, the Chargor shall furnish to the Chargee a current (as of the end of such fiscal year) balance sheet, a detailed rent roll and a detailed operating statement stating operating revenues, operating expenses, operating income and net cash flow for each of the Covenantors and the Charged Property, prepared on a review engagement basis and certified by an independent public accountant reasonably satisfactory to the Chargee.

All financial statements shall be in scope and detail reasonably satisfactory to the Chargee and certified by the chief financial representative of the Chargor. All financial statements shall be prepared in accordance with generally accepted accounting principles in Canada in effect on the date so indicated and consistently applied (or such other accounting basis reasonably acceptable for the Chargee). The Chargor shall deliver to the Chargee such additional information regarding the Chargor, its subsidiaries, its business, any Covenantor and the Charged Property promptly after the Chargee's request therefor. The Chargor shall permit the Chargee to examine such records, books and papers of the Chargor which reflect upon its financial condition and the income and expenses of the Charged Property.

The Chargor has filed all federal, provincial and municipal tax returns required to be filed and have paid or made adequate provision for the payment of all federal, provincial and municipal taxes, charges and assessments payable by the Chargor. The Chargor believes that its tax returns properly reflect the income and taxes of the Chargor for the periods covered thereby, subject only to reasonable adjustments required by the Canada Revenue Agency or other applicable tax authority upon audit. As of the date of the Loan advance, the Chargor has no liability (fixed or contingent) for any taxes, surtaxes, duties, rates, and other similar charges or statutory trusts imposed by Applicable Laws or any governmental authority (including all related interest, penalties and fines), except as reflected in its financial statements delivered to the Chargee.

EVENTS OF DEFAULT

Each of the following shall constitute an "Event of Default" under this Charge:

(a) the failure of any of the Covenantors to pay any principal, interest or other amount due under the Security Documents when due, or the Covenantors' failure to pay the Loan at the Balance Due Date, or upon acceleration or otherwise;

(b) any of the Covenantors default in performing or observing any covenant or obligation on its part to be observed and performed in this Charge or in any of the other Security Documents;

(c) any representation or warranty of any Covenantor in any of the Security Documents or in the Loan application and any document or material provided in connection therewith including any financial statement, rent roll or data at any time delivered by or on behalf of any Covenantor in connection with the Loan is or becomes incorrect or misleading in any material respect;

(d) any enforcement action (an "**Enforcement Action**") of any kind is taken by a third party or a subsequent mortgagee including: the commencement of power of sale, foreclosure or other judicial or private sale proceedings, appointing or applying for, or obtaining or consenting to the appointment of, a receiver, a manager or a receiver and manager or other person having similar powers in respect of the Chargor or all or any part of the Charged Property, taking possession or control of all or any part of the Charged Property, giving notice of default, notice of intention to enforce security, or undertaking, commencing, giving notice of or taking any action or proceeding seeking payment or recovery of all or any part of any indebtedness owed to such third party or damages in lieu thereof, or accepting a transfer of any property in lieu of foreclosure, or the exercise of any other rights or remedies available to a creditor under its security or otherwise at law or in equity, including without limitation, the acceleration of debt, or the commencement of any proceedings seeking the dissolution, liquidation, winding up or termination of any Covenantor, or any participation in or any actions in furtherance of the foregoing;

(e) or a resolution is passed or an order is made for the dissolution, liquidation, winding-up or termination of any Covenantor or other cancellation or suspension or its incorporation or termination of its existence;

(f) a decree or order of a court of competent jurisdiction is sought to adjudge any Covenantor a bankrupt or insolvent or any petition is filed seeking the winding-up, reorganization, reconstruction or arrangement of any Covenantor under the CCAA, the BIA or the *Winding-Up and Restructuring Act (Canada)*(the "**WURA**") or any other bankruptcy, insolvency or analogous laws or issuing sequestration or process of execution against any Covenantor or against all or any part of the assets of any Covenantor or seeking the winding up or liquidation of its affairs, or appointing a trustee, receiver, receiver and manager, interim receiver, custodian, liquidator or other person with similar powers of any Covenantor or all or any part of its assets;

(g) any Covenantor becomes insolvent, commits an act of bankruptcy, makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal under the BIA or any other comparable law, seeks relief under the CCAA, the WURA or any other bankruptcy, insolvency or analogous law, is adjudged bankrupt, files a petition or proposal in bankruptcy, consents to or acquiesces in the appointment of a trustee, receiver, receiver and manager, interim receiver, custodian, sequestrator or other person with similar powers of itself or of all or any part of its assets, or files a petition or application or otherwise commences any proceeding seeking any reorganization, arrangement, composition or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditor's rights or consents to, or acquiesces in, the filing of such petition;

(h) any party brings an application seeking the appointment of a receiver, receiver-manager or receiver and manager of any Covenantor of any material part of its properties, assets or undertakings, or if any such party is appointed in respect of any Covenantor;

(i) any Person takes any Enforcement Action in respect of the Charged Property or any other property of any Covenantor, or any distress or analogous process is levied upon any Covenantor;

(j) all or any part of the Charged Property becomes subject to any Lien not consented to by the Chargee in writing or if consented to there is default by any Covenantor under any other encumbrances, Liens or security agreements;

(k) a judgment or order for the payment of money due shall have been obtained or entered or any writ of execution, distress, attachment or other similar process shall have been issued or levied against any Covenantor in an amount which, in the opinion of the Chargee could materially and adversely affect the ability of such Covenantor to fulfill its obligation to the Chargee to repay the Indebtedness or under any of the Security Documents;

(l) any fact, circumstance, event, change or effect occurs or arises that, individually or in aggregate with any other facts, circumstances, events, changes, effects or occurrences, has a material adverse effect on (i) the business, assets, liabilities, results of operation or financial condition of any Covenantor or (ii) the condition or value of the Charged Property;

(m) any part of the Charged Property is condemned or expropriated;

(n) if the Charged Property contains a condominium unit and any Covenantor fails to pay any common expenses or special assessments as and when due or fails to observe and comply with the *Condominium Act*, the Condominium Declaration, By-Laws or any rules and regulations of the condominium corporation;

(o) if the Chargor is in breach or default under any of the Permitted Encumbrances;

(p) if the Tarion registration of the Chargor or of any other Person having the Tarion registration in respect of the Project is revoked or cancelled;

(q) if the Chargor or any related entity defaults under any construction contract or any other material agreement related to the Charged Property, including any Property Agreements;

(r) if Cityzen Brookhill Inc. sells or transfers any shares that it holds in Brookhill Development Inc.;

(s) if Vince Petrozza or Jawad S. Rathore sell or transfer any shares that they hold in Fortress Brookhill Inc.; or

(t) any other Event of Default occurs under any other of the Security Documents.

REMEDIES

In addition to any other remedies contained herein or in any of the other of the Security Documents or as may be available at law or in equity the Chargee shall have the remedies hereinafter set forth.

Acceleration

Upon an Event of Default, the entire Indebtedness shall, at the option of the Chargee in its sole discretion, immediately become due and payable, with interest thereon at the Interest Rate to the date of actual payment thereof, all without notice, presentment, protest, demand, notice of dishonour or any other demand or notice whatsoever, each of which are hereby expressly waived, and all the Chargee's rights and remedies under this Charge, the other Security Documents, and otherwise at law and in equity shall immediately become enforceable.

Power of Sale

Upon the Chargee's rights and remedies hereunder becoming enforceable for at least fifteen (15) days, on at least thirty-five (35) days notice in writing given to the Chargor, the Chargee may enter on and lease or sell the Charged Property or any part thereof by public auction or private sale and on such terms as to credit and otherwise as may appear to it most advantageous, and for such price as can be reasonably obtained therefor. Such notice shall be given to such persons and in such manner and form and within such time as provided in the *Mortgages Act.* The Chargee shall be entitled to buy in or rescind or vary any contract for sale of any of the Charged Property, and resell without being answerable for any loss occasioned thereby. In the case of a sale on credit, the Chargee shall only be accountable for monies actually received in cash as and when so received. For such purposes, the Chargee may make and execute all agreements and assurances which it shall think fit. The purchaser shall in no case be bound to enquire whether notice of intention to sell has been given or default made, or otherwise as to the regularity or validity of any sale made hereunder, and any sale by the Chargee shall be valid as regards the purchaser and shall not in any way be affected thereby. The Chargee shall be entitled to apply the proceeds of any sale hereunder first in payment of all Costs, charges and expenses incurred in respect of such sale, as more particularly described below, and secondly in payment of all amounts of interest and principal owing hereunder, in such order as the Chargee may select. If any surplus remains after the Chargee has fully satisfied its claims, such surplus shall be paid to the party then entitled by law to receive such surplus, or into court. The powers conferred on the Chargee hereunder are in addition to and not in limitation of any other rights or powers of the Chargee under this Charge, or at law or in equity.

The costs of any sale proceedings or other Enforcement Action hereunder, whether such sale proves abortive or not, including all commissions and other fees payable to real estate agents and brokers in connection with any such sale, and all Costs, charges and expenses (including, without limitation, legal fees on a full indemnity basis) incurred in respect of the Charged Property, which the Chargee shall be entitled to do, or in taking, recovering or keeping possession of the Charged Property, or in enforcing the remedies of the Chargee under this Charge, or by reason of non-payment or in procuring payment of the monies hereby secured, shall be added to the Indebtedness and bear interest at the Interest Rate provided for in this Charge as well after as before maturity, and shall be a charge on the Charged Property and shall be payable immediately with interest as aforesaid, and in default of payment, may be paid from the proceeds of any sale of the Charged Property.

Possession

Upon the Chargee's rights and remedies hereunder becoming enforceable, the Chargee may enter into and take possession of the Charged Property and shall be entitled to:

(a) have, hold, use, occupy, possess and enjoy the Charged Property without let, suit, hindrance, interruption or denial of the Chargor or any other Person;

(b) maintain, repair and complete the construction of the Improvements;

(c) inspect, manage, take care of, collect Rents and lease the Charged Property or any part thereof for such terms and for such Rents (which may extend beyond the Balance Date) and on such conditions and provisions (including providing any leasehold improvements and tenant inducements) as the Chargee may determine in its sole discretion, which Leases shall have the same effect as if made by the Chargor; and

(d) pay from the Rents received all expenses of maintaining, preserving, protecting and operating the Charged Property, making any additions and replacements thereto and all charges payment of which may be necessary to preserve or protect the Charged Property and the Chargee shall have and enjoy and may exercise all powers necessary to the performance of all functions made necessary or advisable by possession, including without limitation power to advance its own monies at the interest rate chargeable hereunder and to enter into contracts and undertake obligations for the foregoing purposes upon security hereof,

and all Costs, charges and expenses incurred by the Chargee in the exercise of such rights (including allowances for the time, service or effort of any person appointed by the Chargee for the above purposes, and all legal fees and disbursements incurred and all commissions and other fees payable to real estate agents and brokers in connection with any lease), together with interest thereon at the interest rate chargeable hereunder, shall be payable forthwith by the Chargor to the Chargee, and until paid shall be added to the Indebtedness and shall be secured by this Charge. Each lease or renewal of lease made by the Chargee while in possession of the Charged Property shall continue for its full term notwithstanding the termination of the Chargee's possession. The Chargee shall not be liable for any loss or damage sustained by the Chargor or any other person resulting from any lease entered into by the Chargee, any failure to lease the Charged Property, or any part thereof, or from any other act or omission of the Chargee or any receiver in managing the Charged Property, nor shall the Chargee be obligated to perform or discharge any obligation or liability of the Chargor under any Lease, Security Documents or otherwise at law or in equity.

Exercise Rights of Chargor; Distraint

Upon the Chargee's rights and remedies hereunder becoming enforceable, the Chargee shall have, enjoy and exercise of all the powers and rights of and enjoyed by the Chargor with respect to the Charged Property or incidental, ancillary, attaching or deriving from the ownership by the Chargor of the Charged Property, including without limitation the powers of the receiver hereinbefore set out and the power to enter into agreements, to grant or agree to mortgages and other encumbrances, and to grant or reserve easements, rights-of-way, rights in the nature of easements and licences, in each case over or pertaining to the whole or any part of the Charged Property. If the Chargor shall make default in payment of any part of the interest payable under this Charge at any of the dates or times fixed for payment thereof, it shall be lawful for the Chargee to distrain therefor upon the Charged Property or any part thereof, and by distress warrant, to recover by way of rent reserved, as in the case of a demise of the Charged Property, so much of such interest as shall from time to time be or remain in arrears and unpaid, together with all costs, charges and expenses attending such levy or distress, as in like cases of distress for rent. The Chargee may distrain for arrears of principal or other monies owing hereunder in the same manner as if the same were arrears of interest.

Chargee's Right to Perform Obligations

If the Chargor shall fail, refuse or neglect to make any payment or perform any act required by the Security Documents, then while any Event of Default exists, and without notice to demand upon the Chargor and without waiving or releasing any other right, remedy or recourse the Chargee may have because of such Event of Default, the Chargee may (but shall not be obligated to) make such payment or perform such act for the account of and at the expense of the Chargor, and shall have the right to enter upon the Charged Property for such purpose and to take all such action thereon and with respect to the Charged Property as it may deem necessary or appropriate. If the Chargee shall elect to pay any sum due with reference to the Charged Property, the Chargee may do so in reliance on any bill, statement or assessment procured from the appropriate governmental authority or other issuer thereof without inquiring into accuracy or validity thereof. Similarly, in making any payments to protect the security intended to be created by the Security Documents, the Chargee shall not be bound to inquire into the validity of any apparent or threatened adverse title, lien, encumbrance, action, claim or charge before making an advance for the purpose of preventing or removing the same. The Chargor shall indemnify the Chargee for all Costs, losses, expenses, damages, claims and causes of action, including legal fees (on a full indemnity basis), incurred or accruing by reason of any acts performed by the Chargee pursuant to these provisions. All sums paid by the Chargee pursuant to this section, and all other sums expended by the Chargee to which it shall be entitled to be indemnified, together with interest thereon at the interest rate charged herein from the date of such payment or expenditure until paid, shall be added to the Indebtedness, shall be secured by the Security Documents and shall be paid by the Chargor to the Chargee upon demand.

Concurrent Remedies

The Chargee may exercise all remedies provided for in this Charge or otherwise at law or in equity concurrently or in such order and at such times as it may see fit and will not be obligated to exhaust any right or remedy before exercising any of its other rights or remedies pursuant to any other provisions contained in this Charge, any other Security Documents or otherwise at law or in equity.

Remedies Cumulative

For greater certainty, it is expressly understood and agreed that the rights and remedies of the Chargee hereunder or under any other of the Security Documents or instruments executed pursuant to the Commitment are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity, and any single or partial exercise by the Chargee of any right or remedy for a default or breach of any term, covenant, condition or agreement contained herein, in the Security Documents or other documents or instruments executed pursuant to the Commitment shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which the Chargee may be lawfully entitled for such default or breach. Any waiver by the Chargee of the strict observance, performance or compliance with any term, covenant, condition or other matter contained herein, in the Security Documents or other documents or instruments executed pursuant to the Commitment or the Security Documents and any indulgence granted, either expressly or by course of conduct, by the Chargee shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Chargee hereunder, in the Security Documents or other documents or instruments executed pursuant to the Commitment as a result of any other default or breach hereunder or thereunder. In the event of a conflict or inconsistency between the application of any of the rights and remedies contained herein and the application of any of the rights or remedies of any of the other Security Documents, the provisions giving the Chargee the greater rights or remedies shall govern (to the maximum extent permitted by applicable law), it being understood that the purpose of this Charge and any of the other Security Documents is to add to, and not detract from, the rights granted to the Chargee under the Security Documents. The Chargee in its exercise of its rights and remedies may proceed to exercise any and all rights hereunder, under the Security Documents, and as available at law and no such remedy for the enforcement of the rights of the Chargee shall be exclusive of, or dependent on, any other remedy, but any one or more of such remedies may from time to time be exercised independently or in combination.

Judgments

The taking of a judgment or judgments against the Chargor or any of the other Covenantors for breach of its obligations contained in this Charge or any other Security Document will not merge or extinguish such obligations or affect the Chargee's rights to interest on the Indebtedness at the interest rate chargeable hereunder. Any such judgment may provide that interest thereon will be computed at the interest rate chargeable hereunder until such judgment is fully paid and satisfied.

Extension of Time and Waiver

Neither any extension of time given by the Chargee to the Chargor or any of the other Covenators or any person claiming through the Chargor, nor any amendment to this Charge or other dealing by the Chargee with a subsequent owner of the Charged Property will in any way affect or prejudice the rights of the Chargee against the Chargor or any other Covenantor or other persons liable for payment of the Indebtedness. The Chargee may waive any Event of Default in its sole discretion. No waiver will extend to a subsequent Event of Default, whether or not the same as or similar to the Event of Default waived, and no act or omission by the Chargee will extend to, or affect, any subsequent Event of Default or the rights of the Chargee arising from such Event of Default. Any such waiver must be in writing and signed by the Chargee. No failure on the part of the Chargee or the Chargor to exercise, and no delay by the Chargee or the Chargor in exercising, any right pursuant to this Charge will operate as a waiver of such right. No single or partial exercise of any such right will preclude any other or further exercise of such right.

No course of dealing on the part of the Chargee, its officers, employees, consultants or agents, nor any failure or delay by the Chargee with respect to exercising any right, power or privilege of the Chargee under any of the Security Documents, shall operate as a waiver thereof. No waiver of any provision of the Security Documents shall be effective unless in writing and signed by the party against whom enforcement is sought.

Release

The Chargee may release in its discretion and at any time any of the Covenantors or any part or parts of the Charged Property from all or any part of the Indebtedness or the security either with or without any consideration and without releasing any other part of the Charged Property or any other of the Covenantors or other person from this Charge, any of the other Security Documents or from any of the covenants contained in this Charge or any of the other Security Documents, and without being accountable to the Chargor for the value of the Charged Property released or for any money except that actually received by the Chargee. Every part or lot into which the Charged Property is or may hereafter be divided will stand charged with the entire Indebtedness. The Chargee may grant time, renewals, extensions, indulgences, releases and discharges, may take securities from and give the same up, may abstain from taking securities from or from perfecting securities, may accept compositions and proposals, and may otherwise deal with the Chargor and all of the other Covenantors and securities as the Chargee may see fit without prejudicing the rights of the Chargee under the Loan or the Security Documents.

MISCELLANEOUS

General Indemnity

The Chargor shall protect, defend, indemnify and save harmless the Chargee its shareholders, directors, officers, employees and agents from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including without limitation reasonable legal fees and expenses), imposed upon or incurred by or asserted against the Chargee by reason of (a) ownership of the Charge, the Charged Property or any interest therein or receipt of any Rents; (b) any accident, injury to or death of persons or loss of or damage to the Charged Property occurring in, on or about the Charged Property or any part thereof or on the adjoining sidewalks, curbs, adjacent Charged Property or adjacent parking areas, streets or ways; (c) any use, non-use or condition in, on or about the Charged Property or any part thereof or on the adjoining sidewalks, curbs, adjacent Charged Property or adjacent parking areas, streets or ways; and (d) performance of any labour or services or the furnishing of any materials or other property in respect of the Charged Property or any part thereof. Any amounts payable to the Chargee by reason of the application of this section shall become immediately due and payable and shall bear interest at the interest rate charegeable hereunder from the date loss or damage is sustained by the Chargee until paid.

Time of the Essence

Time is of the essence with respect to this Charge.

Waivers

No course of dealing on the part of the Chargee, its officers, employees, consultants or agents, nor any failure or delay by the Chargee with respect to exercising any right, power or privilege of the Chargee under the any of the Security Documents, shall operate as a waiver thereof. No waiver of any provision of the Security Documents shall be effective unless in writing and signed by the party against whom enforcement is sought.

Governing Law

This Charge and the Security Documents shall be governed by and construed in accordance with the laws of the Province in which the Charged Property is located and the applicable laws of Canada.

Successors and Assigns

This Charge shall ensure to the benefit of and be binding upon the heirs, executors, administrators, successors and permitted assigns of the parties hereto. This Charge may be assigned by the Chargee at any time without prior notice to or consent of the Chargor.

Currency

All dollar references in this Charge are expressed in Canadian dollars.

Obligations as Covenants

Each obligation of the Covenantors expressed in this Charge or in any of the Security Documents, even though not expressed as a covenant, is deemed for all purposes to be a covenant made with the Chargee.

Land Registration Reform Act

The Parties hereby exclude from this Charge all of the covenants deemed to be included by section 7(1) of the *Land Registration Reform Act (Ontario)* (the **"Act"**), which covenants are hereby replaced by the covenants and agreements contained herein.

Electronic Imaging

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

Severability

If any one or more of the provisions contained in this Charge shall for any reason be held by a court or competent jurisdiction to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Chargee, be severable from and shall not affect any other provision of this Charge, but this Charge shall be construed as if such invalid, illegal or unenforceable provision had never been contained in this Charge.

NO RELEASE OF COVENANTS UPON PARTIAL DISCHARGE OF MORTGAGE

In the event that one of the properties secured hereunder is partially discharged by the Chargee, such partial discharge shall not release the owner of such discharged property from his/her/its/their its covenants, including the covenant to pay the Indebtedness, contained in this Charge or in any of the other Security Documents which shall remain in full force and effect until the Indebtedness is repaid in full. This clause shall not confer any rights to the Chargor to obtain a partial discharge of this Charge except as may be otherwise set forth in this Charge.

BLANKET MORTGAGE

The Chargor hereby acknowledges and agrees that the Indebtedness secured herein shall be secured by all of the Lands described under Properties field in the electronic Charge/Mortgage of Land to which this Schedule is attached.

For the purposes hereof each of the parcels of land designated by the Land Titles Office in which this Charge is registered with an individual PIN Number shall herein be referred to as a "Parcel" and all of the Parcels of land shall be collectively referred to as the "Lands".

AND THAT:

(a) The Charge herein shall be registered against the Lands;

(b) Each of the Parcels shall be charged with the whole of the principal sum secured herein together with all interest and costs payable hereunder;

(c) The Chargor agrees notwithstanding anything herein to the contrary, there is no right in the Charge nor shall the Chargor be entitled to require that the principal be apportioned in respect of any of the Parcels;

(d) The Chargor hereby agrees that each Parcel shall be the principal security for the entire principal sum secured herein;

The Chargee shall in the event of default be free to realize in its sole discretion upon any Parcel or Parcels in any order without prejudice to realizing upon any other Parcels from time to time.

Any and all remedies pursued by the Chargee against any one of the Parcels shall not release, diminish, alter or exhaust the Chargee's rights against any of the other Parcels.

RENEWAL REQUEST RIGHT

(a) Provided that: (i) this Charge is in good standing and has never been in default during the term; (ii) the value of the Charged Property has not decreased, as determined by the Chargee's realtor or agent; (iii) official plan amendments and zoning approvals have been obtained for the intended development of the Charged Property or substantial progress has been made to obtain the required official plan amendments and zoning approvals required for the proposed development of the Charged Property or are reasonably assured to be received within the next twelve months (ie. after the original twelve month term), as determined by the Chargee's consultant; and (iv) the Chargor has made a request in writing at least 30 days prior to the Balance Due Date of this Charge that the Charge be renewed for a period of one (1) year, then this Charge may be renewed by the Chargee in its sole, arbitrary and subjective discretion for a term of one (1) year. If such notice is not provided by the Chargor within such time, this renewal request right shall be null and void.
(b) During any renewal term, all terms and conditions of this Charge, including the interest rate, but save and except this renewal request right, shall remain the same.
(c) The Chargor shall forthwith execute and deliver to the Chargee any renewal documentation reasonably required by the Chargee at the expense of the Chargor.
(d) The Chargor shall also pay to the Chargee at the time of exercising this renewal request, a renewal fee equal to 1.25% of the principal balance then outstanding hereunder and if not paid shall form part of the Indebtedness of the within Charge and be secured by it.
(e) All legal fees and disbursements incurred by the Chargee in connection with any such renewal shall be borne by the Chargor.

LETTERS OF CREDIT

Withoutdefault restricting the generality of the foregoing, the parties hereto acknowledge and agree that this Charge shall inter alia stand as good and valid security with respect to any letters of credit issued or arranged by the Chargee in favour of any governmental authorities or any third parties as the Chargor may request or direct from time to time and that the total amount as set out in any said Letter of Credit shall be deemed to have been advanced and fully secured hereunder from the date of the issuance of said Letter of Credit, regardless of when such Letter of Credit is called upon by the holder thereof, and the covenants of the Chargor and Guarantors herein shall apply to all advances made under the Letter of Credit by the Chargee from time to time .

ADDITIONAL MORTGAGES

The Chargor herein hereby agrees that the Additional Mortgages shall be assigned by the holders thereof to the Chargee and held by the Chargee as further and additional security for the Indebtedness of the Chargor to the Chargee pursuant to the Security Documents. All payments under this Charge shall be the same as if given under the Additional Mortgages. Default under this Charge shall constitute default under the Additional Mortgages and default under the Additional Mortgages shall constitute default under this Charge. In the event that the Chargor is entitled to a discharge of this Charge, the Chargor shall be entitled to a discharge of the Additional Mortgages. The parties agree that any administrative or servicing fees set forth in the Additional Mortgages shall not be applicable to the Loan and that only the administrative and servicing fees set forth in this Charge shall be applicable to the Loan.

Land Registration Reform Act

DYE & DURHAM CO. INC.
Form No. 300E

SET OF STANDARD CHARGE TERMS
(Electronic Filing)

Filed by
Dye & Durham Co. Inc.

Filing Date: November 3, 2000

Filing number: 200033

The following Set of Standard Charge Terms shall be applicable to documents registered in electronic format under Part III of the Land Registration Reform Act, R.S.O. 1990, c. L.4 as amended (the "Land Registration Reform Act") and shall be deemed to be included in every electronically registered charge in which this Set of Standard Charge Terms is referred to by its filing number, as provided in Section 9 of the Land Registration Reform Act, except to the extent that the provisions of this Set of Standard Charge Terms are modified by additions, amendments or deletions in the schedule. Any charge in an electronic format of which this Set of Standard Charge Terms forms a part by reference to the above-noted filing number in such charge shall hereinafter be referred to as the "Charge".

Exclusion of Statutory Covenants

1. The implied covenants deemed to be included in a charge under subsection 7(1) of the *Land Registration Reform Act* as amended or re-enacted are excluded from the Charge.

Right to Charge the Land

2. The Chargor now has good right, full power and lawful and absolute authority to charge the land and to give the Charge to the Chargee upon the covenants contained in the Charge.

No Act to Encumber

3. The Chargor has not done, committed, executed or wilfully or knowingly suffered any act, deed, matter or thing whatsoever whereby or by means whereof the land, or any part or parcel thereof, is or shall or may be in any way impeached, charged, affected or encumbered in title, estate or otherwise, except as the records of the land registry office disclose.

Good Title in Fee Simple

4. The Chargor, at the time of the delivery for registration of the Charge, is, and stands solely, rightfully and lawfully seized of a good, sure, perfect, absolute and indefeasible estate of inheritance, in fee simple, of and in the land and the premises described in the Charge and in every part and parcel thereof without any manner of trusts, reservations, limitations, provisos, conditions or any other matter or thing to alter, charge, change, encumber or defeat the same, except those contained in the original grant thereof from the Crown.

Promise to Pay and Perform

5. The Chargor will pay or cause to be paid to the Chargee the full principal amount and interest secured by the Charge in the manner of payment provided by the Charge, without any deduction or abatement, and shall do, observe, perform, fulfill and keep all the provisions, covenants, agreements and stipulations contained in the Charge and shall pay as they fall due all taxes, rates, levies, charges, assessments, utility and heating charges, municipal, local, parliamentary and otherwise which now are or may hereafter be imposed, charged or levied upon the land and when required shall produce for the Chargee receipts evidencing payment of the same.

Interest After Default

6. In case default shall be made in payment of any sum to become due for interest at the time provided for payment in the Charge, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, and both before and after default and judgement, shall bear interest at the rate provided for in the Charge. In case the interest and compound interest are not paid within the interest calculation period provided in the Charge from the time of default a rest shall be made, and compound interest at the rate provided for in the Charge shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the land.

No Obligation to Advance

7. Neither the preparation, execution or registration of the Charge shall bind the Chargee to advance the principal amount secured, nor shall the advance of a part of the principal amount secured bind the Chargee to advance any unadvanced portion thereof, but nevertheless the security in the land shall take effect forthwith upon delivery for registration of the Charge by the Chargor. The expenses of the examination of the title and of the Charge and valuation are to be secured by the Charge in the event of the whole or any balance of the principal amount not being advanced, the same to be charged hereby upon the land, and shall be, without demand therefor, payable forthwith with interest at the rate provided for in the Charge, and in default the Chargee's power of sale hereby given, and all other remedies hereunder, shall be exercisable.

Costs Added to Principal

8. 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 land, and that such payments, together with all costs, charges, legal fees (as between solicitor and client) and expenses which may be incurred in taking, recovering and keeping possession of the land and of negotiating the Charge, investigating title, and registering the Charge and other necessary deeds, and generally in any other proceedings taken in connection with or to realize upon the security given in the Charge (including legal fees and real estate commissions and other costs incurred in leasing or selling the land or in exercising the power of entering, lease and sale contained in the Charge) shall be, with interest at the rate provided for in the Charge, a charge upon the land in favour of the Chargee pursuant to the terms of the Charge and the Chargee may pay or satisfy any lien, charge or encumbrance now existing or hereafter created or claimed upon the land, which payments with interest at the rate provided for in the Charge shall likewise be a charge upon the land in favour of the Chargee. Provided, and it is hereby further agreed, that all amounts paid by the Chargee as aforesaid shall be added to the principal amount secured by the Charge and shall be payable forthwith with interest at the rate provided for in the Charge, and on default all sums secured by the Charge shall immediately become due and payable at the option of the Chargee, and all powers in the Charge conferred shall become exercisable.

Power of Sale

9. The Chargee on default of payment for at least fifteen (15) days may, on at least thirty-five (35) days' notice in writing given to the Chargor, enter on and lease the land or sell the land. Such notice shall be given to such persons and in such manner and form and within such time as provided in the *Mortgages Act*. In the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable, it is agreed that notice may be effectually given by leaving it with a grown-up person on the land, if occupied, or by placing it on the land if unoccupied, or at the option of the Chargee, by mailing it in a registered letter addressed to the Chargor at his last known address, or by publishing it once in a newspaper published in the county or district in which the land is situate; and such notice shall be sufficient although not addressed to any person or persons by name or designation; and notwithstanding that any person to be affected thereby may be unknown, unascertained or under disability. Provided further, that in case default be made in the payment of the principal amount or interest or any part thereof and such default continues for two months after any payment of either falls due then the Chargee may exercise the foregoing powers of entering, leasing or selling or any of them without any notice, it being understood and agreed, however, that if the giving of notice by the Chargee shall be required by law then notice shall be given to such persons and in such manner and form and within such time as so required by law. It is hereby further agreed that the whole or any part or parts of the land may be sold by public auction or private contract, or partly

one or partly the other; and that the proceeds of any sale hereunder may be applied first in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the land or by reason of non-payment or procuring payment of monies, secured by the Charge or otherwise, and secondly in payment of all amounts of principal and interest owing under the Charge; and if any surplus shall remain after fully satisfying the claims of the Chargee as aforesaid same shall be paid as required by law. The Chargee may sell any of the land on such terms as to credit and otherwise as shall appear to him most advantageous and for such prices as can reasonably be obtained therefor and may make any stipulations as to title or evidence or commencement of title or otherwise which he shall deem proper, and may buy in or rescind or vary any contract for the sale of the whole or any part of the land and resell without being answerable for loss occasioned thereby, and in the case of a sale on credit the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of said purposes may make and execute all agreements and assurances as he shall think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease hereunder.

Quiet Possession

10. Upon default in payment of principal and interest under the Charge or in performance of any of the terms or conditions hereof, the Chargee may enter into and take possession of the land hereby charged and where the Chargee so enters on and takes possession or enters on and takes possession of the land on default as described in paragraph 9 herein the Chargee shall enter into, have, hold, use, occupy, possess and enjoy the land without the let, suit, hindrance, interruption or denial of the Chargor or any other person or persons whomsoever.

Right to Distrain

11. If the Chargor shall make default in payment of any part of the interest payable under the Charge at any of the dates or times fixed for the payment thereof, it shall be lawful for the Chargee to distrain therefor upon the land or any part thereof, and by distress warrant, to recover by way of rent reserved, as in the case of a demise of the land, so much of such interest as shall, from time to time, be or remain in arrears and unpaid, together with all costs, charges and expenses attending such levy or distress, as in like cases of distress for rent. Provided that the Chargee may distrain for arrears of principal in the same manner as if the same were arrears of interest.

Further Assurances

12. From and after default in the payment of the principal amount secured by the Charge or the interest thereon or any part of such principal or interest or in the doing, observing, performing, fulfilling or keeping of some one or more of the covenants set forth in the Charge then and in every such case the Chargor and all and every other person whosoever having, or lawfully claiming, or who shall have or lawfully claim any estate, right, title, interest or trust of, in, to or out of the land shall, from time to time, and at all times thereafter, at the proper costs and charges of the Chargor make, do, suffer, execute, deliver, authorize and register, or cause or procure to be made, done, suffered, executed, delivered, authorized and registered, all and every such further and other reasonable act or acts, deed or deeds, devises, conveyances and assurances in the law for the further, better and more perfectly and absolutely conveying and assuring the land unto the Chargee as by the Chargee or his solicitor shall or may be lawfully and reasonably devised, advised or required.

Acceleration of Principal and Interest

13. In default of the payment of the interest secured by the Charge the principal amount secured by the Charge shall, at the option of the Chargee, immediately become payable, and upon default of payment of instalments of principal promptly as the same mature, the balance of the principal and interest secured by the Charge shall, at the option of the Chargee, immediately become due and payable. The Chargee may in writing at any time or times after default waive such default and any such waiver shall apply only to the particular default waived and shall not operate as a waiver of any other or future default.

Unapproved Sale

14. If the Chargor sells, transfers, disposes of, leases or otherwise deals with the land, the principal amount secured by the Charge shall, at the option of the Chargee, immediately become due and payable.

Partial Releases

15. The Chargee may at his discretion at all times release any part or parts of the land or any other security or any surety for the money secured under the Charge either with or without any sufficient consideration therefor, without responsibility therefor, and without thereby releasing any other part of the land or any person from the Charge or from any of the covenants contained in the Charge and without being accountable to the Chargor for the value thereof, or for any monies except those actually received by the Chargee. It is agreed that every part or lot into which the land is or may hereafter be divided does and shall stand charged with the whole money secured under the Charge and no person shall have the right to require the mortgage monies to be apportioned.

Obligation to Insure

16. The Chargor will immediately insure, unless already insured, and during the continuance of the Charge keep insured against loss or damage by fire, in such proportions upon each building as may be required by the Chargee, the buildings on the land to the amount of not less than their full insurable value on a replacement cost basis in dollars of lawful money of Canada. Such insurance shall be placed with a company approved by the Chargee. Buildings shall include all buildings whether now or hereafter erected on the land, and such insurance shall include not only insurance against loss or damage by fire but also insurance against loss or damage by explosion, tempest, tornado, cyclone, lightning and all other extended perils customarily provided in insurance policies including "all risks" insurance. The covenant to insure shall also include where appropriate or if required by the Chargee, boiler, plate glass, rental and public liability insurance in amounts and on terms satisfactory to the Chargee. Evidence of continuation of all such insurance having been effected shall be produced to the Chargee at least fifteen (15) days before the expiration thereof; otherwise the Chargee may provide therefor and charge the premium paid and interest thereon at the rate provided for in the Charge to the Chargor and the same shall be payable forthwith and shall also be a charge upon the land. It is further agreed that the Chargee may at any time require any insurance of the buildings to be cancelled and new insurance effected in a company to be named by the Chargee and also of his own accord may effect or maintain any insurance herein provided for, and any amount paid by the Chargee therefor shall be payable forthwith by the Chargor with interest at the rate provided for in the Charge and shall also be a charge upon the land. Policies of insurance herein required shall provide that loss, if any, shall be payable to the Chargee as his interest may appear, subject to the standard form of mortgage clause approved by the Insurance Bureau of Canada which shall be attached to the policy of insurance.

Obligation to Repair

17. The Chargor will keep the land and the buildings, erections and improvements thereon, in good condition and repair according to the nature and description thereof respectively, and the Chargee may, whenever he deems necessary, by his agent enter upon and inspect the land and make such repairs as he deems necessary, and the reasonable cost of such inspection and repairs with interest at the rate provided for in the Charge shall be added to the principal amount and be payable forthwith and be a charge upon the land prior to all claims thereon subsequent to the Charge. If the Chargor shall neglect to keep the buildings, erections and improvements in good condition and repair, or commits or permits any act of waste on the land (as to which the Chargee shall be sole judge) or makes default as to any of the covenants, provisos, agreements or conditions contained in the Charge or in any charge to which this Charge is subject, all monies secured by the Charge shall, at the option of the Chargee, forthwith become due and payable, and in default of payment of same with interest as in the case of payment

before maturity the powers of entering upon and leasing or selling hereby given and all other remedies herein contained may be exercised forthwith.

Building Charge

18. If any of the principal amount to be advanced under the Charge is to be used to finance an improvement on the land, the Chargor must so inform the Chargee in writing immediately and before any advances are made under the Charge. The Chargor must also provide the Chargee immediately with copies of all contracts and subcontracts relating to the improvement and any amendments to them. The Chargor agrees that any improvement shall be made only according to contracts, plans and specifications approved in writing by the Chargee. The Chargor shall complete all such improvements as quickly as possible and provide the Chargee with proof of payment of all contracts from time to time as the Chargee requires. The Chargee shall make advances (part payments of the principal amount) to the Chargor based on the progress of the improvement, until either completion and occupation or sale of the land. The Chargee shall determine whether or not any advances will be made and when they will be made. Whatever the purpose of the Charge may be, the Chargee may at its option hold back funds from advances until the Chargee is satisfied that the Chargor has complied with the holdback provisions of the *Construction Lien Act* as amended or re-enacted. The Chargor authorizes the Chargee to provide information about the Charge to any person claiming a construction lien on the land.

Extensions not to Prejudice

19. No extension of time given by the Chargee to the Chargor or anyone claiming under him, or any other dealing by the Chargee with the owner of the land or of any part thereof, shall in any way affect or prejudice the rights of the Chargee against the Chargor or any other person liable for the payment of the money secured by the Charge, and the Charge may be renewed by an agreement in writing at maturity for any term with or without an increased rate of interest notwithstanding that there may be subsequent encumbrances. It shall not be necessary to deliver for registration any such agreement in order to retain priority for the Charge so altered over any instrument delivered for registration subsequent to the Charge. Provided that nothing contained in this paragraph shall confer any right of renewal upon the Chargor.

No Merger of Covenants

20. The taking of a judgment or judgments on any of the covenants herein shall not operate as a merger of the covenants or affect the Chargee's right to interest at the rate and times provided for in the Charge; and further that any judgment shall provide that interest thereon shall be computed at the same rate and in the same manner as provided in the Charge until the judgment shall have been fully paid and satisfied.

Change in Status

21. Immediately after any change or happening affecting any of the following, namely: *(a)* the spousal status of the Chargor, *(b)* the qualification of the land as a family residence within the meaning of Part II of the *Family Law Act*, and *(c)* the legal title or beneficial ownership of the land, the Chargor will advise the Chargee accordingly and furnish the Chargee with full particulars thereof, the intention being that the Chargee shall be kept fully informed of the names and addresses of the owner or owners for the time being of the land and of any spouse who is not an owner but who has a right of possession in the land by virtue of Section 19 of the *Family Law Act*. In furtherance of such intention, the Chargor covenants and agrees to furnish the Chargee with such evidence in connection with any of *(a)*, *(b)* and *(c)* above as the Chargee may from time to time request.

Condominium Provisions

22. If the Charge is of land within a condominium registered pursuant to the *Condominium Act* (the "Act") the following provisions shall apply. The Chargor will comply with the Act, and with the declaration, by-laws and rules of the condominium corporation (the "corporation") relating to the Chargor's unit (the "unit") and provide the Chargee with proof of compliance from time to time as the Chargee may request. The Chargor will pay the common expenses for the unit to the corporation on the due dates. If the Chargee decides to collect the Chargor's contribution towards the common expenses from the Chargor, the Chargor will pay the same to the Chargee upon being so notified. The Chargee is authorized to accept a statement which appears to be issued by the corporation as conclusive evidence for the purpose of establishing the amounts of the common expenses and the dates those amounts are due. The Chargor, upon notice from the Chargee, will forward to the Chargee any notices, assessments, by-laws, rules and financial statements of the corporation that the Chargor receives or is entitled to receive from the corporation. The Chargor will maintain all improvements made to the unit and repair them after damage. In addition to the insurance which the corporation must obtain, the Chargor shall insure the unit against destruction or damage by fire and other perils usually covered in fire insurance policies and against such other perils as the Chargee requires for its full replacement cost (the maximum amount for which it can be insured). The insurance company and the terms of the policy shall be reasonably satisfactory to the Chargee. This provision supersedes the provisions of paragraph 16 herein. The Chargor irrevocably authorizes the Chargee to exercise the Chargor's rights under the Act to vote, consent and dissent.

Discharge

23. The Chargee shall have a reasonable time after payment in full of the amounts secured by the Charge to deliver for registration a discharge or if so requested and if required by law to do so, an assignment of the Charge and all legal and other expenses for preparation, execution and registration, as applicable to such discharge or assignment shall be paid by the Chargor.

Guarantee

24. Each party named in the Charge as a Guarantor hereby agrees with the Chargee as follows:

(a) In consideration of the Chargee advancing all or part of the Principal Amount to the Chargor, and in consideration of the sum of TWO DOLLARS ($2.00) of lawful money of Canada now paid by the Chargee to the Guarantor (the receipt and sufficiency whereof are hereby acknowledged), the Guarantor does hereby absolutely and unconditionally guarantee to the Chargee, and its successors, the due and punctual payment of all principal moneys, interest and other moneys owing on the security of the Charge and observance and performance of the covenants, agreements, terms and conditions herein contained by the Chargor, and the Guarantor, for himself and his successors, covenants with the Chargee that, if the Chargor shall at any time make default in the due and punctual payment of any moneys payable hereunder, the Guarantor will pay all such moneys to the Chargee without any demand being required to be made.

(b) Although as between the Guarantor and the Chargor, the Guarantor is only surety for the payment by the Chargor of the moneys hereby guaranteed, as between the Guarantor and the Chargee, the Guarantor shall be considered as primarily liable therefor and it is hereby further expressly declared that no release or releases of any portion or portions of the land; no indulgence shown by the Chargee in respect of any default by the Chargor or any successor thereof which may arise under the Charge; no extension or extensions granted by the Chargee to the Chargor or any successor thereof for payment of the moneys hereby secured or for the doing, observing or performing of any covenant, agreement, term or condition herein contained to be done, observed or performed by the Chargor or any successor thereof; no variation in or departure from the provisions of the Charge; no release of the Chargor or any other thing whatsoever whereby the Guarantor as surety only would or might have been released shall in any way modify, alter, vary or in any way prejudice the Chargee or affect the liability of the Guarantor in any way under this covenant, which shall continue and be binding on the Guarantor, and as well after as before maturity of the Charge and both before and after default and judgment, until the said moneys are fully paid and satisfied.

(c) Any payment by the Guarantor of any moneys under this guarantee 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 Guarantor against the Chargor and the Guarantor shall, to the extent of any such payments made by him, 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 Guarantor; provided, nevertheless, that the Guarantor shall not be entitled in any event to rank for payment against the lands in competition with the Chargee and shall not, unless and until the whole of the principal, interest and other moneys owing on the security of the Charge shall have been paid, be entitled to any rights or remedies whatsoever in subrogation to the Chargee.

(d) All covenants, liabilities and obligations entered into or imposed hereunder upon the Guarantor shall be equally binding upon his successors. Where more than one party is named as a Guarantor all such covenants, liabilities and obligations shall be joint and several.

(e) The Chargee may vary any agreement or arrangement with or release the Guarantor, or any one or more of the Guarantors if more than one party is named as Guarantor, and grant extensions of time or otherwise deal with the Guarantor and his successors without any consent on the part of the Chargor or any other Guarantor or any successor thereof.

Severability

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

Interpretation

26. In construing these covenants the words "Charge", "Chargee", "Chargor", "land" and "successor" shall have the meanings assigned to them in Section 1 of the *Land Registration Reform Act* and the words "Chargor" and "Chargee" and the personal pronouns "he" and "his" relating thereto and used therewith, shall be read and construed as "Chargor" or "Chargors", "Chargee" or "Chargees", and "he", "she", "they" or "it", "his", "her", "their" or "its", respectively, as the number and gender of the parties referred to in each case require, and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted. And that all rights, advantages, privileges, immunities, powers and things hereby secured to the Chargor or Chargors, Chargee or Chargees, shall be equally secured to and exercisable by his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be. The word "successor" shall also include successors and assigns of corporations including amalgamated and continuing corporations. And that all covenants, liabilities and obligations entered into or imposed hereunder upon the Chargor or Chargors, Chargee or Chargees, shall be equally binding upon his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be, and that all such covenants and liabilities and obligations shall be joint and several.

Paragraph headings

27. The paragraph headings in these standard charge terms are inserted for convenience of reference only and are deemed not to form part of the Charge and are not to be considered in the construction or interpretation of the Charge or any part thereof.

Date of Charge

28. The Charge, unless otherwise specifically provided, shall be deemed to be dated as of the date of delivery for registration of the Charge.

Effect of Delivery of Charge

29. The delivery of the Charge for registration by direct electronic transfer shall have the same effect for all purposes as if such Charge were in written form, signed by the parties thereto and delivered to the Chargee. Each of the Chargor and, if applicable, the spouse of the Chargor and other party to the Charge agrees not to raise in any proceeding by the Chargee to enforce the Charge any want or lack of authority on the part of the person delivering the Charge for registration to do so.

DATED this day of , *(year)*

Properties

PIN	26613 - 0238 LT
Description	PART LOT 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON
Address	2499 NASH ROAD CLARINGTON
PIN	26613 - 0239 LT
Description	PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON
Address	2538 REGIONAL ROAD 57 CLARINGTON
PIN	26613 - 0240 LT
Description	PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON
Address	2494 REGIONAL ROAD 57 CLARINGTON

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	BROOKHILL HOLDINGS INC.
Address for Service	56 The Esplanade, Suite 406 Toronto, Ontario, M5E 1A7

I, Giuseppe Valela, President, have the authority to bind the corporation.

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

Party To(s) *Capacity* *Share*

Name	HILLMOUNT CAPITAL INC.
Address for Service	89 Tycos Drive, Suite 208 Toronto, Ontario, M6B 1W3

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, DR1716079 registered on 2018/07/04 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Liya Rakhshan	5001 Yonge St., suite 301 Toronto M2N 6P6	acting for Applicant(s)	Signed	2018 06 29

Tel 416-223-9191

Fax 416-223-9405

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

Liya Rakhshan	5001 Yonge St., suite 301 Toronto M2N 6P6	acting for Party To(s)	Signed	2018 06 29

Tel 416-223-9191

Fax 416-223-9405

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

Submitted By

MEYER, WASSENAAR & BANACH	5001 Yonge St., suite 301 Toronto M2N 6P6	2018 07 04

Tel 416-223-9191

Fax 416-223-9405

Fees/Taxes/Payment

Statutory Registration Fee	$63.65
Total Paid	$63.65

File Number

Party To Client File Number :	2018-1276 JF/LL

THIS INDENTURE made on the 24th day of May, 2018.

B E T W E E N :

BROOKHILL HOLDINGS INC.

(hereinafter called the "**Mortgagor**")

OF THE FIRST PART

- A N D -

HILLMOUNT CAPITAL INC.

(hereinafter called the "**Mortgagee**")

OF THE SECOND PART

WHEREAS:

A: The Mortgagee is advancing to the Mortgagor the sum of **Four Million Two Hundred Thousand Dollars ($4,200,000.00)** upon the security of a Charge/Mortgage, (the "**Mortgage**") registered in the Land Titles Office for the Land Registry Office for Registry Division of Durham (No.40) and made by the Mortgagor in favour of the Mortgagee on the security of the lands and premises owned by the Mortgagor and described herein under "Properties" on page 1 hereof, which lands and all buildings at any time thereon during the existence of the Mortgage are herein referred to as the "**Mortgaged Premises**";

B: As a condition precedent of making the aforesaid mortgage loan, the Mortgagee has required an assignment to the Mortgagee; its heirs, executors, administrators, successors and assigns, as additional security for the observance and performance by the Mortgagor of its covenants and agreements contained in the Mortgage, all rents and other monies due or accruing due or at any time hereafter to become due and payable and all of the other rights of the Mortgagor under:

(i) all present and future leases, agreements to lease and subleases of any part of the Mortgaged Premises and all tenancies, present or future licences affording any person a right to use or occupy any part of the Mortgaged Premises, in such case for the time being in effect, and all revisions, alterations, modifications, amendments, changes, extensions, renewals, replacements, or substitutions thereof or therefore which are now or may hereafter be effected or entered into (hereinafter collectively referred to as the "**Leases**");

(ii) all present and future (i) guarantees of any or all of the obligations of any tenant (which term means any person who now or hereafter is a party to a Lease for the time being in effect and has any right of use or occupancy of all or any part of the Mortgaged Premises under a Lease); (ii) indemnities in respect of all or any of the obligations of any Tenant under any Lease and (iii) arrangements with a similar person for any other person to take over all or part of the balance of the term of any tenant under any Lease, and all revisions, alterations, modifications, amendments, changes, extensions, renewals, replacements and substitutions thereof or therefore which may hereafter be effected or entered into (hereinafter collectively referred to as the "**Guarantee of Leases**").

NOW THEREFORE this Indenture witnesseth that in consideration of the premises and the sum of TWO ($ 2.00) DOLLARS now paid by the Mortgagee to the Mortgagor (the receipt and sufficiency whereof is hereby acknowledged):

1. The granting of this assignment does not derogate from the Mortgagor's obligation under the Mortgage not to lease, rent or part with possession of the Mortgaged Premises without first obtaining the Mortgagee's prior written consent, which consent may be unreasonably withheld.

   Subject to paragraph 2 hereof, the Mortgagor hereby assigns, transfers and sets over unto the Mortgagee, its heirs, executors, administrators, successors and assigns, (a) The Leases and Guarantees of Leases; and (b) all rents and other monies now due or accruing due or at any time hereafter to become due and payable under each and every Lease and Guarantee of Leases, all other obligations of the other parties thereto and all benefits, advantages and powers to be derived therefrom; with full power and authority in each case to demand, sue for, recover, receive and give receipts for all rents and other moneys payable thereunder; to have and to hold unto the Mortgagee until all moneys owing and all obligations of the Mortgagor in respect of the Mortgage have been fully paid and fulfilled and after the Mortgage has been fully released and discharged this Agreement shall be void and of no further effect.

2. It is the intention of the parties hereto that this instrument shall be a present assignment provided that the Mortgagee shall not exercise any rights or remedies herein given to it until the Mortgagor is in default under any of the terms and provisions of the Mortgage or of this assignment. Until such default, the Mortgagor shall be permitted to collect, take, retain and use or permit the collection, taking, retention and use of the rents and revenues from the Mortgaged Premises. Default under this Indenture shall constitute default under the Mortgage.

3. (a) At any time, whether or not the Mortgagor is in default hereunder and whether or not the Mortgagee has determined to enforce the security hereof, upon request by the Mortgagee, the Mortgagor will promptly deliver, to the extent that the same have not been previously delivered, to the Mortgagee a copy of any or all of the Leases and any Guarantees of Leases;

   (b) The Mortgagor covenants and agrees that all the obligations of the Lessor or Licensor under each of the Leases will be observed and performed except to the extent that such observance or performance may be waived by the obligees;

   (c) The Mortgagor covenants and agrees that it will, from time to time, on request by the Mortgagee, execute or join in the execution of and deliver to the Mortgagee any one or more of the following which shall be subject to this Indenture:

      (i) A Specific Assignment of all of the rights, title and interest of the Mortgagor as Lessor or Licensor in, to, under, or in respect of all rents and other moneys now due and payable under any one or more of the Leases and any Guarantees of Leases;

      (ii) A Specific Assignment of all the right, title and interest of the Mortgagor, as Lessor or Licensor in, to, under or in respect of any of the Leases, all rent or other moneys now due and payable or hereafter to become due and payable thereunder, all other obligations of the other parties thereunder and all the benefits, advantages and powers to be derived therefrom and each and every Guarantee of Lease, with full power and authority to demand, sue for, recover, receive and give receipts for all rents and other moneys payable thereunder and otherwise to enforce the rights of the Mortgagor thereunder in the name of the Mortgagor;

4. Whenever the Mortgagor has been in default under any of the terms or provisions of the Mortgage, the Mortgagee shall be entitled to enter into possession of the Mortgaged Premises and collect the rents and revenues thereof, distrain in the name of the Mortgagor for the same and appoint its agents to manage the Mortgaged Premises and pay such agents reasonable charges for their services and charge the same to the account of the Mortgagor; and that any agents so appointed by the Mortgagee shall have the authority and power:

(a) to make any Lease or Leases of the Mortgaged Premises or of any part thereof at such rent and on such terms as the Mortgagee in its discretion may consider proper and to cancel or surrender existing Leases, to alter or amend the terms of existing Leases, to renew existing Leases, or to make concessions to Tenants as the Mortgagee in its discretion may consider proper;

(b) to manage generally the Mortgaged Premises to the same extent as the Mortgagor could do; and

(i) to collect the rents and revenues and give good and sufficient receipts and discharges therefor, and in their discretion, distrain in the name of the Mortgagor for such rents and revenues;

(ii) to pay all insurance premiums, taxes, necessary repairs, renovations and upkeep, carrying charges, rent or lease commissions, salary of any janitor or caretaker, cost of heating, and any and all payments due on the Mortgage to the Mortgagee;

(iii) to accumulate the rents and revenues in such agent's hands in a reasonable amount to make provision for maturing payments of interest and principal on the Mortgage, and for the payments of taxes, insurance, heating, repairs, renovations and upkeep, costs and expenses of collection of rents and revenues, and other expenses or carrying charges connected with the Mortgaged Premises.

5. Where any discretionary powers hereunder are vested in the Mortgagee or its agents, the same may be exercised by any officer, investment manager or manager of the Mortgagee or its appointed agents, as the case may be.

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

7. That whenever any and all default under the Mortgage has been cured, and all taxes and insurance on the Mortgaged Premises have been paid to date, and all moneys which the Mortgagee or its agents may have expended or become liable for in connection with the Mortgaged Premises have been fully repaid, then the Mortgagee, shall redeliver possession of the Mortgaged Premises to the Mortgagor and the Mortgagor shall resume collection of the rents or revenues on the Mortgaged Premises until further default has occurred as aforesaid, and shall thereupon also be permitted to receive any remaining balance of the rents and revenues realized from the Mortgaged Premises.

8. That the Mortgagor warrants that it has not, and covenants that it shall not, at any time during the existence of the Mortgage, assign, pledge or hypothecate any Lease or Leases

now or hereafter existing in respect of the Mortgaged Premises or the rents and revenues due or to become due thereunder, or any part thereof, other than to the Mortgagee; and the Mortgagor shall not, at any time during the existence of the Mortgage, commit, either by act or omission, any breach of covenant on the part of the Lessor under any of the Leases to be observed and performed, terminate, accept a surrender of, or amend in any manner, any Lease or Leases now or hereafter existing in respect of the Mortgaged Premises, or receive or permit the payment of any rents or revenues by anticipation in respect thereof, cxcept as provided in the Leases, without the consent in writing of the Mortgagee, which consent shall not be arbitrarily or unreasonably withheld.

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

10. The Mortgagor agrees that the Mortgagor will not lease or agree to lease any part of the Mortgaged Premises except at a rent, on terms and conditions and to tenants which are not less favorable or desirable to the Mortgagor than those which a prudent landlord carrying on the business of rental housing would expect to receive from the premises to be leased.

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

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

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

14. That the rights or remedies given to the Mortgagee hereunder shall be cumulative of and not substituted for any rights or remedies to which the Mortgagee may be entitled under the Mortgage or at Law.

15. That the terms and conditions hereof shall be binding upon and enure to the benefit of tbe heirs, executors, administrators, successors and assigns of the parties hereof as the case may be.

16. A discharge of the Mortgage in favour of the Mortgagor shall operate as a reassignment of this Assignment of Rents.

PROVIDED that it is hereby agreed that in construing this Indenture the words "Mortgagor" or "Mortgagors" or "Mortgagee" or "Mortgagees", and "he", "she", "they" or "it", "his", "her", "their", or "its", respectively, as the number and gender of the parties referred to in each case require, and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted. And that all rights, advantages, privileges, immunities, powers and things hereby secured to the Mortgagor or Mortgagors, Mortgagee or Mortgagees, shall be equally secured to and exercisable by his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be. And that all covenants, liabilities and obligation entered into or imposed hereunder upon the Mortgagor or Mortgagors, Mortgagee or Mortgagees, shall be equally binding upon his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be, and that all such covenants and liabilities and obligations shall be joint and several.

DATED at Toronto, this 13th day of June, 2018.

BROOKHILL HOLDINGS INC.

Per:
Name: Giuseppe Valela
Title: President
I have authority to bind the corporation.

EXHIBIT “E”

This is Exhibit “E” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

ASSIGNMENT OF RIGHTS UNDER AGREEMENTS OF PURCHASE AND SALE

THIS ASSIGNMENT made this 24th day of May, 2018.

BY: **Brookhill Holdings Inc.**

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

OF THE FIRST PART,

TO: **Hillmount Capital Inc.**

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

OF THE SECOND PART.

WHEREAS the Assignor is the registered owner of the lands more particularly described in Schedule "A" attached hereto (hereinafter called the "Lands");

AND WHEREAS the Assignor is or is about to become indebted to the Assignee in the sum of up to **Four Million Two Hundred Thousand Dollars ($4,200,000.00)** pursuant to the terms of a commitment letter from Hillmount Capital Inc. in favour of the Assignor dated May 3, 2018 (the "**Commitment**") wherein the Assignee has agreed to provide financing for the Lands;

AND WHEREAS the Assignor has entered into and/or will be entering into Agreements of Purchase and Sale for the sale of lots/units to be developed on the Lands (hereinafter called the "**Agreements**");

AND WHEREAS as additional security to the Commitment, the Assignor has agreed to assign to the Assignee all its rights, benefits and privileges under the Agreements together with any and all deposits and sale proceeds either received or to be received by the Assignor pursuant to the Agreements;

NOW THEREFORE this agreement witnesseth that in consideration of TWO DOLLARS ($2.00) and other good and valuable consideration, (the receipt and sufficiency of which is hereby acknowledged by the parties), the parties hereto agree as follows:

1. The Assignor hereby assigns and transfers to the Assignee all its rights, benefits and privileges under the Agreements together with any and all deposits and sale proceeds either received or to be received by the Assignor pursuant to the Agreements.

2. Although it is the intention of the parties that this assignment shall be a present assignment, it is expressly understood and agreed, notwithstanding anything herein contained to the contrary, that the Assignee shall not exercise any of the rights or powers herein conferred upon it (except for the Assignee's right to receive all sale proceeds (including deposits) received or to be received by the Assignor pursuant to the Agreements, or any one of them), until default shall occur under the terms and provisions of this assignment or under the Commitment, but upon the occurrence of any such default, this assignment shall constitute a direction and full authority to any purchaser under the Agreements, or any one of them, to deal with respect to all matters of the Agreements, or any one of them, exclusively with the Assignee as if the Assignee was the vendor thereunder, and such purchaser is hereby irrevocably authorized and directed by the Assignor to rely upon any notice from the Assignee as to the authority to act as the vendor in all respects pursuant to the Agreements, or any one of them, without requiring any further proof of such authority but such assignment shall not impose any liability on the Assignee as more fully set out in paragraph 4 hereof.

3. It is agreed and understood that all purchasers' deposits received by the Assignor will be applied as follows:

All deposits are to held in a solicitor's trust account of a solicitor approved by the Assignee, and the Assignor hereby irrevocably undertakes to remit the deposits received as aforesaid, and the Assignor's failure to do so, at the Assignee's option, shall be an event of default hereunder and under the Commitment.

4. In the exercise of the powers herein granted to the Assignee no liability shall be asserted or enforced against the Assignee, all such liability being expressly waived and released by the Assignor. The Assignee shall not be obligated to perform or discharge any obligation, duty or liability under the Agreements, or any one of them, unless and until the Assignee expressly and specifically agrees to do so in writing by separate instrument and until such time all parties shall look strictly to the Assignor for the performance and discharge of any and all obligations under the Agreements, or any one of them. The Assignor shall and does hereby agree to indemnify the Assignee from and to save and hold it harmless of and from any and all liabilities, losses, expenses, costs or damages which it may or might incur by reason of this assignment.

5. The Assignor hereby agrees to deliver to the Assignee any and all copies of the Agreements presently existing and all future Agreements and not to amend, vary or in any other manner deal with the Agreements, or any one of them, without the Assignee's written consent until this assignment is exercised or released or re-assigned by the Assignee to the Assignor.

6. The Assignor and the Assignee agree that failure of the Assignor to deliver to the Assignee all original Agreements, or any one of them, or to perform any other obligation under this Agreement shall be deemed a default pursuant to the Commitment.

7. Nothing herein shall be deemed a derogation from or waiver of the rights of each purchaser under the Agreements, or any one of them, as against the Assignor pursuant to the terms of the Agreements, or any one of them.

8. This Assignment is given as further security for the performance of the Assignor's obligations under the Commitment and, in the event of the exercise of the Assignee's rights hereunder, the Assignee shall have the right to apply any sale proceeds or deposits received by it hereunder at its discretion as against principal, interest or costs owing pursuant to the Commitment provided always that upon satisfaction in full of the indebtedness owing to the Assignee under the Commitment, all rights, benefits and privileges under the Agreements shall be deemed to be re-assigned and the Assignee shall account for any excess monies held by it pursuant hereto (if any) to the Assignor.

9. The Assignor represents and warrants that it has the authority to assign its rights, benefits and privileges under the Agreements and that it has not already assigned said rights, benefits and privileges to another party.

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

IN WITNESS WHEREOF the parties have executed these presents under their respective hands and seals duly attested to by their proper signing officers in that regard duly authorized.

SIGNATURES ON THE FOLLOWING PAGE

DATED at Toronto, this 18th day of June, 2018.

BROOKHILL HOLDINGS INC.

Per:
Name: Giuseppe Valela
Title: President
I have authority to bind the corporation.

The undersigned Guarantors execute this agreement to acknowledge the provisions of paragraph 3 hereof.

GUARANTORS

BROOKHILL DEVELOPMENT INC.

Per:
Name: Guiseppe Valela
Title: President

Per:
Name: Domenic Fazari
Title: Secretary

We have authority to bind the corporation.

FORTRESS BROOKHILL INC.

Per:
Name: Jawad Rathore
Title: President

Per:
Name: Vince Petrozza
Title: Secretary

We have authority to bind the corporation.

Vincenzo Petrozza

Jawad S. Rathore

DATED at Richmond Hill this 14 day of June, 2018.

BROOKHILL HOLDINGS INC.

Per: ____________________
Name: Giuseppe Valela
Title: President
I have authority to bind the corporation.

The undersigned Guarantors execute this agreement to acknowledge the provisions of paragraph 3 hereof.

GUARANTORS

BROOKHILL DEVELOPMENT INC.

Per: ____________________
Name: Guiseppe Valela
Title: President

Per: ____________________
Name: Domenic Fazari
Title: Secretary

We have authority to bind the corporation.

FORTRESS BROOKHILL INC.

Per: ____________________
Name: Jawad Rathore
Title: President

Per: ____________________
Name: Vince Petrozza
Title: Secretary

We have authority to bind the corporation.

____
Vincenzo Petrozza

____
Jawad S. Rathore

SCHEDULE "A"

FIRSTLY: PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0238 LT), municipally known as 2499 Nash Road, Clarington, Ontario
SECONDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0239 LT), municipally known as 2494 Regional Road 57, Clarington, Ontario
THIRDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0240 LT), municipally known as 2538 Regional Road 57, Clarington, Ontario
Municipality of Clarington
Regional Municipality of Durham
Land Registry Office for Registry Division of Durham (No.40)

EXHIBIT “F”

This is Exhibit “F” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

ASSIGNMENT OF CONSTRUCTION CONTRACTS

THIS AGREEMENT made this 24th day of May, 2018.

BETWEEN:

BROOKHILL HOLDINGS INC.,

(hereinafter called the "Assignor")

- and -

HILLMOUNT CAPITAL INC.

(hereinafter called the "Assignee")

WHEREAS the Assignor is the registered owner of those lands and premises legally described on Schedule "A" annexed hereto (the "Lands").

AND WHEREAS the Assignor has entered into or will be entering into certain contracts (hereinafter called the "**Contracts**") for the provision of materials, equipment and services to the Lands in connection with the development of the Lands.

AND WHEREAS the Assignor is or is about to become indebted to the Assignee in the sum of up to **Four Million Two Hundred Thousand Dollars ($4,200,000.00)** pursuant to the terms of a commitment letter from Hillmount Capital Inc. in favour of the Assignor dated May 3, 2018 (the "**Commitment**") and, as security for the indebtedness, have agreed to assign to the Assignee, upon the terms and conditions hereinafter set out, all of it's right, title and interest in and to the Contracts;

NOW THEREFORE THIS INDENTURE WITNESSETH that, for good and valuable consideration and the sum of TWO ($2.00) DOLLARS paid by the Assignee to the Assignor, receipt and adequacy whereof is hereby acknowledged:

1. The Assignor hereby transfers, assigns and sets over unto the Assignee all of its right, title and interest in and to the Contracts and any warranties derived from the Contracts (the "Warranties") and all benefits and advantages to be derived therefrom and including any and all performance bonds issued in favour of the Assignor in connection therewith, as general and continuing security for the repayment of the said indebtedness to the Assignee and all interest thereon and all costs, charges and expenses arising therefrom.

2. The Assignor covenants and warrants that the Contracts and Warranties contain the entire agreements between the parties thereto relating to the improvements to be constructed at the site therein described. The Assignor further warrants that the Contracts and Warranties are in good standing and are in full force and effect, unamended. The Assignor agrees that it will not materially amend the Contracts and Warranties without first obtaining the prior written consent of the Assignee.

3. The Assignee and its nominees are hereby empowered to exercise and enjoy all rights and powers conferred to the Assignor pursuant to the Contracts and Warranties, provided that nothing herein contained shall obligate the Assignee to so do nor shall anything contained herein be deemed to have the effect of making the Assignee responsible for the performance of the obligations of the Assignor pursuant to the Contracts and Warranties.

4. Any and all rights of the Assignee under this Agreement may be exercised by any trustee or receiver appointed at the instance of or for the benefit of the Assignee.

5. This Agreement and the security interest hereby conferred in favour of the Assignee are in addition to and not in substitution for any other security held by the Assignee and shall not

operate as a merger of any debt or suspend the fulfilment of, or affect the rights, remedies and powers of the Assignee in respect of the indebtedness of the Assignor to the Assignee or in respect of any securities held by the Assignee for the fulfilment thereof.

6. Upon payment in full of the indebtedness of the Assignor to the Assignee pursuant to the Commitment or any security documents arising therefrom and all other costs, charges and expenses related thereto, the Contracts and Warranties shall be deemed to have been re-assigned to the Assignor.

7. Although it is the intention of the parties that this instrument shall be a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that the Assignee shall not exercise any of the rights or powers herein conferred upon it until a default shall occur under the terms and provisions of this Agreement or a default shall occur pursuant to the Commitment or any security documents arising therefrom, but upon the occurrence of any such default, the Assignee shall immediately be entitled at its sole option to exercise any of the rights and privileges afforded it pursuant to this Agreement and until such option is exercised the Assignee shall have no obligations whatsoever pursuant to the Contracts and Warranties.

8. The Assignor covenants and agrees that it will from time to time at the request of the Assignee and at the Assignor's cost do such further and other things and execute and deliver such further and other documents, assignments and assurances as the Assignee, acting reasonably, may require in order to more fully and effectually give force and effect to the within Agreement.

THIS AGREEMENT shall be binding upon the Assignor and its successors and assigns and shall enure to the benefit of the Assignee and its successors and assigns.

SIGNATURES ON THE FOLLOWING PAGE

IN WITNESS WHEREOF the Assignor has hereunto placed its hand and seal.

DATED at Toronto, this 18th day of June, 2018.

BROOKHILL HOLDINGS INC.

Per:
Name: ~~Giuseppe~~ Valela
Title: President
I have authority to bind the corporation.

SCHEDULE "A"
(legal description)

FIRSTLY: PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0238 LT), municipally known as 2499 Nash Road, Clarington, Ontario
SECONDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0239 LT), municipally known as 2494 Regional Road 57, Clarington, Ontario
THIRDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0240 LT), municipally known as 2538 Regional Road 57, Clarington, Ontario

ASSIGNMENT OF MUNICIPAL APPROVALS

TO: **Hillmount Capital Inc., and its assigns (the "Lender")**

AND TO: **its solicitors, Meyer, Wassenaar & Banach, LLP ("MWB")**

RE: **Charge given by Brookhill Holdings Inc. (the "Borrower") in favour of the Lender (the "Charge") against the title to:**
FIRSTLY: PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0238 LT), municipally known as 2499 Nash Road, Clarington, Ontario
SECONDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0239 LT), municipally known as 2494 Regional Road 57, Clarington, Ontario
THIRDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0240 LT), municipally known as 2538 Regional Road 57, Clarington, Ontario
(the "Property")

The undersigned, Brookhill Holdings Inc., hereby assigns, transfers and sets over to the Lender all of its right, title and interest in all municipal approvals respecting the development of the Property.

This assignment shall not impose any liability or obligation on the Lender respecting compliance with such approvals.

The Lender shall not exercise any of the rights or powers herein conferred upon it until default shall occur under the Charge or under the Commitment relating thereto.

Upon repayment in full of the Charge, the within Assignment shall become null and void.

SIGNATURES ON THE FOLLOWING PAGE

DATED the 18th day of June, 2018.

BROOKHILL HOLDINGS INC.

Per:
Name: Giuseppe Valela
Title: President
I have authority to bind the corporation.

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ASSIGNMENT OF PLANS AND REPORTS

THIS AGREEMENT made this 24th day of May, 2018.

B E T W E E N :

BROOKHILL HOLDINGS INC.,

(hereinafter called the "Assignor")

- and -

HILLMOUNT CAPITAL INC.

(hereinafter called the "Assignee")

WHEREAS the Assignor is the registered owner of those lands and premises legally described as FIRSTLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0238 LT), municipally known as 2499 Nash Road, Clarington, Ontario
SECONDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0239 LT), municipally known as 2494 Regional Road 57, Clarington, Ontario
THIRDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0240 LT), municipally known as 2538 Regional Road 57, Clarington, Ontario and municipally known as 2494 Nash Road, Clarington, Ontario (the "Lands").

AND WHEREAS the Assignor has in conjunction with the development of the Lands, entered into certain contracts for the provisions of architectural and engineering services, which services include, rendering of plans and drawing, working drawings, surveys, engineering plans, specifications, studies and reports relating to the development of the Lands (the "Plans and Reports").

AND WHEREAS the Assignor is or is about to become indebted to the Assignee in the sum of up to **Four Million Two Hundred Thousand Dollars ($4,200,000.00)** pursuant to the terms of a commitment letter from Hillmount Capital Inc. in favour of the Assignor dated May 3, 2018 (the **"Commitment"**) and, as security for the indebtedness, have agreed to assign to the Assignee, upon the terms and conditions hereinafter set out, all of it's right, title and interest in and to the Plans and Reports;

NOW THEREFORE THIS INDENTURE WITNESSETH that, for good and valuable consideration and the sum of TWO ($2.00) DOLLARS paid by the Assignee to the Assignor, receipt and adequacy whereof is hereby acknowledged:

1. The Assignor hereby transfers, assigns and sets over unto the Assignee all of its right, title and interest in and to the Plans and Reports and all benefits and advantages to be derived therefrom.

2. The Assignee and its nominees are hereby empowered to exercise and enjoy all rights and powers conferred to the Assignor pursuant to the Plans and Reports.

THIS AGREEMENT shall be binding upon the Assignor and its successors and assigns and shall enure to the benefit of the Assignee and its successors and assigns.

SIGNATURES ON THE FOLLOWING PAGE

IN WITNESS WHEREOF the Assignor has hereunto placed its hand and seal.

DATED at Toronto, this 18th day of June, 2018.

BROOKHILL HOLDINGS INC.

Per:
Name: Giuseppe Valela
Title: President
I have authority to bind the corporation.

EXHIBIT "G"

This is Exhibit “G” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R.Bengino

A Commissioner for taking affidavits

GUARANTEE

THIS INDENTURE made in duplicate the 24th day of May.

BY:

BROOKHILL DEVELOPMENT INC., FORTRESS BROOKHILL INC., VINCENZO PETROZZA AND JAWAD S. RATHORE

hereinafter collectively called the "Guarantor",

IN FAVOUR OF:

HILLMOUNT CAPITAL INC.

hereinafter called the "Lender".

WHEREAS the Lender issued a Commitment Letter in favour of Brookhill Holdings Inc. (hereinafter called the "Borrower") dated May 3, 2018, respecting the provision of mortgage financing for the properties municipally known as **2499 Nash Road, Clarington, Ontario, 2494 Regional Road 57, Clarington, Ontario and 2538 Regional Road 57, Clarington, Ontario** (collectively, the "**Property**");

AND WHEREAS the said Commitment Letter, as amended (if applicable) is hereinafter called the "**Commitment Letter**";

AND WHEREAS pursuant to the Commitment Letter, the Borrower has given a Charge/Mortgage in favour of the Lender in the principal sum of **Four Million Two Hundred Thousand Dollars ($4,200,000.00)** respecting the Property (the "**Mortgage**");

AND WHEREAS, for good and valuable consideration, the Guarantor has agreed to guarantee the due payment and performance of the obligations of the Borrower to the Lender under or pursuant to the Security Documents;

AND WHEREAS capitalized but undefined terms used herein shall have the meanings ascribed thereto in the Mortgage.

NOW THEREFORE THIS INDENTURE WITNESSETH THAT, in consideration of the Lender making the Loan and the sum of ONE DOLLAR ($1.00) of lawful money of Canada now paid by the Lender to the Guarantor (the receipt and sufficiency of which is hereby acknowledged by the Guarantor), the Guarantor does hereby covenant and agree with the Lender, as principal debtor and not as surety and, if more than one guarantor, on a joint and several basis, that it will pay or cause to be paid to the Lender all monies payable under or pursuant to the Mortgage and the Security Documents as and when same fall due, as well as all damages, costs, legal costs as between a solicitor and his own client, charges and expenses which may become due or payable to the Lender pursuant to the Security Documents or enforcement thereof, and that the Guarantor will well and truly observe and perform all of the covenants, terms and conditions of the Security Documents to be observed and performed by the Borrower (all of which promises to pay, observe and perform being hereinafter collectively referred to as the "Liabilities");

AND, in furtherance of the foregoing:

1. The Guarantor hereby undertakes and agrees to indemnify and hold harmless the Lender from and against any and all liability, loss, harm, damage or expense, including legal fees on a solicitor and client basis, which it may suffer, incur or sustain by reason of the default of the Borrower under the Loan Documents or any of them.

2. As between the Guarantor and the Lender, the Guarantor is and shall continue to be liable as a principal debtor, notwithstanding the bankruptcy of the Borrower or any act in connection with this guarantee, any agreement between the Lender and the Borrower or any security held by the Lender, whereby the Guarantor would otherwise be released or exonerated from its obligations under this guarantee including, without limitation, the granting of time or other indulgences to the Borrower, the giving up, discharging, releasing, abandoning, modification, variation, exchange, renewal, assigning, or abstinence from perfecting or taking advantage of any security given or to be given to the Lender by the Borrower or the Guarantor, in whole or in part, the discharge of any part or parts of or acceptance of any composition or arrangement or realization upon any security

given or to be given to the Lender by the Borrower or the Guarantor, or any neglect or omission with respect to any security given to the Lender by the Borrower or the Guarantor. No release of the Borrower or any other thing whatsoever whereby the Guarantor as surety only would or might have been released shall in any way modify, alter, vary or in any way prejudice the Lender or affect the liability of the Guarantor in any way under this covenant, which shall continue and be binding on the Guarantor, and as well after as before maturity of the Mortgage and both before and after default and judgment, until the Liabilities are fully paid and satisfied.

3. The Guarantor shall continue to remain liable on any guarantee, covenant and agreement notwithstanding:

   (i) Any extension of time or extensions of time from time to time which may be given by the Lender(s) to the Borrower for payment, observance, performance or fulfilment of any liabilities, indebtedness, agreements or obligations hereby guaranteed and the Guarantor hereby covenants and agrees with the Lenders that payment shall be made in accordance with such extension or extensions of time and that if payments are not made in accordance with such extension or extensions of time the Guarantor shall make or cause to be made the payments in accordance with such extension of time;

   (ii) Realization of any securities now or hereafter held by the Lender; and

   (iii) Doing or omitting to do any other act, matter or thing whatsoever with relation to the Liabilities hereby guaranteed or any security or securities now or hereafter held in respect thereof or any part of same.

   The Liabilities of the Guarantor shall continue and be binding on the Guarantor, and as well after as before default and after as before maturity of the Mortgage, until the Liabilities are fully paid and satisfied.

4. Any account settled or stated by or between the Lender and the Borrower or admitted by or on behalf of the Borrower may be adduced by the Lender and shall in that case be accepted by the Guarantor as conclusive evidence that the balance or amount thereof thereby appearing is due by the Borrower to the Lender.

5. The Guarantor will not at any time claim to be subrogated in any manner to the position of the Lender and will not claim the benefit of any security at any time held by the Lender.

6. The Lender shall not be bound to exhaust its recourses against the Borrower before requiring payment from the Guarantor and the Lender may enforce all available remedies and realize upon securities held or any part thereof in the order that it may determine.

7. Any change or changes in the name of the Borrower shall not affect or in any way limit or lessen the liability of the Guarantor hereunder.

8. The Guarantor agrees that:

   a. The covenants of the Guarantor hereunder shall continue for the full term of the Mortgage including any renewal thereof, unless a release in writing has been authorized by the Lender and shall be binding upon the successors and permitted assigns of the Guarantor;

   b. It is the intention of the parties that if for any reason the Borrower has no legal existence and is or becomes under no legal obligation to discharge the monies secured by the Mortgage or if any monies owing by the Borrower to the Lender become irrecoverable from the Borrower by operation of law or for any reason whatsoever, this covenant and the covenants, agreements and obligations of the Guarantor contained herein shall nevertheless be binding upon the Guarantor as principal debtor until such time as the Indebtedness owing by the Borrower to the Lender have been paid in full and the liabilities secured by the Mortgage have been discharged.

c. This covenant shall be in addition to and not in substitution for any other guarantees or other securities which the Lender may now or hereafter hold in respect of the monies secured by the Mortgage and the Lender shall be under no obligation to marshal in favour of the Guarantor any other covenants or other securities or any monies or other assets which the Lender may be entitled to receive or may have a claim upon; and no loss of or in respect of or unenforceability of any other covenants or other securities which the Lender may now or hereafter hold in respect of the monies secured by the Mortgage and the Security Documents whether occasioned by the fault of the Lender or otherwise shall in any way limit or lessen the Guarantor's liability;

d. The Guarantor agrees that the Lender shall not be obliged to make any demand upon, or take any proceedings, or action against the Borrower or any other person before pursuing its rights against the Guarantor pursuant hereto. In the event that Lender in its absolute discretion makes demand upon the Guarantor, the Guarantor shall be held and be bound to the Lender directly as principal debtor in respect of the payment of the amounts hereby guaranteed; and

e. The Guarantor shall not raise, in any proceedings concerning the enforcement of the Security Documents or this Guarantee, any defences relating to any alleged invalidity or unenforceability of any of the Security Documents, or any of the provisions thereof. This provision may be pleaded by the Lender as an estoppel in any such proceedings.

9. Should the Lender receive from the Guarantor a payment or payments in full or on account of its liability under this guarantee, the Guarantor shall not be entitled to claim repayment against the Borrower or the Borrower's estate until the Lender's claims against the Borrower have been paid in full and in case of the liquidation, winding up or bankruptcy of the Borrower (whether voluntary or compulsory) or if the Borrower makes a bulk sale of any of its assets within the provisions of any Bulk Sales Act or any composition with creditors or scheme of arrangements, the Lender shall have the right to rank for its full claim and receive all dividends or other payments in respect thereof until its claim has been paid in full, and the Guarantor shall continue liable up to the amount guaranteed (less any payments made by the Guarantor) for any balance which may be owing to the Lender on any of its securities and/or the retention thereof by the Lender, such valuation and/or retention shall not, as between the Lender and the Guarantor, be considered as a purchase of such security or as payment or satisfaction or reduction of the Borrower's liability to the Lender or any part thereof.

10. The Guarantor shall make payments to the Lender of the amount of the liability of the Guarantor hereunder forthwith after demand therefor made in writing, and such demand shall be deemed to have been effectually made when an envelope containing it addressed to the Guarantor at the last address of any of the Guarantor known to the Lender is sent by registered mail and the liability of the Guarantor shall bear interest at the same rate.

11. The Guarantor shall, at its sole cost and expense, at any time and from time to time, prepare or cause to be prepared, and provide to the Lender upon the Lender's request: (a) such financial statements and reports concerning the Guarantor for such periods of time as the Lender may designate; (b) any other information concerning the Guarantor's business, financial condition or affairs as the Lender may request; and (c) copies of any and all tax returns and reports of or relating to the Guarantor as the Lender may from time to time request. The Guarantor hereby intentionally and knowingly waives any and all rights and privileges it may have not to divulge or deliver said tax returns, reports and other information that are requested by the Lender hereunder or in any litigation in which the Lender may be involved relating directly or indirectly to the Borrower or to the Guarantor. The Guarantor further agrees immediately to give written notice to the Lender of any adverse change in a Guarantor's financial condition and of any condition or event that constitutes an event of default under this Guarantee.

12. The Guarantor hereby represents and warrants that: (a) it is in the Guarantor's direct interest to assist the Borrower in procuring credit, because the Guarantor is an affiliate of the Borrower, furnishes goods or services to the Borrower, purchases or acquires goods or services from the Borrower, and/or otherwise has a direct or indirect corporate or business relationship with the Borrower; (b) this Guarantee has been duly and validly

authorized, executed and delivered and constitutes the binding obligation of the Guarantor, enforceable in accordance with its terms; and (c) the execution and delivery of this Guarantee does not violate or constitute a default under any order, judgment, decree, instrument or agreement to which the Guarantor is a party or by which it or its property are affected or bound. No action or proceeding brought or instituted under this guarantee and no recovery in pursuance thereof shall be a bar or defence to any further action or proceeding which may be brought under this guarantee by reason of any further default or defaults hereunder and/or in payment of the debts and liabilities of the Borrower referred to herein.

13. There are no representations, collateral agreements or conditions with respect to this instrument or affecting the liability of the Guarantor hereunder, other than as contained herein and no modification of this guarantee shall be effective unless the same be in writing and signed by the Guarantor and by the Lender.

14. All Indebtedness and liability, present and future, of the Borrower to the Guarantor are hereby assigned to the Lender and postponed to the repayment of the Mortgage and all monies received by the Guarantor in respect thereof shall be received in trust for the Lender, the whole without limiting or lessening the liabilities of the Guarantor under this guarantee and this assignment and postponement is independent of the said guarantee and shall remain in full effect until repayment in full to the Lender of the Mortgage notwithstanding that the liabilities of the Guarantor under the said guarantee may have been discharged or terminated, the Guarantor acknowledges the assignment to the Lender as set forth herein shall not impose upon the Lender any obligation to do anything to realize on the assigned debts and claims or to ensure that those debts or claims do not become statute barred by the operation of law relating to limitation of actions or otherwise.

15. The Guarantor's guarantee hereunder shall be on a joint and several basis with the Borrower and any other guarantor of the Liabilities not named herein, if any.

16. This Guarantee shall be read and construed with all changes of gender and number of the party or parties referred to in each case as required by the context. This Guarantee shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the parties hereto hereby attorn to the jurisdiction of the Province of Ontario.

17. The Guarantor acknowledges receipt of this Guarantee, the Commitment Letter, the Mortgage, the Standard Charge Terms and all other Security Documents.

This Guarantee, together with all rights, entitlements, duties and obligations arising from the same, shall extend to, be binding upon and enure to the benefit of the parties hereto and their respective heirs, legal personal representatives, successors and assigns.

SIGNATURES ON THE FOLLOWING PAGE

IN WITNESS WHEREOF the Guarantor has executed this Guarantee.

BROOKHILL DEVELOPMENT INC.

Per:________________________
Name: Guiseppe Valela
Title: President

Per:________________________
Name: Domenic Fazari
Title: Secretary

We have authority to bind the corporation.

FORTRESS BROOKHILL INC.

Per:________________________
Name: Jawad Rathore
Title: President

Per:________________________
Name: Vince Petrozza
Title: Secretary

We have authority to bind the corporation.

WITNESS:	)	
	)	
	)	
________________________	)	________________________
Name: *(print)*	)	Vincenzo Petrozza
as to the signature of Vincenzo Petrozza	)	
	)	
	)	
WITNESS:	)	
	)	
	)	
________________________	)	________________________
Name: *(print)*	)	Jawad S. Rathore
as to the signature of Jawad S. Rathore	)	

IN WITNESS WHEREOF the Guarantor has executed this Guarantee.

BROOKHILL DEVELOPMENT INC.

Per:________________________
Name: Guiseppe Valela
Title: President

Per:________________________
Name: Domenic Fazari
Title: Secretary

We have authority to bind the corporation.

FORTRESS BROOKHILL INC.

Per:________________________
Name: Jawad Rathore
Title: President

Per:________________________
Name: Vince Petrozza
Title: Secretary

We have authority to bind the corporation.

WITNESS:

____
Name: *(print)* Marcia Palma
as to the signature of Vincenzo Petrozza

____
Vincenzo Petrozza

WITNESS:

____
Name: *(print)* Marcia Palma
as to the signature of Jawad S. Rathore

____
Jawad S. Rathore

EXHIBIT “H”

This is Exhibit “H” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

THIS ASSIGNMENT OF GENERAL SECURITY AGREEMENT made this • day of June, 2018.

B E T W E E N:

VECTOR FINANCIAL SERVICES INC.

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

- and -

HILLMOUNT CAPITAL INC.

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

WHEREAS:

(a) Brookhill Holdings Inc. has given (i) a General Security Agreement respecting the property municipally known as 2499 Nash Road, Bowmanville, Ontario; and (ii) a General Security Agreement respecting the properties municipally known as 2499 Nash Road, 2538 Regional Road 57, and 2494 Regional Road 57, Bowmanville, Ontario in favour of the Assignor, (collectively, the "**General Security Agreement**").

(b) The Assignor, has agreed to transfer and assign the General Security Agreement to the Assignee.

NOW THEREFORE in consideration of the premises, the sum of TWO ($2.00) DOLLARS now paid by each party to the other and the mutual covenants herein contained, the parties hereto agree as follows:

1. The Assignor hereby assigns and sets over to the Assignee all of the Assignor's right, title and interest in and to the General Security Agreement. The Assignee is entitled to register financing change statements under the *Personal Property Security Act* to reflect this Assignment.

2. The Assignee acknowledges and agrees that the Assignor does not warrant or make any representation as to the validity, legal or otherwise, priority of registration or enforceability of the said General Security Agreement so transferred and accepts the said Assignment in consideration of funds paid to the Assignor for the same without such warranty or such representations.

3. The provisions of this document shall enure to and be binding upon the successors and assigns of the undersigned.

This Assignment may be executed in counterparts and each such counterpart shall for all purposes constitute one document binding on all parties hereto, notwithstanding that all parties are not signatories to the same counterpart, provided that each party has signed at least one counterpart.

Execution and transmission of this Assignment by facsimile transmission or electronic mail shall be binding upon each party hereto as if delivered in the original.

IN WITNESS WHEREOF the parties hereto have executed this Assignment as of the date first above written.

[SIGNATURES ON FOLLOWING PAGE]

VECTOR FINANCIAL SERVICES INC.

Per: ______________________________
Name: MITCHELL OELBAUM
Title: CHIEF OPERATING OFFICER

Per: ______________________________
Name: NOAH MINTZ
Title: MANAGING DIRECTOR

I/We have authority to bind the corporation.

HILLMOUNT CAPITAL INC.

Per: ______________________________
Name:
Title:

Per: ______________________________
Name:
Title:

I/We have authority to bind the corporation.

Per:____________________________
Name:
Title:

Per:____________________________
Name:
Title:

I/We have authority to bind the corporation.

HILLMOUNT CAPITAL INC.

Per:____________________________
Name: Yitz Levinson
Title: President

Per:____________________________
Name:
Title:

I/We have authority to bind the corporation.

GENERAL SECURITY AGREEMENT

1. SECURITY INTEREST

(a) For value received, Brookhill Holdings Inc. (the "**Debtor**"), hereby grants to Vector Financial Services Limited (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, receivables, 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, 1982*, (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 ONE MILLION THREE HUNDRED SIXTY THOUSAND DOLLARS ($1,360,000.00) and given in accordance with a loan proposal dated October 17, 2016 and a commitment letter dated November 29, 2016, 2016, 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 the occurrence of an Event of Default, as hereinafter defined, 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 Event of Default (as hereinafter defined) 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 the occurrence of an Event of Default (as defined in the Charge), 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 an Event of Default (as hereinafter defined) 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 an Event of 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**

Has the meaning ascribed to it in the Charge in favour of the Lender.

9. **REMEDIES**

(a) Upon an Event of 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 an Event of 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 an Event of 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 an Event of 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 Event of 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 Event of 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.

[Signature Page Follows]

IN WITNESS WHEREOF the Debtor has executed this Security Agreement under the hand of its authorized signing officer(s) this ____ day of December, 2016.

BROOKHILL HOLDINGS INC.

Per: ______________________

Name: Giuseppe Valela

Title: President

I have authority to bind the corporation.

SCHEDULE "A"

Description of Land

Firstly:

Municipal Address:	2499 Nash Road, Bowmanville, Ontario
Legal Description:	PT LT 15 CON 2 DARLINGTON AS IN N120079; CLARINGTON
PIN:	26613-0017 (LT)
Registry Office:	Land Titles Division of Durham (No.40)

Secondly:

Municipal Address:	2538 Regional Road 57, Bowmanville, Ontario
Legal Description:	PT LT 15 CON 2 DARLINGTON AS IN N101156; CLARINGTON
PIN:	26613-0018 (LT)
Registry Office:	Land Titles Division of Durham (No.40)

Thirdly:

Municipal Address:	2494 Regional Road 57, Bowmanville, Ontario
Legal Description:	PT LT 15 CON 2 DARLINGTON AS IN N100922; CLARINGTON
PIN:	26613-0019 (LT)
Registry Office:	Land Titles Division of Durham (No.40)

SCHEDULE "B"

Permitted Encumbrances

1. First in priority mortgage in favour of Vector Financial Services Limited securing the principal amount of $1,360,000.00 against the firstly described lands

2. First in priority mortgage in favour of Jose Brito securing the principal amount of $1,962,000.00 against the secondly described lands

3. First in priority mortgage in favour of Alfredo De Brito and Laurentina De Brito securing the principal amount of $1,267,500.00 against the firstly described lands

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10141004 GENERAL SECURITY AGREEMENT

1. SECURITY INTEREST

(a) For value received, Brookhill Holdings Inc. (the "**Debtor**"), hereby grants to Vector Financial Services Limited (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, receivables, 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, 1982*, (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 ONE MILLION THREE HUNDRED SIXTY THOUSAND DOLLARS ($1,360,000.00) and given in accordance with a loan proposal dated October 17, 2016 and a commitment letter dated November 29, 2016, 2016, 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 the occurrence of an Event of Default, as hereinafter defined, 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 Event of Default (as hereinafter defined) 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 the occurrence of an Event of Default (as defined in the Charge), 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 an Event of Default (as hereinafter defined) 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 an Event of 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**

Has the meaning ascribed to it in the Charge in favour of the Lender.

9. **REMEDIES**

(a) Upon an Event of 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 an Event of 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 an Event of 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 an Event of 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 Event of 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 Event of 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.

[Signature Page Follows]

IN WITNESS WHEREOF the Debtor has executed this Security Agreement under the hand of its authorized signing officer(s) this 4th day of December, 2016.

BROOKHILL HOLDINGS INC.

Per:

Name: Giuseppe Valela

Title: President

I have authority to bind the corporation.

SCHEDULE "A"

Description of Land

Municipal Address:	2499 Nash Road, Bowmanville, Ontario
Legal Description:	PT LT 15 CON 2 DARLINGTON AS IN N120079; CLARINGTON
PIN:	26613-0017 (LT)
Registry Office:	Land Titles Division of Durham (No.40)

SCHEDULE "B"

Permitted Encumbrances

1. Second in priority mortgage in favour of Vector Financial Services Limited securing the principal amount of $1,360,000.00

2. Third in priority mortgage in favour of Jaekel Capital Inc. securing the principal amount of 3,135,000.00.

robapp\3631564.1

EXHIBIT “I”

This is Exhibit “I” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R.Bengino

A Commissioner for taking affidavits

NOMINEE DIRECTION AND ACKNOWLEDGMENT

TO: Brookhill Holdings Inc. (the "**Nominee**")

AND TO: Hillmount Capital Inc. (the "**Lender**")

RE: First mortgage loan from the Lender to Brookhill Holdings Inc. (the "**Borrower**") on the security of the lands described as FIRSTLY: PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0238 LT), municipally known as 2499 Nash Road, Clarington, Ontario
SECONDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0239 LT), municipally known as 2494 Regional Road 57, Clarington, Ontario
THIRDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0240 LT), municipally known as 2538 Regional Road 57, Clarington, Ontario (the "**Charge**"), pursuant to a commitment letter dated May 3, 2018 issued by Hillmount Capital Inc. to Brookhill Holdings Inc. (the "**Commitment**")

All capitalized words and terms used herein and not otherwise defined herein but defined in the Charge shall have the meanings ascribed to them in the Charge.

WHEREAS pursuant to a Nominee Agreement dated January 12, 2016 a copy of which is annexed hereto as Schedule "A" (the "**Nominee Agreement**"), between the Nominee, Brookhill Development Inc. and Fortress Brookhill Inc. (collectively, the "**Beneficial Owners**"), the Nominee holds legal title to the lands and premises legally described in Schedule "B" hereto (the "**Lands**") in trust for the Beneficial Owners, as follows:

Name of Beneficial Owner	Proportionate Undivided Beneficial Interest
Brookhill Development Inc.	49.99%
Fortress Brookhill Inc.	49.99%
Brookhill Holdings Inc.	0.02%

IN CONSIDERATION of other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the Beneficial Owners, the Beneficial Owners hereby agree as follows:

1. The Beneficial Owners hereby:

   (a) acknowledge receipt of a true copy of the Commitment and confirm that they are familiar with the terms thereof and they hereby consent to the Borrower entering into the Commitment;

(b) authorize and direct the Nominee to execute the Commitment; and

(c) agree to be bound by the terms thereof.

2. The Beneficial Owners hereby warrant and represent to the Lender that:

(a) They are the sole beneficial owners of the Lands and all other assets and property charged under the Security Documents (the "**Collateral**"); and

(b) the Nominee Agreement is in full force and effect and unamended as of the date hereof.

3. The Beneficial Owners hereby irrevocably and unconditionally authorize and direct the Nominee to execute and deliver to the Lender, each of the documents which may be required by the Lender pursuant to the Commitment, including without limitation, the Security Documents and those documents listed in Schedule "C" attached hereto (which Security Documents may be amended, modified, supplemented or replaced from time to time by the Nominee in order to carry out the Commitment) and to execute and deliver to the Lender such other agreements, instruments, certificates and documents as may be necessary in connection with the Commitment and the loan granted thereunder.

4. The Beneficial Owners hereby confirm that the security interests constituted by the Security Documents extend to, apply to and create security interests in and to their beneficial interests in and to all of the assets and property charged under the Security Documents including, without limitation, the Lands, as if the Beneficial Owners were signatories to the Commitment and each of the Security Documents in the place and stead of the Nominee and the Beneficial Owners agree to observe, perform and be bound by all covenants, representations and obligations of the Nominee contained in the Commitment and the Security Documents and the Beneficial Owners agree that they and their interest in all of the Collateral shall be subject to all of the terms and conditions set forth in the Security Documents, including without limitation all of the rights and remedies of the Lender set forth therein; further, until such time as the principal sum and interest thereon (including interest on amounts in default) and the Indebtedness owing from time to time pursuant to the Commitment and the other Security Documents have been fully paid and satisfied, the Beneficial Owners acknowledge and confirm that they shall not nor shall the Nominee:

(a) create or assume or suffer to exist or purport or attempt to create or assume any mortgage, charge, lien, encumbrance or security interest in the Collateral or any part thereof except as permitted by the Security Documents; and

(b) sell, transfer, exchange, lease or otherwise dispose of the Collateral or any interest therein or any part of parts thereof except in accordance with the terms set forth in the Security Documents without the prior written consent of the Lender.

5. The Beneficial Owners hereby covenant with the Lender to pay or cause to be paid to the Lender all amounts secured by the Security Documents in the manner of payment provided by the Security Documents, without any set-off, deduction or abatement and that they shall do, observe, perform, fulfil and keep all the provisions, covenants, agreements and stipulations contained in the Security Documents.

6. The Beneficial Owners hereby charge, pledge, assign and transfer to the Lender all of their beneficial interests in the Lands, the Collateral and all proceeds therefrom as continuing collateral security for the Indebtedness secured under the Security Documents provided to the Lender on the same terms and conditions as set out in the Security Documents.

7. The Beneficial Owners hereby acknowledge receipt of true copies of the Security Documents.

8. The Beneficial Owners agree that they will, at all times, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered, all such further acts, deeds, transfers, assignments and assurances as may be reasonably required by the Lender for better assuring, mortgaging, charging, transferring, assigning and confirming upon the Lender the Beneficial Owners' respective interests in the Lands hereby mortgaged, charged, transferred or assigned or intended so to be, or which the Beneficial Owners may hereafter become bound to mortgage, charge, transfer or assign in favour of the Lender and for the better accomplishing and effectuating of this Direction and Acknowledgement, including, without limitation, executing and delivering such further and other documentation as may be reasonably required by the Lender to effect the registration of the Charge and to charge the Beneficial Owners interests in the Lands and in the Collateral.

9. In this Direction and Acknowledgement, words importing the singular number shall include the plural and vice versa, and words importing the use of any gender shall include the masculine, feminine and neuter genders and the word "person" shall include an individual, a trust, a partnership, a body corporate, an association or other incorporated or unincorporated organization or entity.

10. This Direction and Acknowledgement shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, estate trustees, successors and permitted assigns.

SIGNATURES ON THE FOLLOWING PAGE

DATED this 18th day of June, 2018.

BROOKHILL DEVELOPMENT INC.

Per: ______________________
Name: Guiseppe Valela
Title: President

Per: ______________________
Name: Domenic Fazari
Title: Secretary

We have authority to bind the corporation.

FORTRESS BROOKHILL INC.

Per: ______________________
Name: Jawad Rathore
Title: President

Per: ______________________
Name: Vince Petrozza
Title: Secretary

We have authority to bind the corporation.

The Nominee hereby acknowledges the direction contained in this Direction and Acknowledgement and agrees to be bound by the terms thereof.

DATED this 18th day of June, 2018.

BROOKHILL HOLDINGS INC.

Per: ___________________________

Name: Giuseppe Valela

Title: President

I have authority to bind the corporation.

DATED this 14 day of June, 2018.

BROOKHILL DEVELOPMENT INC.

Per: ______________________
Name: Guiseppe Valela
Title: President

Per: ______________________
Name: Domenic Fazari
Title: Secretary

We have authority to bind the corporation.

FORTRESS BROOKHILL INC.

Per: ______________________
Name: Jawad Rathore
Title: President

Per: ______________________
Name: Vince Petrozza
Title: Secretary

We have authority to bind the corporation.

The Nominee hereby acknowledges the direction contained in this Direction and Acknowledgement and agrees to be bound by the terms thereof.

DATED this 14 day of June, 2018.

SCHEDULE "A"

Nominee Agreement

NOMINEE AGREEMENT

THIS AGREEMENT is made this 12th day of January, 2016 (the "**Effective Date**").

B E T W E E N:

BROOKHILL DEVELOPMENT INC.

(hereinafter called "**Brookhill**")

- and -

FORTRESS BROOKHILL INC.

(hereinafter called "**Fortress**")

- and -

BROOKHILL HOLDINGS INC.

(hereinafter called the "**Title Nominee**")

WHEREAS as of the Effective Date, the Title Nominee acquired legal title to the lands and buildings known municipally as 2538 Regional Road 57, Clarington and 2494 Regional Road 57, Clarington and, in respect of 2499 Nash Road, Clarington ("**2499 Nash**") legal title was acquired on March 22, 2016, such properties being more particularly described in Schedule "A" attached hereto (the "**Property**"),

AND WHEREAS the Nominee acquired legal title as bare nominee and trustee for and on behalf of Brookhill and Fortress in accordance with their respective proportionate shares of the undivided beneficial interest; specifically as to Brookhill holding an undivided 49.99% interest and as to Fortress holding an undivided 49.99% interest and the Title Nominee holding a 0.02% interest (such portions hereinafter referred to as their "**Respective Proportionate Shares**");

AND WHEREAS as of the Effective Date (and as of March 22, 2016 in respect of 2499 Nash), registered title to the Property is held in the name of the Title Nominee, as bare nominee for and on behalf of Brookhill, Fortress and the Title Nominee (collectively, the "**Beneficial Owners**") in accordance with their Respective Proportionate Shares;

AND WHEREAS this Nominee Agreement is being entered into to establish the terms by which the Title Nominee shall hold title to the Property as bare trustee and nominee for the Beneficial Owners.

NOW THEREFORE in consideration of the mutual covenants and conditions herein contained, the parties hereby agree as follows:

1. The parties hereto acknowledge, confirm and agree that the foregoing recitals are true in substance and in fact.

2. This Agreement supersedes any and all prior nominee agreements with respect to the Property and all such prior nominee agreements shall be of no further force or effect from and after the Effective Date.

3. Brookhill represents and warrants that, as of the Effective Date, it is the current beneficial owner of a 49.99% beneficial interest in the Property.

4. Fortress represents and warrants that, as of the Effective Date, it is the current beneficial owner of a 49.99% beneficial interest in the Property.

5. Title Nominee represents and warrants that, as of the Effective Date, it is the current beneficial owner of a 0.02% beneficial interest in the Property.

6. The Title Nominee hereby acknowledges and agrees that it shall hold registered title to the Property solely as nominal title holder for the Beneficial Owners and not for itself, without any right, ownership or interest in and to the Property or in and to any mortgage proceeds, rents, income, issues, advantages or benefits therefrom, whether or not it may have executed or may hereafter execute under direction of the Beneficial Owners any contracts, notes, mortgages, leases or other agreements for the ownership and use of the Property by the occupants or users.

7. The Title Nominee hereby acknowledges and agrees that it has only ever dealt with and will only deal with the Property on the direction and with the consent of the Beneficial Owners.

8. The Beneficial Owners acknowledge that registered title to the Property shall, for the purpose of convenience in dealing with the Property for and on behalf of the Beneficial Owners, be in the name of the Title Nominee.

9. The Title Nominee shall be the registered owner and hold the Property for the Beneficial Owners in respect of the Respective Proportionate Shares provided that when so requested by the Beneficial Owners, the Title Nominee will convey registered title of the Property or any part or parts thereof to the Beneficial Owners or such other person or persons as the Beneficial Owners may direct by proper transfers of land and other transfers, and will have all other formalities complied with in order to vest title to the Property or any part or parts

thereof in the Beneficial Owners or such other person or persons as the Beneficial Owners may direct, all without expense to the Title Nominee in connection with such transfers of land.

10. The Title Nominee shall promptly remit to the Beneficial Owners, or to whomever they may direct, all rents, revenues and other receipts deriving from the Property, and all funds which are received by the Title Nominee (whether as a registered title holder of the Property or as a nominal party to any instrument entered into in connection with the Property). The obligation of the Title Nominee pursuant to the immediately preceding sentence is subject to the rights of any secured creditor, mortgagee or other person who the Title Nominee reasonably believes has a claim to all or any part of such funds. The Title Nominee shall incur no liability to the Beneficial Owners for making any such remittance as the Title Nominee is directed to make pursuant to: (1) any notice received from any such creditor, mortgagee or other person; or (2) any standing or special instructions received from the Beneficial Owners. The Title Nominee has and shall, at the expense and request of the Beneficial Owners, account to the Beneficial Owners for all funds received by the Title Nominee in connection with the Property.

11. The Title Nominee shall promptly transmit to the Beneficial Owners copies of all directions, notices, claims, demands or other communications which the Title Nominee receives and which relate in any way to the Property. The Title Nominee shall promptly notify the Beneficial Owners upon becoming aware of any default by any party to, or beneficiary of, any instrument relating to the Property.

12. All costs and expenses incurred by the Title Nominee in connection with the performance of its duties and obligations hereunder, or in connection with the holding by the Title Nominee of the registered title to the Property, shall be borne by the Beneficial Owners in accordance with their Respective Proportionate Shares.

13. No party dealing with the Title Nominee in relation to the Property in any manner whatsoever and (without limiting the generality of the foregoing) no party to whom the Property or any part thereof or interest therein shall be conveyed, contracted to be sold, leased or mortgaged by the Title Nominee shall be obligated to investigate whether:

(a) at the time of such dealings this Agreement was in full force and effect and was unamended;

(b) any document, instrument or other writing executed by the Title Nominee was executed in accordance with the terms and conditions of this Agreement;

(c) the Title Nominee was duly authorized and empowered to execute and deliver every such document, instrument and other writing; or

(d) if a conveyance has been made to a successor or successors in trust, that such successor or successors have been properly appointed and are fully vested with all the title, estate, rights, powers, duties and obligations of its, his or their predecessor.

14. There shall be no fee payable to the Title Nominee by the Beneficial Owners.

15. The Title Nominee covenants and agrees to do all such things and execute all documents which may hereafter be required to give effect to the purpose and intent of this Agreement.

16. This Agreement shall not be recorded or registered against the title to the Property or elsewhere except with the consent of the Beneficial Owners.

17. All notices or other communications and deliveries required by this Agreement or desired to be given or made by any of the parties hereto shall be sufficiently given if personally delivered, delivered by facsimile transmission or electronic transmission (email) or if mailed by registered mail, receipt requested, addressed:

if to Brookhill:

56 The Esplanade
Suite 206
Toronto, ON M5E 1A7

Attention: Joe Valela
Fax No.: (416) 309-8665
Email: jvalela@tercot.com

if to Fortress:

25 Brodie Drive
Unit 1
Richmond Hill, ON L4B 3K7

Attention: Vince Petrozza
Fax No.:
Email: vince@fortressrdi.com

if to the Title Nominee:

56 The Esplanade
Suite 206
Toronto, ON M5E 1A7

Attention: Joe Valela
Fax No.: (416) 309-8665
Email: jvalela@tercot.com

with a copy to:

25 Brodie Drive, Unit 1
Richmond Hill, ON

L4B 3K7

Attention: Vince Petrozza
Fax No.:
Email: vince@fortressrdi.com

or to such other address of which written notice is given. Each such notice, communication or delivery shall be deemed delivered on the date of delivery (if personally delivered); on the day in which it was delivered, if a business day, and between the hours of 9:00 a.m. and 5:00 p.m. and if not, on the next business day, if transmitted by facsimile transmission or electronic transmission (email); or on the third business day following the date of mailing thereof (if mailed). Notwithstanding the foregoing, notice given by mail during a strike or other generally recognized disruption in mail service shall not be effective until actually received.

18. This Agreement is to be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, and shall in all respects be treated as an Ontario contract.

19. This Agreement may be amended, revoked or terminated only by written agreement executed by all the parties hereto.

20. This Agreement may be executed in counterparts and when each party has executed a counterpart each of such counterparts shall be deemed to be an original and all of such counterparts when taken together shall constitute one and the same agreement.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

21. Except as herein otherwise provided to the contrary, this Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties hereto have duly executed the within Agreement as of the date first written above.

BROOKHILL DEVELOPMENT INC.

Per: ______________________

Name: Giuseppe Valela

Title: President

I have authority to bind the Corporation

FORTRESS BROOKHILL INC.

Per: ______________________

Name: Vincenzo Petrozza

Title: Vice President

I have authority to bind the Corporation

BROOKHILL HOLDINGS INC.

Per: ______________________

Name: Giuseppe Valela

Title: President

I have authority to bind the Corporation

SCHEDULE "A"

LEGAL DESCRIPTIONS

(i) Part of Lot 15, Concession 2, Darlington, as in N101156 Clarington, being all of PIN 26613-0018 (LT), and municipally described as 2538 Regional Road 57, Clarington;

(ii) Part of Lot 15, Concession 2, Darlington, as in N100922 Clarington, being all of PIN 26613-0019 (LT), and municipally described as 2494 Regional Road 57, Clarington; and

(iii) Part of Lot 15, Concession 2, Darlington, as in N120079 Clarington, being all of PIN 26613-0017 (LT), and municipally described as 2499 Nash Road, Clarington.

SCHEDULE "B"

Legal Description of Lands

FIRSTLY: PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0238 LT), municipally known as 2499 Nash Road, Clarington, Ontario

SECONDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0239 LT), municipally known as 2494 Regional Road 57, Clarington, Ontario

THIRDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0240 LT), municipally known as 2538 Regional Road 57, Clarington, Ontario

SCHEDULE "C"

Security Documents

1. A Charge/Mortgage executed by the Nominee in favour of the Lender;
2. An Amendment to Commitment executed by the Nominee in favour of the Lender;
3. An Acknowledgement and Direction re Electronic Registration of Charge and Assignment of Rents;
4. A General Assignment of Rents executed by the Nominee in favour of the Lender;
5. A General Security Agreement executed by Nominee in favour of the Lender;
6. An Assignment of Agreements of Purchase and Sale executed by the Nominee in favour of the Lender;
7. An Assignment of Construction Contracts executed by the Nominee in favour of the Lender;
8. An Assignment of Municipal Approvals executed by the Nominee in favour of the Lender;
9. An Assignment of Plans and Reports executed by the Nominee in favour of the Lender;
10. An Environmental Indemnity executed by the Nominee in favour of the Lender;
11. An Assignment and Direction to Authorities executed by the Nominee in favour of the Lender;
12. An Assignment and Direction to Bank executed by the Nominee in favour of the Lender;
13. An Assignment and Direction to Tarion executed by the Nominee in favour of the Lender; and
14. An Acknowledgement/Warranty/Authorization, etc. executed by the Nominee in favour of the Lender.

CERTIFICATE

TO: Hillmount Capital Inc.

RE: Fortress Brookhill Inc. and Brookhill Holdings Inc., as vendors, sale to Brookhill Development Inc., as purchaser, of an aggregate undivided 50.01% beneficial interest in the lands and premises legally described in PIN 26613-0238 (LT), PIN 26613-0239 (LT) and PIN 26613-0240 (LT) and municipally known as 2499 Nash Road, 2538 and 2494 Regional Road 57, Clarington (collectively, the "Property")

AND RE: Hillmount Capital Inc. mortgage loan to Brookhill Holdings Inc. secured against the Property

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We are the solicitors for Brookhill Holdings Inc. and Brookhill Development Inc. and hereby confirm the following:

1. On July 26, 2019, Brookhill Development Inc. acquired the 49.99% beneficial interest of Fortress Brookhill Inc. and the .02% beneficial interest of Brookhill Holdings Inc. in the Property. With its existing holdings, Brookhill Development Inc. is now the holder of a 100% beneficial interest in the Property.

2. On July 26, 2019, Brookhill Development Inc. also became the sole shareholder of all issued and outstanding shares in the capital of Brookhill Holdings Inc.

3. As of the date hereof, Brookhill Holdings Inc. remains the registered title holder of the Property, as the nominee and bare trustee of Brookhill Development Inc.

This Certificate shall enure to the benefit of and may be relied upon by the Lender, all its successors and permitted assigns.

(Signature page to follow)

DATED the 2nd day of August, 2019.

OWENS WRIGHT LLP

Per: ______________________

EXHIBIT “J”

This is Exhibit “J” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

EXHIBIT "J"

1. PART LOT 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON

   PIN NO. 26613-0238 (LT)

Registration Number	Date	Instrument Type	Priority Ranking	Amount	Parties to	Current Mortgage Holder
DR1458570	**2016/03/22**	**Charge**	**First**	**$1,500,000.00**	**Myra Ann Douglas**	**Hillmount Capital Inc.**
DR1547643	*2016/12/09*	*Transfer of Charge Remarks: DR1458570*	*N/A*	*N/A*	*Vector Financial Services Limited*	
DR1547676	*2016/12/09*	*No Assignment of Rent Remarks: DR1458570*	*N/A*	*N/A*	*Vector Financial Services Limited*	
DR1716081	*2018/07/04*	*Transfer of Charge Remarks: DR1547643*	*N/A*	*N/A*	*Hillmount Capital Inc.*	
DR1716082	*2018/07/04*	*No Assignment of Rent Remarks: DR1458570*	*N/A*	*N/A*	*Hillmount Capital Inc.*	
DR1467269	**2016/04/22**	**Charge**	**Fourth**	**$3,135,000.00**	**Jaekel Capital Inc.**	**Jaekel Capital Inc.**
DR1716189	*2018/07/05*	*Postponement Remarks: DR1467269 TO DR1716079, DR1716080*	*N/A*	*N/A*	*Hillmount Capital Inc.*	
DR1547722	**2016/12/09**	**Charge**	**Second**	**$1,360,000.00**	**Vector Financial Services Limited**	**Hillmount Capital Inc.**
DR1716083	*2018/07/04*	*Transfer of Charge Remarks: DR1547722*	*N/A*	*N/A*	*Hillmount Capital Inc.*	

DR1567425	**2017/02/14**	**Charge**	**Fifth**	**$10,600,000.00**	**Building & Development Mortgages Canada Inc.; Computershare Trust Company of Canada; Olympia Trust Company**	**Building & Development Mortgages Canada Inc.; Computershare Trust Company of Canada; Olympia Trust Company**
DR1716190	*2018/07/05*	*Postponement Remarks: DR1567425, DR1679035 TO DR1716079, DR1716080*	*N/A*	*N/A*	*Hillmount Capital Inc.*	
DR1716079	**2018/07/04**	**Charge**	**Third**	**$4,200,000.00**	**Hillmount Capital Inc.**	**Hillmount Capital Inc.**
DR1716080	*2018/07/04*	*No Assignment of Rent Remarks: DR1716079*	*N/A*	*N/A*	*Hillmount Capital Inc.*	

2. PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON

PIN NO. 26613-0239 (LT)

Registration Number	**Date**	**Instrument Type**	**Priority Ranking**	**Amount**	**Parties to**	**Current Mortgage Holder**
DR1439151	**2016/01/12**	**Charge**	**First**	**$1,062,000.00**	**Jose Brito**	**Hillmount Capital Inc.**
DR1716084	*2018/07/04*	*Transfer of Charge Remarks: DR1439151*	*N/A*	*N/A*	*Hillmount Capital Inc.*	
DR1467269	**2016/04/22**	**Charge**	**Fourth**	**$3,135,000.00**	**Jaekel Capital Inc.**	**Jaekel Capital Inc.**
DR1716189	*2018/07/05*	*Postponement Remarks: DR1467269 TO DR1716079, DR1716080*	*N/A*	*N/A*	*Hillmount Capital Inc.*	
DR1547722	**2016/12/09**	**Charge**	**Second**	**$1,360,000.00**	**Vector Financial Services Limited**	**Hillmount Capital Inc.**
DR1716083	*2018/07/04*	*Transfer of Charge Remarks: DR1547722*	*N/A*	*N/A*	*Hillmount Capital Inc.*	
DR1567425	**2017/02/14**	**Charge**	**Fifth**	**$10,600,000.00**	**Building & Development Mortgages Canada Inc.; Computershare Trust Company of Canada; Olympia Trust Company**	**Building & Development Mortgages Canada Inc.; Computershare Trust Company of Canada; Olympia Trust Company**
DR1716190	*2018/07/05*	*Postponement Remarks: DR1567425, DR1679035*	*N/A*	*N/A*	*Hillmount Capital Inc.*	

		TO DR1716079, DR1716080				
DR1716079	**2018/07/04**	**Charge**	**Third**	**$4,200,000.00**	**Hillmount Capital Inc.**	**Hillmount Capital Inc.**
DR1716080	*2018/07/04*	*No Assignment of Rent Remarks: DR1716079*	*N/A*	*N/A*	*Hillmount Capital Inc.*	

3. PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON

PIN NO. 26613-0240 (LT)

Registration Number	Date	Instrument Type	Priority Ranking	Amount	Parties to	Current Mortgage Holder
DR1439153	**2016/01/12**	**Charge**	**First**	**$1,267,500.00**	**Alfredo De Brito; and Laurentina De Brito**	**Hillmount Capital Inc.**
DR1712613	*2018/06/22*	*Application of Survivorship – Charge Remarks: DR1439153*	*N/A*	*N/A*	*Alfredo De Brito*	
DR1716085	*2018/07/04*	*Transfer of Charge Remarks: DR1439153*	*N/A*	*N/A*	*Hillmount Capital Inc.*	
DR1467269	**2016/04/22**	**Charge**	**Fourth**	**$3,135,000.00**	**Jaekel Capital Inc.**	**Jaekel Capital Inc.**
DR1716189	*2018/07/05*	*Postponement Remarks: DR1467269 TO DR1716079, DR1716080*	*N/A*	*N/A*	*Hillmount Capital Inc.*	
DR1547722	**2016/12/09**	**Charge**	**Second**	**$1,360,000.00**	**Vector Financial Services Limited**	**Hillmount Capital Inc.**
DR1716083	*2018/07/04*	*Transfer of Charge Remarks: DR1547722*	*N/A*	*N/A*	*Hillmount Capital Inc.*	
DR1567425	**2017/02/14**	**Charge**	**Fifth**	**$10,600,000.00**	**Building & Development Mortgages Canada Inc.; Computershare Trust**	**Building & Development Mortgages Canada Inc.; Computershare Trust**

					Company of Canada; Olympia Trust Company	**Company of Canada; Olympia Trust Company**
DR1716190	*2018/07/05*	*Postponement Remarks: DR1567425, DR1679035 TO DR1716079, DR1716080*	*N/A*	*N/A*	*Hillmount Capital Inc.*	
DR1716079	**2018/07/04**	**Charge**	**Third**	**$4,200,000.00**	**Hillmount Capital Inc.**	**Hillmount Capital Inc.**
DR1716080	*2018/07/04*	*No Assignment of Rent Remarks: DR1716079*	*N/A*	*N/A*	*Hillmount Capital Inc.*	

EXHIBIT "K"

This is Exhibit “K” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

Ontario ServiceOntario

teranet express

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

PROPERTY DESCRIPTION: PART LOT 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON

PROPERTY REMARKS: FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2017 05 11.

ESTATE/QUALIFIER:	RECENTLY:	PIN CREATION DATE:
FEE SIMPLE LT ABSOLUTE PLUS	RE-ENTRY FROM 26613-0017	2017/05/11

OWNERS' NAMES	CAPACITY	SHARE
BROOKHILL HOLDINGS INC.	ROWN	

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2017/05/11 **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
DR1458569	2016/03/22	TRANSFER	$1,700,000	DOUGLAS, MYRA ANN	BROOKHILL HOLDINGS INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
DR1458570	2016/03/22	CHARGE	$1,500,000	BROOKHILL HOLDINGS INC.	DOUGLAS, MYRA ANN	C
DR1467269	2016/04/22	CHARGE	$3,135,000	BROOKHILL HOLDINGS INC.	JAEKEL CAPITAL INC.	C
DR1547643	2016/12/09	TRANSFER OF CHARGE		DOUGLAS, MYRA ANN	VECTOR FINANCIAL SERVICES LIMITED	C
REMARKS: DR1458570.						
DR1547661	2016/12/09	NOTICE		BROOKHILL HOLDINGS INC.	VECTOR FINANCIAL SERVICES LIMITED	C
REMARKS: DR1458570						
DR1547676	2016/12/09	NO ASSGN RENT GEN		BROOKHILL HOLDINGS INC.	VECTOR FINANCIAL SERVICES LIMITED	C
REMARKS: DR1458570.						
DR1547719	2016/12/09	POSTPONEMENT		JAEKEL CAPITAL INC.	VECTOR FINANCIAL SERVICES LIMITED	C
REMARKS: DR1458570 TO DR 1547676						
DR1547722	2016/12/09	CHARGE	$1,360,000	BROOKHILL HOLDINGS INC.	VECTOR FINANCIAL SERVICES LIMITED	C
DR1562603	2017/01/27	POSTPONEMENT		JAEKEL CAPITAL INC.	VECTOR FINANCIAL SERVICES LIMITED	C
REMARKS: DR1467269 TO DR1547722						
DR1567425	2017/02/14	CHARGE	$10,600,000	BROOKHILL HOLDINGS INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	C
DR1567427	2017/02/14	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	C

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
					OLYMPIA TRUST COMPANY	
REMARKS: DR1567425.						
DR1569737	2017/02/23	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425 & DR1567427 DR1567425						
DR1584540	2017/04/13	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1591006	2017/05/04	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
40R29634	2017/05/11	PLAN REFERENCE				C
DR1593205	2017/05/11	APL ABSOLUTE TITLE		BROOKHILL HOLDINGS INC.		C
REMARKS: DR1577564						
DR1599139	2017/05/31	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1613712	2017/07/07	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1621709	2017/07/31	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1656693	2017/11/15	NOTICE		BROOKHILL HOLDINGS INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1656694	2017/11/15	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425						
DR1659475	2017/11/23	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
				COMPUTERSHARE TRUST COMPANY OF CANADA	COMPUTERSHARE TRUST COMPANY OF CANADA	
REMARKS: DR1567425						
DR1661774	2017/11/30	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425, DR1659475 WITH MULTIPLE RELATED						
DR1668221	2017/12/19	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425, DR1661774						
DR1670288	2017/12/28	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425, DR1668221						
DR1672963	2018/01/10	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425						
DR1674628	2018/01/17	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425						
DR1679035	2018/02/01	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425, DR1674628						
DR1716079	2018/07/04	CHARGE	$4,200,000	BROOKHILL HOLDINGS INC.	HILLMOUNT CAPITAL INC.	C
DR1716080	2018/07/04	NO ASSGN RENT GEN		BROOKHILL HOLDINGS INC.	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1716079						
DR1716081	2018/07/04	TRANSFER OF CHARGE		VECTOR FINANCIAL SERVICES LIMITED	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1547643.						
DR1716082	2018/07/04	NO ASSGN RENT GEN		VECTOR FINANCIAL SERVICES LIMITED	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1458570.						

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
DR1716083	2018/07/04	TRANSFER OF CHARGE		VECTOR FINANCIAL SERVICES LIMITED	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1547722.						
DR1716086	2018/07/04	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST	FAAN MORTGAGE ADMINISTRATORS INC.	C
REMARKS: DR1567425, DR1567427, DR1569737, DR1584540, DR1591006, DR1599139, DR1613712, DR1621709, DR1656693, DR1656694, DR1659475, DR1661774, DR1668221, DR1670288, DR1672963, DR1674628, DR1679035.						
DR1716189	2018/07/05	POSTPONEMENT		JAEKEL CAPITAL INC.	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1467269 TO DR1716079, DR1716080						
DR1716190	2018/07/05	POSTPONEMENT		OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1567425, DR1679035 TO DR1716079, DR1716080						

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

PROPERTY DESCRIPTION: PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON

PROPERTY REMARKS: FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2017 05 11.

ESTATE/QUALIFIER:
FEE SIMPLE
LT ABSOLUTE PLUS

RECENTLY:
RE-ENTRY FROM 26613-0018

PIN CREATION DATE:
2017/05/11

OWNERS' NAMES: BROOKHILL HOLDINGS INC.

CAPACITY: ROWN

SHARE:

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
*** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2017/05/11 ***						
***SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND **						
*** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE ***						
*** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. ***						
DR1439150	2016/01/12	TRANSFER	$1,962,000	BRITO, JOSE M.	BROOKHILL HOLDINGS INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
DR1439151	2016/01/12	CHARGE	$1,062,000	BROOKHILL HOLDINGS INC.	BRITO, JOSE	C
DR1467269	2016/04/22	CHARGE	$3,135,000	BROOKHILL HOLDINGS INC.	JAEKEL CAPITAL INC.	C
DR1547722	2016/12/09	CHARGE	$1,360,000	BROOKHILL HOLDINGS INC.	VECTOR FINANCIAL SERVICES LIMITED	C
DR1562603	2017/01/27	POSTPONEMENT		JAEKEL CAPITAL INC.	VECTOR FINANCIAL SERVICES LIMITED	C
REMARKS: DR1467269 TO DR1547722						
DR1567425	2017/02/14	CHARGE	$10,600,000	BROOKHILL HOLDINGS INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	C
DR1567427	2017/02/14	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425.						
DR1569737	2017/02/23	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425 & DR1567427 DR1567425						
DR1584540	2017/04/13	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1591006	2017/05/04	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	C

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
				OLYMPIA TRUST COMPANY	OLYMPIA TRUST COMPANY	
REMARKS: DR1567425						
40R29634	2017/05/11	PLAN REFERENCE				C
DR1593205	2017/05/11	APL ABSOLUTE TITLE		BROOKHILL HOLDINGS INC.		C
REMARKS: DR1577564						
DR1599139	2017/05/31	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1613712	2017/07/07	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1621709	2017/07/31	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1656693	2017/11/15	NOTICE		BROOKHILL HOLDINGS INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1656694	2017/11/15	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425						
DR1659475	2017/11/23	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425						
DR1661774	2017/11/30	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425, DR1659475 WITH MULTIPLE RELATED						
DR1668221	2017/12/19	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425, DR1661774						

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
DR1670288	2017/12/28	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425, DR1668221						
DR1672963	2018/01/10	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425						
DR1674628	2018/01/17	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425						
DR1679035	2018/02/01	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425, DR1674628						
DR1716079	2018/07/04	CHARGE	$4,200,000	BROOKHILL HOLDINGS INC.	HILLMOUNT CAPITAL INC.	C
DR1716080	2018/07/04	NO ASSGN RENT GEN		BROOKHILL HOLDINGS INC.	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1716079						
DR1716083	2018/07/04	TRANSFER OF CHARGE		VECTOR FINANCIAL SERVICES LIMITED	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1547722.						
DR1716084	2018/07/04	TRANSFER OF CHARGE		BRITO, JOSE	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1439151.						
DR1716086	2018/07/04	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST	FAAN MORTGAGE ADMINISTRATORS INC.	C
REMARKS: DR1567425, DR1567427, DR1569737, DR1584540, DR1591006, DR1599139, DR1613712, DR1621709, DR1656693, DR1656694, DR1659475, DR1661774, DR1668221, DR1670288, DR1672963, DR1674628, DR1679035.						
DR1716189	2018/07/05	POSTPONEMENT		JAEKEL CAPITAL INC.	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1467269 TO DR1716079, DR1716080						
DR1716190	2018/07/05	POSTPONEMENT		OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1567425, DR1679035 TO DR1716079, DR1716080						

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND REGISTRY OFFICE #40

26613-0240 (LT)

PREPARED FOR ROXANA MANEA
ON 2020/03/27 AT 15:33:26

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

PROPERTY DESCRIPTION: PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON

PROPERTY REMARKS: FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2017 05 11.

ESTATE/QUALIFIER:
FEE SIMPLE
LT ABSOLUTE PLUS

RECENTLY:
RE-ENTRY FROM 26613-0019

PIN CREATION DATE:
2017/05/11

OWNERS' NAMES: BROOKHILL HOLDINGS INC.

CAPACITY: ROWN

SHARE:

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
*** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2017/05/11 ***						
***SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND **						
*** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE ***						
*** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. ***						
DR1439152	2016/01/12	TRANSFER	$1,950,000	DE BRITO, ALFREDO DE BRITO, LAURENTINA	BROOKHILL HOLDINGS INC.	C
REMARKS: PLANNING ACT STATEMENTS.						
DR1439153	2016/01/12	CHARGE	$1,267,500	BROOKHILL HOLDINGS INC.	DE BRITO, ALFREDO DE BRITO, LAURENTINA	C
DR1467269	2016/04/22	CHARGE	$3,135,000	BROOKHILL HOLDINGS INC.	JAEKEL CAPITAL INC.	C
DR1547722	2016/12/09	CHARGE	$1,360,000	BROOKHILL HOLDINGS INC.	VECTOR FINANCIAL SERVICES LIMITED	C
DR1562603	2017/01/27	POSTPONEMENT		JAEKEL CAPITAL INC.	VECTOR FINANCIAL SERVICES LIMITED	C
REMARKS: DR1467269 TO DR1547722						
DR1567425	2017/02/14	CHARGE	$10,600,000	BROOKHILL HOLDINGS INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	C
DR1567427	2017/02/14	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425.						
DR1569737	2017/02/23	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425 & DR1567427 DR1567425						
DR1584540	2017/04/13	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
DR1591006	2017/05/04	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
40R29634	2017/05/11	PLAN REFERENCE				C
DR1593205	2017/05/11	APL ABSOLUTE TITLE		BROOKHILL HOLDINGS INC.		C
REMARKS: DR1577564						
DR1599139	2017/05/31	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1613712	2017/07/07	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1621709	2017/07/31	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1656693	2017/11/15	NOTICE		BROOKHILL HOLDINGS INC.	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C
REMARKS: DR1567425						
DR1656694	2017/11/15	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425						
DR1659475	2017/11/23	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425						
DR1661774	2017/11/30	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425, DR1659475 WITH MULTIPLE RELATED						
DR1668221	2017/12/19	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY	C

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
				COMPUTERSHARE TRUST COMPANY OF CANADA	COMPUTERSHARE TRUST COMPANY OF CANADA	
REMARKS: DR1567425, DR1661774						
DR1670288	2017/12/28	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425, DR1668221						
DR1672963	2018/01/10	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425						
DR1674628	2018/01/17	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425						
DR1679035	2018/02/01	TRANSFER OF CHARGE		BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	BUILDING & DEVELOPMENT MORTGAGES CANADA INC. OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA	C
REMARKS: DR1567425, DR1674628						
DR1712613	2018/06/22	APL OF SURV-CHRG		DE BRITO, LAURENTINA	DE BRITO, ALFREDO	C
REMARKS: DR1439153.						
DR1716079	2018/07/04	CHARGE	$4,200,000	BROOKHILL HOLDINGS INC.	HILLMOUNT CAPITAL INC.	C
DR1716080	2018/07/04	NO ASSGN RENT GEN		BROOKHILL HOLDINGS INC.	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1716079						
DR1716083	2018/07/04	TRANSFER OF CHARGE		VECTOR FINANCIAL SERVICES LIMITED	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1547722.						
DR1716085	2018/07/04	TRANSFER OF CHARGE		DE BRITO, ALFREDO	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1439153.						
DR1716086	2018/07/04	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST	FAAN MORTGAGE ADMINISTRATORS INC.	C
REMARKS: DR1567425, DR1567427, DR1569737, DR1584540, DR1591006, DR1599139, DR1613712, DR1621709, DR1656693, DR1656694, DR1659475, DR1661774, DR1668221, DR1670288, DR1672963, DR1674628, DR1679035.						
DR1716189	2018/07/05	POSTPONEMENT		JAEKEL CAPITAL INC.	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1467269 TO DR1716079, DR1716080						

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
DR1716190	2018/07/05	POSTPONEMENT		OLYMPIA TRUST COMPANY COMPUTERSHARE TRUST COMPANY OF CANADA BUILDING & DEVELOPMENT MORTGAGES CANADA INC.	HILLMOUNT CAPITAL INC.	C
REMARKS: DR1567425, DR1679035 TO DR1716079, DR1716080						

EXHIBIT “L”

This is Exhibit “L” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

Properties

PIN	26613 - 0238 LT
Description	PART LOT 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON
Address	CLARINGTON
PIN	26613 - 0239 LT
Description	PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON
Address	CLARINGTON
PIN	26613 - 0240 LT
Description	PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON
Address	CLARINGTON

Source Instruments

Registration No.	*Date*	*Type of Instrument*
DR1467269	2016 04 22	Charge/Mortgage

Party From(s)

Name JAEKEL CAPITAL INC.
Address for Service 10376 Yonge Street, Suite
203
Richmond Hill, Ontario, L4C 3B8

I, Richard Jaekel, Vice-President, have the authority to bind the corporation.

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

Party To(s) — *Capacity* — *Share*

Name HILLMOUNT CAPITAL INC.
Address for Service 89 Tycos Drive, Suite 208
Toronto, Ontario, M6B 1W3

Statements

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number DR1716079 registered on 2018/07/04

Schedule: See Schedules

This document relates to registration number(s)DR1467269, DR1562603, Charge No. DR1716079 and Assignment of Rents DR1716080.

Signed By

Liya Rakhshan — 5001 Yonge St., suite 301, Toronto, M2N 6P6 — acting for Party From(s) — Signed 2018 07 05

Tel 416-223-9191
Fax 416-223-9405

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

Submitted By

MEYER, WASSENAAR & BANACH — 5001 Yonge St., suite 301, Toronto, M2N 6P6 — 2018 07 05

Tel 416-223-9191
Fax 416-223-9405

Fees/Taxes/Payment

Statutory Registration Fee	$63.65
Total Paid	$63.65

File Number

Party To Client File Number : 2018-1276 JF/LL

SCHEDULE

Statement 61 continued

The applicant postpones the rights under the selected instrument being Charge/Mortgage No. DR1467269, registered on April 22, 2016 to the rights under a Charge/Mortgage in favour of Hillmount Capital Inc. registered on July 4, 2018 as Instrument No. DR1716079 and to the rights under a Notice of Assignment of Rents in favour of Hillmount Capital Inc. registered on July 4, 2018 as Instrument No. DR1716080.

SUBORDINATION AGREEMENT

THIS AGREEMENT made as of the 28th day of June, 2018, between Hillmount Capital Inc. (the "**Prior Lender**"), Jaekel Capital Inc. (the "**Subordinate Lender**") and Brookhill Holdings Inc. (the "**Borrower**").

Whereas the Subordinate Lender has made a loan to the Borrower which is secured by a mortgage on the lands and premises described in Schedule "A" hereto (the "**Property**") registered in the Land Registry Office for the Land Titles Division of Durham (No. 40) on the 22nd day of April, 2016 as Instrument No. DR1467269 securing the principal sum of $3,135,000.00 (the "**Subordinate Mortgage**"); the Subordinate Mortgage and all existing and future indebtedness and other obligations and liabilities owing by the Borrower to the Subordinate Lender thereunder from time to time are called the "**Subordinate Indebtedness**", and the Subordinate Mortgage and all other additional or collateral security now or hereafter securing the Subordinate Indebtedness and a General Security Agreement are collectively called the "**Subordinate Security**".

And whereas the Prior Lender pursuant to a commitment letter dated May 3, 2018 as amended (the "**Commitment**") agreed to make a loan to the Borrower in the original principal sum of $4,200,000.00 (the "**Loan**") on the security of a first mortgage to be registered in the aforesaid Land Registry Office, in the principal amount of $4,200,000.00 (the "**Mortgage**") on the Property. All existing and future indebtedness and other obligations and liabilities owing by the Borrower to the Prior Lender from time to time pursuant to the Loan, including the principal sum of $4,200,000.00 (the "**Principal**"), all interest thereon calculated at a rate of 10.25% per annum, any Protective Advances, and all other amounts owing to the Prior Lender thereunder from time to time, are called the "**Prior Indebtedness**". The Mortgage and all other additional or collateral security now or hereafter securing the Prior Indebtedness including, but not limited to, the Assigned Mortgages (as hereinafter defined), Assignment of Rents, the General Security Agreement, the Guarantee, Assignment of Rights Under Agreements of Purchase and Sale, Assignment of Construction Contracts, Assignment of Municipal Approvals, Assignment of Plans and Reports, Assignment and Direction to TARION, Assignment and Direction to Bank, Assignment and Direction to Authority, Nominee Direction and Acknowledgement perfected by registration under the Personal Property Security Act as File Number 740474919, are collectively called the "**Prior Security**".

And whereas the following mortgages on the Property (the "**Assigned Mortgages**") are to be assigned by the holders thereof in favour of the Prior Lender and held by the Prior Lender as further and additional security for the obligations of the Borrower to the Prior Lender in respect of the Loan:

a) A mortgage in favour of Vector Financial Services Limited registered in March 22, 2016 as Instrument No. DR1458570;

b) A mortgage in favour of Vector Financial Services Limited registered on December 9, 2016 as Instrument No. DR1547722;

c) A mortgage in favour of Alfredo De Brito and Laurentina De Brito registered on January 12, 2016 as Instrument No. DR1439153; and

d) A mortgage in favour of Jose Brito registered on January 12, 2016 as Instrument No. DR1439151.

And whereas the Subordinate Lender has agreed to subordinate and postpone the Subordinate Indebtedness and the Subordinate Security to and in favour of the Prior Indebtedness and the Prior Security. Reference herein to the Subordinate Indebtedness, Subordinate Security, Prior Indebtedness and Prior Security includes all renewals, extensions, amendments, modifications, replacements and restatements thereof or thereto from time to time.

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

Definitions. In this Agreement, all words and terms not otherwise defined herein shall have the meaning ascribed to them in the Mortgage and in addition to the defined terms set forth in this Agreement, the following defined terms will have the following meanings unless the context otherwise requires:

"**Agreement**" means this Subordination agreement and any Schedules attached hereto, as amended or restated from time to time.

"**Collateral**" shall mean any and all present and future undertaking, property or assets of the Borrower and includes the Property.

"**Enforcement Action**" means the exercise of any remedy available to the Subordinate Lender or the Prior Lender and shall include the commencement of power of sale, foreclosure or other judicial or private sale proceedings, appointing or applying for, or obtaining or consenting to the appointment of, a receiver, a manager or a receiver and manager or other person having similar powers in respect of the Borrower or all or any part of the Collateral, taking possession or control of all or any part of the Collateral, giving notice of intention to enforce security, or undertaking, commencing, giving notice of or taking any action or proceeding seeking payment or recovery of all or any part of the Subordinate Indebtedness or the Prior Indebtedness, as the case may be, or damages in lieu thereof, or accepting a transfer of any property in lieu of foreclosure, or the exercise of any other rights or remedies available to a creditor under its security or otherwise at law or in equity, including without limitation, any bankruptcy or insolvency proceedings or any participation in or any actions in furtherance of the foregoing.

"**Protective Advance**" means, in respect of the Loan, any advances under the Loan necessary or prudent for the protection or preservation of the Property or the Collateral or to avoid the probability or likelihood of losses to the Prior Lender under the Loan and the Prior Security, including without limitation a Loan advance, payments for property taxes, environmental remediation, legal fees, realization costs, appraisals, consultant's fees, receiver's fees, property manager's fees, insurance or repairs in respect of the Property, construction costs, other Costs (as defined in the Mortgage), or other collateral or to discharge any liens, charges or encumbrances ranking in priority to the Prior Security as against the Property or the Collateral;

1. **Covenants, Representations and Warranties of Subordinate Lender**. The Subordinate Lender consents to the Prior Indebtedness and the Prior Security and represents and warrants to the Prior Lender that (i) the Subordinate Indebtedness and the Subordinate Security are in good standing and the Borrower is not in default thereunder, (ii) it holds no security of any kind against the Property other than the Subordinate Security, and (iii) it is the sole owner of the Subordinate Indebtedness and the Subordinate Security and has full power, authority and legal right to enter into this agreement. Upon request by the Prior Lender from time to time, the Subordinate Lender shall provide to the Prior Lender copies of the Subordinate Security and/or a statement confirming the status thereof, including the amount of the Subordinate Indebtedness then outstanding, interest due and particulars of all existing or alleged defaults by the Borrower in respect thereof.

2. **Subordination and Postponement**. The Subordinate Lender hereby subordinates and postpones the Subordinate Security and the Subordinate Indebtedness to the Prior Security and the Prior Indebtedness and agrees with the Prior Lender that the Prior Security shall be a first priority lien and charge against the Property for the full amount of the Prior Indebtedness in full priority to the Subordinate Security and the Subordinate Indebtedness. The subordination and postponement of the Subordinate Security and the Subordinate Indebtedness to the Prior Security and the Prior Indebtedness shall include subordination and postponement of the Subordinate Indebtedness to the extent required to make the Prior Security a first priority lien and charge against the Collateral including the Property for the entire amount of the Prior Indebtedness at all times. No discharge, release or waiver by the Prior Lender of any of the Prior Security against or in respect of any part the Property or any person or any amendment, renewal, extension, replacement, modification, supplement, replacement or restatement of any Prior Indebtedness and/or the Prior Security, provided that the Principal sum, the interest rate and the administrative fees set out in the Mortgage are not increased, shall require notice to or the consent of Subordinate Lender or otherwise affect the subordination and postponement of the Subordinate Security and the Subordinate Indebtedness hereby granted by the Subordinate Lender.

3. **Irrelevant Events and Circumstances.** The grants of priority provided for herein will apply in all events and circumstances regardless of:

(a) the dates of execution, delivery and registration of the Prior Security and the Subsequent Security, and the dates of creation, attachment, perfection and existence of the Prior Security;

(b) the dates of all advances and other extensions of credit made by any of the Prior Lender and the Subsequent Lender for the benefit of the Borrower in connection with the Property and the dates of all liabilities incurred by the Borrower in favour of the Prior Lender or the Subsequent Lender in connection with the Property;

(c) the dates of any defaults by the Borrower under the Prior Security or the Subsequent Security, and the dates of crystallization of any floating charges contained in the Prior Security or the Subsequent Security;

(d) the dates any demands for payment are made, the dates any notices are given, and any failure to make or give any such demands or notices;

(e) any contrary intention expressed in the Prior Security, the Subsequent Security or any other documents; and

(f) any priority granted by any principle of law or equity or any statute, including, without limitation, the Bank Act (Canada) and applicable personal property security legislation.

4. **Intentionally Deleted**

5. **Information.** Each of the Prior Lender and the Subordinate Lender, if requested by the other of them, shall provide to the requesting party such information respecting the Prior Indebtedness or Prior Security or the Subordinate Indebtedness or Subordinate Security, as the case may be, as the requesting party may from time to time reasonably request, including, without limitation, the outstanding amount of the Prior Indebtedness or the Subordinate Indebtedness, as the case may be. In the event of a default under the Prior Security and/or the Subsequent Security, for which default the Prior Lender and/or the Subsequent Lender issues a notice of default to the Borrower, the Prior Lender and/or the Subsequent Lender, as applicable, shall forthwith provide written notice to the other lender of such default, which notice shall specify the nature of such default. The Borrower hereby irrevocably authorizes and directs each of the Prior Lender and Subordinate Lender to provide any information with respect to the Borrower to the other of them. The Subordinate Lender agrees to provide the Prior Lender with copies of any appraisals, reports, audits and the like should it obtain any after the date hereof.

6. **Intentionally Deleted**

7. **No Challenge.** The Subordinate Lender and the Borrower shall not take, or cause or permit any other person to take on its behalf, any steps or action whatsoever whereby the priority or validity of any of the Prior Security or the rights of Prior Lender hereunder or under the Prior Security shall be delayed, defeated, impaired or diminished in any way, and, absent gross negligence or wilful misconduct on the part of the Prior Lender, the Subordinate Lender and the Borrower shall not challenge, object to, compete with or impede in any manner any Enforcement Action commenced or taken by the Prior Lender in connection with or in respect of the Prior Indebtedness or the Prior Security against the Borrower or any one or more of them, or against or in respect of all or any part of the Collateral.

8. **Acceleration.** Nothing herein contained shall compel the Prior Lender at any time to accelerate the Loan or commence any action or enforcement proceeding under the Prior Security. The Subordinate Lender acknowledges that all rights and remedies which the Prior Lender may have under the Prior Security and related agreements and hereunder are cumulative and not alternative rights and remedies. Nothing herein contained shall entitle the Subordinate Lender at any time to accelerate its loan or commence any action or enforcement proceedings under the Subordinate Security.

9. **Assigned Mortgages.** The Subordinate Lender and the Borrower hereby agree that the Assigned Mortgages shall be assigned by the holders thereof to the Prior Lender and held by the Prior Lender as further and additional security for the Prior Indebtedness. All payments under the Mortgage shall be the same as if given under the Assigned Mortgages. Default under the

Mortgage shall constitute default under the Assigned Mortgages and default under any of the Assigned Mortgages shall constitute default under the Mortgage. In the event that the Borrower is entitled to a discharge of the Mortgage, the Borrower shall be entitled to a discharge of the Assigned Mortgages.

10. **Assignment by Subordinate Lender**. The Subordinate Lender agrees that it shall not sell, transfer, assign or otherwise dispose of any interest in the Subordinate Indebtedness or the Subordinate Security to any person or persons (the "**Assignee**") except upon terms and conditions which are expressly subject to the terms of this Agreement and unless the prior written consent thereto of the Prior Lender has been obtained. Concurrently with any such sale, transfer, assignment or other disposition, the Subordinate Lender shall cause each Assignee to enter into a subordination and standstill agreement with the Prior Lender on the same terms and conditions as this Agreement. No such sale, transfer, assignment or other disposition shall be effective unless and until the Prior Lender has given its written consent thereto and the Assignee has entered into a subordination and standstill agreement with the Prior Lender on the same terms and conditions as this Agreement. The Prior Lender may transfer or assign its interest in the Loan and this Agreement without restriction and without prior notice to or the consent of the Subordinate Lender.

11. **Further Assurances**. The Subordinate Lender shall execute and deliver upon request by the Prior Lender, at the Borrower's expense, such further documents or instruments and take such further action as the Prior Lender may reasonably require from time to time to carry out the intent of this Agreement, including, without limitation, executing and delivering an agreement or instrument to register the subordination and postponement of the Subordinate Security and the Subordinate Indebtedness as provided for herein on title to the Property and to give notice to third parties of the provisions of this Agreement.

12. **Notices**. Any notice, demand or other communication which any party may desire or may be required to give to any other party shall be in writing and may be made or given by personal delivery, by registered mail, by facsimile transmission or by electronic mail to the address for service of the recipient set forth below. Any demand, notice or communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof, and if given by registered mail, on the third business day following the deposit thereof in the mail, and if given by facsimile transmission, or by electronic mail, on the date of delivery unless transmitted after 5:00 P.M. in which case it shall be deemed to be delivered on the first business day following the transmittal thereof. If any party giving any demand, notice or other communication knows or reasonably ought to know of any difficulties with the postal system that might affect delivery of mail, such demand, notice or other communication shall not be mailed, but shall be given by personal delivery, by facsimile transmission, or by electronic mail. Any party hereto may change its address for service to which notices hereunder are required to be made or given by notice to other parties in accordance herewith.

13. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein without application of any principle of conflict of laws which may result in laws other than the laws in force in such Province applying to this agreement; and the Subordinate Lender consents to the jurisdiction of the courts of the Province of Ontario and irrevocably agrees that all actions or

proceedings arising out of or relating to this Agreement shall be litigated in such courts and the Subordinate Lender unconditionally accepts the non-exclusive jurisdiction of the said courts and waives any defense of *forum non-conveniens*, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement, provided nothing herein shall affect the right to serve process in any other manner permitted by law.

14. **Insolvency.** The Prior Lender shall have the right, but shall not be obliged or bound, to claim and prove in respect of all or any part of the Subordinate Indebtedness in any bankruptcy, insolvency, composition, scheme of arrangement, liquidation or winding up, voluntary or involuntary, affecting the Borrower or any distribution of Collateral among creditors of the Borrower and to vote any of the interests of the Subordinate Lender in respect of the Subordinate Indebtedness in any such proceedings, and the Subordinate Lender agrees that all dividends, distributions or other sums which may be or become payable in respect of the Subordinate Indebtedness pursuant to any such proceedings shall be due and be paid to the Prior Lender until the Prior Lender shall have received, together with dividends on the Prior Indebtedness, indefeasible payment and satisfaction of the full amount of the Prior Indebtedness. The Subordinate Lender will from time to time execute and deliver all statements, proofs of claim, transfers, assignments and documents and do all such other acts and things as the Prior Lender may request from time to time to implement and give effect to the foregoing. The Subordinate Lender hereby irrevocably constitutes and appoints the Prior Lender or its respective officers from time to time the true and lawful attorney of the Subordinate Lender, with full power of substitution, to do any of the foregoing in the name of the Subordinate Lender, whenever the Prior Lender, in its sole discretion, deems it to be necessary or expedient.

15. **Amendments.** The Prior Lender may extend, renew, modify, amend, restate or vary the terms of the Prior Security or any other agreement or instrument governing or evidencing the Prior Indebtedness or the Prior Security, other than increasing the Principal, the interest rate, or the administrative fees set out in the Mortgage, without affecting the rights of the Prior Lender under this Agreement or under or in respect of the Prior Indebtedness or the Prior Security or affecting the priority of the Prior Indebtedness and the Prior Security or the subordination and postponement of the Subordinate Indebtedness and the Subordinate Security as provided for herein. The Subordinate Lender shall not make or permit any material amendment to be made to the Subordinate Security or any part thereof, including the increase in the principal sum thereof, without the prior written approval of the Prior Lender, such approval may be unreasonably withheld or delayed.

16. **Execution of Postponements.** The Subordinate Lender covenants and agrees to promptly execute and provide the Prior Lender with whatever documents may, in the reasonable opinion of the Prior Lender's counsel, be required from time to time to evidence and confirm the foregoing postponement and subordination, including, if necessary, a postponement of charge in registerable form in respect of the Subordinate Mortgage, as well the Subordinate Lender hereby authorizes the Prior Lender to register any financing change statements or other documents required to record such postponement and subordination under the Personal Property Security Act R.S.O. 1990, as amended, and all reasonable legal fees and disbursements incurred in connection with the foregoing shall be for the account of the Borrower and if not paid shall form part of the Prior Indebtedness and shall bear interest at the rate stipulated in the Mortgage.

17. **Effect of Postponement.** This Agreement shall be effective as between the Prior Lender and the Subordinate Lender notwithstanding any past, present or future agreement, event, act or omission to act on the part of the Prior Lender, the Subordinate Lender, the Borrower or any other person, including, without limitation, any one or more of the following:

(a) the timing of execution, delivery, attachment, perfection, crystallization, registration or enforcement of the Prior Security or the Subordinate Security;

(b) the failure of the Prior Lender to register, maintain, renew or keep current any registration of or pertaining to any of the Prior Security;

(c) the respective dates or timing of any advances or defaults under the Prior Indebtedness and/or the Prior Security respectively or the Subordinate Indebtedness and/or the Subordinate Security, including all advances made by the Prior Lender from time to time after the date hereof; and

(d) any partial or complete repayment at any time and from time to time by the Borrower of any monies secured by the Prior Security.

18. **Borrower's Confirmations.** The Borrower hereby acknowledges the foregoing priorities and postponements, and agrees to be bound by the respective priorities of the Prior Security, being first in priority on the Property and the Collateral and the Subordinate Security, being subsequent in priority, as hereinbefore set forth, and to pay or fully reimburse the Prior Lender and the Subordinate Lender, for all reasonable legal fees, expenses and disbursements incurred by the Prior Lender and the Subordinate Lender in connection with their execution and delivery of the postponement and subordination documentation hereinbefore provided or contemplated which if not paid shall form part of the Prior Indebtedness and/or the Subordinate Indebtedness, as the case may be and bear interest at the rate stipulated in the Mortgage or the Subordinate Mortgage as the case may be. The Borrower covenants not to make any payments to the Subordinate Lender in contravention of this Agreement. Nothing in this Agreement shall create any rights in favour of, or obligations to, the Borrower, and the covenants and agreements of the Prior Lender and the Subordinate Lender herein shall not be enforceable by the Borrower. No consent of the Borrower shall be necessary for any amendment to this Agreement by the Prior Lender and the Subordinate Lender and any such amendment shall be at the expense of the Borrower. The Borrower covenants that it shall not pay any funds from the Property Cash Flow to the Subordinate Lender.

19. **Successors**. The acknowledgements and agreements contained in this Agreement shall extend to, be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns and shall likewise be binding on any trustee or receiver in bankruptcy of any party hereto, and on any trustee or appointee of any court or other tribunal, and on any person (including a corporation) who shall receive the property of any party hereto upon any liquidation proceedings, or any proceedings involving the disposition or devolution of property by operation of law or otherwise. Where any reference is made in this Agreement to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or

right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to, a trust, such reference shall be construed and applied for all purposes as if it referred to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to, the trustee(s) of the trust.

20. **Non Waiver.** The failure of any party hereto to seek redress from the breach or violation of any provision of this Agreement, or to insist upon the strict performance thereof, shall not constitute a waiver of such breach, nor a waiver of such party's respective rights and remedies in connection therewith, and shall not prevent a subsequent act, which would have originally constituted a violation or breach of any provision of this Agreement, from having the effect of an original violation or breach. No waiver on behalf of any party hereto in relation to any breach or default by any other party hereto, shall be effective or binding upon such first-mentioned party, unless and until such waiver is specifically confirmed or expressed in writing, and same shall not limit or affect such first-mentioned party's rights and remedies with respect to any further or other breach or default by the other party or parties hereto.

21. **Severability of Invalid Provisions.** Every provision of this Agreement is intended to be several, and accordingly, if any term or provision hereof is adjudged by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, then such illegal or invalid provision shall not affect the validity of the remainder of this Agreement, but shall be severable therefrom, and this Agreement shall accordingly be construed and enforced as if such illegal or invalid provision had not been inserted in this Agreement.

22. **Time of the Essence.** Time shall in all respects be of the essence hereof, provided that the time for doing or completing any matter provided or contemplated in this Agreement may be extended or abridged by an agreement in writing between the Prior Lender and the Subordinate Lender, or by their respective solicitors who are hereby specifically authorized in that regard. All acts required of the Subordinate Lender hereunder shall be carried out promptly and without delay and in any event within five business days of a request for same.

23. **Recitals.** All recitals contained herein are true and correct and form an integral part of this Agreement

24. **Heading and Gender.** Any headings used throughout this Agreement are for ease of reference only, and shall not be deemed or construed to form a part of this Agreement, nor shall they influence the construction or interpretation of this Agreement. This Agreement shall be read and construed with all changes in gender or number as may be required.

25. **Plural and Singular.** Where the context so requires, words importing the singular number will include the plural and vice versa.

26. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto in connection with the respective priorities between the Prior Security and the Subordinate

Security, and the respective obligations and agreements among the parties with respect to the financing of the acquisition and the realization upon their respective security.

27. <u>**Counterparts**</u>. This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and which counterparts together shall constitute one and the same instrument.

28. <u>**Electronic Delivery.**</u> The execution and delivery of this Agreement by facsimile transmission or electronic mail shall be as effective and binding on the parties hereto as if this Agreement were executed and delivered in the original.

SIGNATURES ON NEXT PAGE

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

JACKEL CAPITAL INC.

Per:
Name: Richard Jackel
Title: Vice-President
I have authority to bind the corporation.

BROOKHILL HOLDINGS INC.

Per:
Name: Giuseppe Vaccaro
Title: President
I have authority to bind the corporation.

HILLMOUNT CAPITAL INC.

Per:________________________
Name: Yitz Levinson
Title: President
I have authority to bind the corporation.

Addresses for Notices Purposes:

Jackel Capital Inc.
10376 Yonge Street, Suite 205
Richmond Hill, Ontario, L4C 3B8

Brookhill Holdings Inc.
56 The Esplanade, Suite 406
Toronto, Ontario, M5E 1A7

Hillmount Capital Inc.
89 Tycos Drive, Suite 208
Toronto, Ontario, M6B 1W3

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

JAEKEL CAPITAL INC.

Per: ______________________
Name: Richard Jaekel
Title: Vice-President
I have authority to bind the corporation.

BROOKHILL HOLDINGS INC.

Per: ______________________
Name: Giuseppe Valela
Title: President
I have authority to bind the corporation.

HILLMOUNT CAPITAL INC.

Per: ______________________
Name: Yitz Levinson
Title: President
I have authority to bind the corporation.

Addresses for Notices Purposes:

Jaekel Capital Inc.
10376 Yonge Street, Suite 203
Richmond Hill, Ontario, L4C 3B8

Brookhill Holdings Inc.
56 The Esplanade, Suite 406
Toronto, Ontario, M5E 1A7

Hillmount Capital Inc.
89 Tycos Drive, Suite 208
Toronto, Ontario, M6B 1W3

SCHEDULE "A"

Lands

FIRSTLY: PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0238 LT), municipally known as 2499 Nash Road, Clarington, Ontario
SECONDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0239 LT), municipally known as 2494 Regional Road 57, Clarington, Ontario
THIRDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0240 LT), municipally known as 2538 Regional Road 57, Clarington, Ontario

EXHIBIT “M”

This is Exhibit “M” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

Properties

PIN	26613 - 0238 LT
Description	PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON
Address	CLARINGTON
PIN	26613 - 0239 LT
Description	PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON
Address	CLARINGTON
PIN	26613 - 0240 LT
Description	PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON
Address	CLARINGTON

Source Instruments

Registration No.	*Date*	*Type of Instrument*
DR1567425	2017 02 14	Charge/Mortgage
DR1679035	2018 02 01	Transfer Of Charge

Party From(s)

Name OLYMPIA TRUST COMPANY
Address for Service 2200, 125 - 9th Avenue SE
Calgary,
Alberta
T2G 0P6

I, Cora Dumais, Team Lead and Anna Le, Manager, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Name COMPUTERSHARE TRUST COMPANY OF CANADA
Address for Service 510 Burrard Street, 3rd Floor
Vancouver,
B.C.
V6C 3B9

I, Winifred Chan, Associate Relationship Manager and Neil Carnell, Director Broker Products, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Name BUILDING & DEVELOPMENT MORTGAGES CANADA INC.
Address for Service 25 Brodie Drive, Unit 8
Richmond Hill,
Ontario, L4B 3K7

I, Lana Bezner, A.S.O., have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Party To(s) *Capacity* *Share*

Name HILLMOUNT CAPITAL INC.
Address for Service 89 Tycos Drive, Suite 208
Toronto, Ontario, M6B 1W3

Statements

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number DR1716079 registered on 2018/07/04

Schedule: See Schedules

This document relates to registration number(s)DR1567425, DR1567427, DR1569737, DR1584540, DR1591006, DR1599139, DR1613712, DR1621709, DR1656693, DR1656694, DR1659475, DR1661774, DR1668221, DR1670288, DR1672963, DR1674628, DR1679035, Charge DR1716079 and Assignment of Rents DR1716080.

Signed By

Liya Rakhshan	5001 Yonge St., suite 301 Toronto M2N 6P6	acting for Party From(s)	Signed	2018 07 05

Tel 416-223-9191

Fax 416-223-9405

Signed By

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

Submitted By

MEYER, WASSENAAR & BANACH	5001 Yonge St., suite 301 Toronto M2N 6P6	2018 07 05

Tel 416-223-9191
Fax 416-223-9405

Fees/Taxes/Payment

Statutory Registration Fee	$63.65
Total Paid	$63.65

File Number

Party To Client File Number : 2018-1276 JF/LL

SCHEDULE

Statement 61 continued

The applicant postpones the rights under the selected instrument being Charge/Mortgage No. DR1567425, registered on February 14, 2017 to the rights under a Charge/Mortgage in favour of Hillmount Capital Inc. registered on July 4, 2018 as Instrument No. DR1716079 and to the rights under a Notice of Assignment of Rents in favour of Hillmount Capital Inc. registered on July 4, 2018 as Instrument No. DR1716080.

SUBORDINATION AGREEMENT

THIS AGREEMENT made as of the 28th day of June 2018, between Hillmount Capital Inc. (the "**Senior Lender**"), Building & Development Mortgages Canada Inc., ("**BDMC**") Olympia Trust Company "(**Olympia**") and Computershare Trust Company of Canada ""**CTC**") (collectively, the "**Subordinate Lender**") and Brookhill Holdings Inc. (the "**Borrower**").

WHEREAS

a) the Building & Development Mortgages Canada Inc. has made a loan to the Borrower which is secured by a mortgage on the lands and premises described in Schedule "A" hereto (the "**Property**") registered in the Land Registry Office for the Land Titles Division of Durham (No. 40) on the 14th day of February 2017 as Instrument No. DR1567425 securing the principal sum of $10,600,000.00 which mortgage was transferred from time to time by Transfers of Charges from BDMC in favour of itself, Olympia and/or CTC as to the undivided interests noted therein and is presently held by the Subordinate Lender (the "**Subordinate Mortgage**");

b) the Subordinate Mortgage and all existing and future indebtedness and other obligations and liabilities owing by the Borrower to the Subordinate Lender thereunder from time to time are called the "**Subordinate Indebtedness**", and the Subordinate Mortgage and all other additional or collateral security now or hereafter securing the Subordinate Indebtedness, including a General Security Agreement and perfected by Financing Statements registered as File Nos. 723151611, 723151665 and 723151683 under the *Personal Property Security Act*, (Ontario) are collectively called the "**Subordinate Security**";

AND WHEREAS, pursuant to an Appointment Order of the Ontario Superior Court of Justice issued April 20, 2018 pursuant to the *Mortgage Brokerages, Lenders and Administrators Act, 2006* (Ontario) and the *Courts of Justice Act* (Ontario), FAAN Mortgage Administrators Inc. was appointed trustee of all of the assets, undertakings and properties of Building & Development Mortgages Canada Inc. (the "**Appointment Order**");

AND WHEREAS:

c) the Senior Lender pursuant to a commitment letter dated May 3, 2018, as amended (collectively the "**Commitment**") agreed to make a loan to the Borrower in the original principal sum of $4,200,000.00 (the "**Loan**") on the security of, inter alia, a first mortgage to be registered in the aforesaid Land Registry Office, in the principal amount of $4,200,000.00 (the "**Mortgage**") on the Property;

d) all existing and future indebtedness and other obligations and liabilities owing by the Borrower to the Senior Lender from time to time pursuant to the Loan, up to the maximum principal sum of $4,200,000.00 (the "**Principal**"), plus all interest thereon calculated at a rate of 10.25% per annum, any Protective Advances, and all other amounts owing to the Senior Lender thereunder from time to time, are called the "**Senior Indebtedness**";

e) the Mortgage and all other additional or collateral security now or hereafter securing the Senior Indebtedness including, but not limited to, the Assigned Mortgages (as hereinafter defined), Assignment of Rents, the General Security Agreement, the Guarantee, Assignment of Rights Under Agreements of Purchase and Sale, Assignment of Construction Contracts, Assignment of Municipal Approvals, Assignment of Plans and Reports, Assignment and Direction to TARION, Assignment and Direction to Bank, Assignment and Direction to Authority, Nominee Direction and Acknowledgement perfected by registration under the *Personal Property Security Act* (Ontario) as File Number 740474919, are collectively called the "**Senior Security**";

AND WHEREAS the following mortgages on the Property (the "**Assigned Mortgages**") are to be assigned by the holders thereof in favour of the Senior Lender and held by the Senior Lender as further and additional security, subject to the terms hereof, for the obligations of the Borrower to the Senior Lender in respect of the Loan:

f) a mortgage in favour of Vector Financial Services Limited registered on March 22, 2016 as Instrument No. DR1458570;

g) a mortgage in favour of Vector Financial Services Limited registered on December 9, 2016 as Instrument No. DR1547722;

h) a mortgage in favour of Alfredo De Brito and Laurentina De Brito registered on January 12, 2016 as Instrument No. DR1439153;

i) a mortgage in favour of José Brito registered on January 12, 2016 as Instrument No. DR1439151;

AND WHEREAS the Subordinate Lender has agreed to subordinate and postpone the Subordinate Indebtedness and the Subordinate Security to and in favour of the Senior Indebtedness and the Senior Security, subject to the terms hereof, and reference herein to the Subordinate Indebtedness, Subordinate Security, Senior Indebtedness and Senior Security includes all renewals, extensions, amendments, modifications, replacements and restatements thereof or thereto from time to time, subject to the terms hereof,

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

Definitions. In this Agreement, all words and terms not otherwise defined herein shall have the meaning ascribed to them in the Mortgage and in addition to the defined terms set forth in this Agreement, the following defined terms will have the following meanings unless the context otherwise requires:

"**Agreement**" means this Subordination Agreement and any Schedules attached hereto, as duly amended or restated from time to time.

"**Collateral**" shall mean any and all present and future undertaking, property or assets of the Borrower and includes the Property.

"**Enforcement Action**" means the exercise of any remedy available to the Subordinate Lender (subject always to the standstill provisions contained in paragraph 6 hereof) or the Senior Lender and shall include the commencement of power of sale, foreclosure or other judicial or private sale proceedings, appointing or applying for, or obtaining or consenting to the appointment of, a receiver, a manager or a receiver and manager or other person having similar powers in respect of the Borrower or all or any part of the Collateral, taking possession or control of all or any part of the Collateral, giving notice of intention to enforce security, or undertaking, commencing, giving notice of or taking any action or proceeding seeking payment or recovery of all or any part of the Subordinate Indebtedness (subject always to the standstill provisions contained in paragraph 6 hereof) or the Senior Indebtedness, as the case may be, or damages in lieu thereof, or accepting a transfer of any property in lieu of foreclosure, or the exercise of any other rights or remedies available to a creditor under its security or otherwise at law or in equity, including without limitation, any bankruptcy or insolvency proceedings or any participation in or any actions in furtherance of the foregoing (but shall not include the filing of any proof of claim or related action in any bankruptcy, insolvency or similar proceedings).

"Protective Advance" means, in respect of the Loan, any advances under the Loan necessary or prudent for the protection or preservation of the Property or the Collateral or to avoid the probability or likelihood of losses to the Senior Lender under the Loan and the Senior Security, including without limitation a Loan advance, payments for property taxes, environmental remediation, legal fees, realization costs, appraisals, consultant's fees, receiver's fees, property manager's fees, insurance or repairs in respect of the Property, maintenance and repair costs, other costs (if required by the terms of Mortgage as those terms exist at the date of this Agreement), or other collateral or to discharge any liens, charges or encumbrances ranking in priority to the Senior Security as against the Property or the Collateral;

1. **Covenants, Representations and Warranties.**

(a) The Subordinate Lender consents to the Senior Indebtedness and the Senior Security and represents and warrants to the Senior Lender that (i) the Subordinate Indebtedness and the Subordinate Security are in good standing and the Borrower is not in default thereunder, (ii) it holds no security of any kind against the Property other than the Subordinate Security, and (iii) it is the registered owner of the Subordinate Indebtedness and the Subordinate Security and has full power, authority and legal right to enter into this Agreement.

(b) **Intentionally Deleted**

(c) The Subordinate Lender hereby warrants, represents and confirms to the Senior Lender that all of the beneficial owners of the Subordinate Lender's interest in the

Subordinate Mortgage have authorized or directed, or are deemed to have done same, the Subordinate Lender to execute and deliver this Agreement and all other documents relating thereto in order that their beneficial interests in the Subordinate Indebtedness and the Subordinate Security is subordinated and postponed to and in favour of the Senior Indebtedness and the Senior Security.

(d) The Senior Lender consents to the Subordinate Indebtedness and the Subordinate Security and represents and warrants to the Subordinate Lender that (i) the Senior Indebtedness and the Senior Security are in good standing and the Borrower is not in default thereunder, (ii) it holds no security of any kind against the Property other than the Senior Security, (iii) it is the registered owner of the Senior Indebtedness and the Senior Security and has full power, authority and legal right to enter into this Agreement, (iv) the maximum principal amount advanced and secured under the Senior Security (including the Assigned Mortgages) is $4,200,000. (the "**Principal**") which Principal amount bears interest at the rate of 10.25% per annum calculated monthly (the "**Interest Rate**") and (v) all beneficial owners of the Senior Lender's interests in the Mortgage have authorized or directed the Senior Lender to execute and deliver this Agreement and all other documents related thereto.

2. **Subordination and Postponement.**

(a) Subject to section 3(b) below:

(i) The Subordinate Lender hereby subordinates and postpones the Subordinate Security and the Subordinate Indebtedness to the Senior Security and the Senior Indebtedness and agrees with the Senior Lender that the Senior Security shall be a first priority lien and charge against the Property for the full amount of the Senior Indebtedness in full priority to the Subordinate Security and the Subordinate Indebtedness.

(ii) The subordination and postponement of the Subordinate Security and the Subordinate Indebtedness to the Senior Security and the Senior Indebtedness shall include subordination and postponement of the

Subordinate Indebtedness to the extent required to make the Senior Security a first priority lien and charge against the Collateral including the Property for the entire amount of the Senior Indebtedness at all times.

(iii) No discharge, release or waiver by the Senior Lender of any of the Senior Security against or in respect of any part of the Property or any person or any amendment, renewal, extension, replacement, modification, supplement, replacement or restatement of any Senior Indebtedness and/or the Senior Security shall require the consent of the Subordinate Lender, but written notice, other than in respect of a discharge, release or waiver, of same shall be provided to the Subordinate Lender and, as well, the Senior Lender shall use commercially reasonable efforts to provide the Subordinate Lender with written notice of any discharge, release or waiver of any of the Senior Security.

(b) Notwithstanding anything in this Agreement, the Senior Lender agrees that the Principal, the Interest Rate and the administrative fees (the "**Fees**") set out in the Mortgage and/or secured by the Senior Security shall not be increased without the Subordinate Lender's written consent, failing which the increased Principal, the Interest Rate, and/or Fees, as the case may be, shall not be subordinated and postponed to the Subordinate Security or the Subordinate Indebtedness hereby granted by the Subordinate Lender.

3. **Irrelevant Events and Circumstances.** The grants of priority provided for herein will apply in all events and circumstances regardless of:

(a) the dates of execution, delivery and registration of the Senior Security and the Subordinate Security, and the dates of creation, attachment, perfection and existence of the Senior Security;

(b) the dates of all advances and other extensions of credit made by any of the Senior Lender, up to the Principal, the Interest Rates and Fees, and of the Subordinate Lender for the benefit of the Borrower in connection with the Property and the dates of all liabilities incurred by the Borrower in favour of the Senior Lender or the Subordinate Lender in connection with the Property;

(c) the dates of any defaults by the Borrower under the Senior Security or the Subordinate Security, and the dates of crystallization of any floating charges contained in the Senior Security or the Subordinate Security;

(d) the dates any demands for payment are made, the dates any notices are given, and any failure to make or give any such demands or notices save demands and notices set out in this Agreement;

(e) any contrary intention expressed in the Senior Security, the Subordinate Security, or any other documents except in the terms of this Agreement; and

(f) any priority granted by any principle of law or equity or any statute, including, without limitation, the *Bank Act* (Canada) and applicable personal property security legislation.

4. **Intentionally Deleted.**

5. **Information.**

(a) Each of the Senior Lender and the Subordinate Lender, if requested by the other of them, shall provide to the requesting party such information respecting the Senior Indebtedness or Senior Security or the Subordinate Indebtedness or Subordinate Security, as the case may be, as the requesting party may from time to time reasonably request, including, without limitation, copies of the Subordinate Security and/or a statement confirming the status thereof, including the amount of the Subordinate Indebtedness then outstanding, interest due and particulars of all existing or alleged defaults by the Borrower in respect thereof, as the case may be.

(b) In the event of a default under the Senior Security and/or the Subordinate Security, for which default the Senior Lender and/or the Subordinate Lender issues a notice of default to the Borrower, the Senior Lender and/or the Subordinate Lender, as applicable, shall forthwith provide written notice to the other lender of such default, which notice shall specify the nature of such default. The Borrower hereby irrevocably authorizes and directs each of the Senior Lender and Subordinate Lender to provide any information with respect to the Borrower to the other of them.

6. Standstill. The Subordinate Lender agrees that from and after the date hereof, for a period of 90 days following the occurrence of an event of default that would give the Subordinate Lender the right to take Enforcement Action, the Subordinate Lender shall not take, direct, initiate, pursue or otherwise participate in, either directly or indirectly, any Enforcement Action in connection with or in respect of the Subordinate Indebtedness or the Subordinate Security against or in respect of the Borrower or against or in respect of all or any part of the Collateral or against any party or parties who may be entitled to claim contribution or indemnity against the Borrower and that should the Subordinate Lender become entitled to take any Enforcement Action at the end of the 90 day period, this Agreement shall apply to any recoveries resulting therefrom. Nothing herein prevents the Subordinate Lender from making demand for legal fees, costs and expenses incurred due to the enforcement proceedings taken by the holders of the Assigned Mortgages up to the date of this Agreement and for the negotiation and execution of this Agreement.

7. No Challenge. The Subordinate Lender and the Borrower shall not take, or cause or permit any other person to take on its behalf, any steps or action whatsoever whereby the priority or validity of any of the Senior Security or the rights of Senior Lender hereunder or under the Senior Security shall be delayed, defeated, impaired or diminished in any way, and, absent gross negligence or wilful misconduct on the part of the Senior Lender, the Subordinate Lender and the Borrower shall not challenge, compete with or impede in any manner any Enforcement Action commenced or taken by the Senior Lender in connection with or in respect of the Senior Indebtedness or the Senior Security against the Borrower or any one or more of them, or against or in respect of all or any part of the Collateral. Nothing herein derogates from the duties of a mortgagee acting under power of sale or acting as a private receiver.

8. Acceleration. Nothing herein contained shall compel the Senior Lender at any time to accelerate the Loan or commence any action or enforcement proceeding under the Senior Security. The Subordinate Lender acknowledges that all rights and remedies which the Senior

Lender may have under the Senior Security and related agreements and hereunder are cumulative and not alternative rights and remedies. Nothing herein contained shall entitle the Subordinate Lender at any time to accelerate its loan or commence any action or enforcement proceedings under the Subordinate Security.

9. Assigned Mortgages. The Subordinate Lender and the Borrower hereby agree that the Assigned Mortgages shall be assigned by the holders thereof to the Senior Lender and held by the Senior Lender as further and additional security for the Senior Indebtedness. All payments under the Mortgage shall be the same as if given under the Assigned Mortgages. Default under the Mortgage shall constitute default under the Assigned Mortgages and default under any of the Assigned Mortgages shall constitute default under the Mortgage. In the event that the Borrower is entitled to a discharge of the Mortgage, the Borrower shall be entitled to a discharge of the Assigned Mortgages. Notwithstanding the Assigned Mortgages, in no event shall the outstanding Principal amount that is secured by the Senior Security including the Assigned Mortgages be more than $4,200,000 without the written consent of the Subordinate Lender.

10. Assignment.

(a) The Senior Lender and the Subordinate Lender agree that the other may sell, transfer, assign or otherwise dispose of its interest in the Senior Indebtedness and Senior Security (including the Assigned Mortgages) or their respective interest in the Subordinate Indebtedness and Subordinate Security, as the case may be, to any person or persons (other than the Borrower or the Guarantor) (the "**Assignee**") upon prior written notice to the other party provided that no Senior Security (including the Assigned Mortgages) shall be assigned by the Senior Lender to any Person unless Senior Indebtedness in the corresponding amount is also assigned to such Person. Concurrently with any such sale, transfer, assignment or other disposition, the Senior Lender or Subordinate Lender, as the case may be, shall cause each Assignee to enter into a subordination and standstill agreement with the Senior Lender or Subordinate Lender, as the case may be, on the same terms and conditions as this Agreement and no such sale, transfer, assignment of other disposition shall be effective until such time as the Assignee has entered into such subordination and standstill agreement.

11. Further Assurances. The Senior Lender and Subordinate Lender shall execute and deliver upon request by the other, at the Borrower's expense, such further documents or instruments and take such further action as each may reasonably require from time to time to carry out the intent of this Agreement, including, without limitation, executing and delivering an agreement or instrument to register this Agreement on title to the Property, and to give notice to third parties of the provisions of this Agreement.

12. Notices. Any notice, demand or other communication which any party may desire or may be required to give to any other party shall be in writing and may be made or given by personal delivery, by registered mail, by facsimile transmission or by electronic mail to the address for service of the recipient set forth below. Any demand, notice or communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof, and if given by registered mail, on the third business day following the deposit thereof in the mail, and if given by facsimile transmission, or by electronic mail, on the date of delivery unless transmitted after 5:00 P.M. in which case it shall be deemed to be delivered on the first business day following the transmittal thereof. If any party giving any demand, notice or other communication knows or reasonably ought to know of any difficulties with the postal system that might affect delivery of mail, such demand, notice or other communication shall not be mailed, but shall be given by personal delivery, by facsimile transmission, or by electronic mail. Any party hereto may change its address for service to which notices hereunder are required to be made or given by notice to other parties in accordance herewith.

13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein without application of any principle of conflict of laws which may result in laws other than the laws in force in such Province applying to this agreement; and the Senior Lender, the Borrower and the Subordinate Lender consent to the jurisdiction of the courts of the Province of Ontario and irrevocably agree that all actions or proceedings arising out of or relating to this Agreement shall be litigated in such courts and such parties unconditionally accept the non-exclusive jurisdiction of the said courts and waive any defence of *forum non-conveniens*, and irrevocably agree, subject to rights of appeal or court order, to be bound by any judgment rendered thereby in connection

with this Agreement, provided nothing herein shall affect the right to serve process in any other manner permitted by law.

14. Insolvency. If, in any bankruptcy, insolvency, composition, scheme of arrangement, liquidation or winding up, voluntary or involuntary, affecting the Borrower or any distribution of Collateral among creditors of the Borrower, the Subordinate Lender does not claim or prove all or any part of the Subordinate Indebtedness at least two Business Days prior to the first meeting of the creditors, the Senior Lender shall have the right, but shall not be obliged or bound, to claim and prove in respect of all or such part of the Subordinate Indebtedness. In such circumstance the Senior Lender is hereby authorized to sign the proof of claim as authorized agent of the Subordinate Lender and may appoint a proxy on behalf of the Subordinate Lender to vote on its behalf at all meetings of creditors. The Subordinate Lender agrees that it shall only vote its interests in the Subordinate Indebtedness in any such proceedings in favour of a plan, proposal, or compromise that sees the Senior Lender receive indefeasible payment and satisfaction of the full amount of the Senior Indebtedness unless the Subordinate Lender has received written confirmation from the Senior Lender acknowledging the Senior Lender's support for a compromise of the Senior Indebtedness, and the Subordinate Lender agrees that all dividends, distributions or other sums which may be or become payable in respect of the Subordinate Indebtedness pursuant to any such proceedings shall be due and be paid to the Senior Lender until the Senior Lender shall have received, together with dividends on the Senior Indebtedness, indefeasible payment and satisfaction of the full amount of the Senior Indebtedness, in each case subject to the terms of this Agreement.

15. Amendments. The Senior Lender may extend, renew, modify, amend, restate or vary the terms of the Senior Security or any other agreement or instrument governing or evidencing the Senior Indebtedness or the Senior Security, other than increasing the Principal, the Interest Rate, or the Fees, without affecting the rights of the Senior Lender under this Agreement or under or in respect of the Senior Indebtedness or the Senior Security or affecting the priority of the Senior Indebtedness and the Senior Security or the subordination and postponement of the Subordinate Indebtedness and the Subordinate Security as provided for herein. The Subordinate Lender shall not increase the Principal sum of the Subordinate Security without the prior written approval of

the Senior Lender. Such approval by the Senior Lender may not be unreasonably withheld or delayed.

16. __Execution of Postponements.__ The Subordinate Lender covenants and agrees to promptly execute and provide the Senior Lender with whatever documents may, in the reasonable opinion of the Senior Lender's counsel, be required from time to time to evidence and confirm the foregoing postponement and subordination, including, if necessary, a postponement of charge in registerable form in respect of the Subordinate Mortgage, as well the Subordinate Lender hereby authorizes the Senior Lender to register any financing change statements or other documents required to record such postponement and subordination under the *Personal Property Security Act* (Ontario), as amended, and all reasonable legal fees and disbursements incurred by the Senior Lender in connection with the foregoing shall be for the account of the Borrower and if not paid shall form part of the Senior Indebtedness and shall bear interest at the Interest Rate.

17. __Effect of Postponement.__ This Agreement shall be effective as between the Senior Lender, the Borrower and the Subordinate Lender notwithstanding any past, present or future agreement, event, act or omission to act on the part of the Senior Lender, the Subordinate Lender, the Borrower or any other person, including, without limitation, any one or more of the following:

(a) the timing of execution, delivery, attachment, perfection, crystallization, registration or enforcement of the Senior Security or the Subordinate Security;

(b) the failure of the Senior Lender or the Subordinate Lender to register, maintain, renew or keep current any registration of or pertaining to any of the Senior Security or the Subordinate Security, as the case may be;

(c) the respective dates or timing of any advances or defaults under the Senior Indebtedness and/or the Senior Security respectively or the Subordinate Indebtedness and/or the Subordinate Security, including all advances made by the Senior Lender or the Subordinate Lender from time to time after the date hereof; and

(d) any partial or complete repayment at any time and from time to time by the Borrower of any monies secured by the Senior Security or the Subordinate Security.

18. <u>Borrower's Confirmations.</u>

(a) The Borrower hereby acknowledges the foregoing priorities and postponements, and agrees to be bound by the respective priorities of the Senior Security, being first in priority on the Property, and the Collateral, and the Subordinate Security, being subsequent in priority, as hereinbefore set forth, and to pay or fully reimburse the Senior Lender and the Subordinate Lender, for all reasonable legal fees, expenses and disbursements incurred by the Senior Lender and the Subordinate Lender in connection with their execution and delivery of the postponement and subordination documentation hereinbefore provided or contemplated, which if not paid shall form part of the Senior Indebtedness and/or the Subordinate Indebtedness, as the case may be and bear interest at the rate stipulated in the Mortgage or the Subordinate Mortgage, as the case may be.

(b) The Borrower covenants not to make any payments to the Subordinate Lender in contravention of this Agreement, but the Borrower and the Senior Lender expressly agree that the Borrower shall pay all costs and expenses of the Subordinate Lender in respect of the execution of this Agreement and in respect of the Subordinate Lender's actions in any way related to the Assigned Mortgages prior to the date hereof, and that failing such payment the amounts shall be added to the Subordinate Indebtedness.

(c) Nothing in this Agreement shall create any rights in favour of the Borrower, and the covenants and agreements of the Senior Lender and the Subordinate Lender herein shall not be enforceable by the Borrower. No consent of the Borrower shall be necessary for any amendment to this Agreement by the Senior Lender and the Subordinate Lender and any such amendment shall be at the expense of the Borrower. The Borrower covenants that it shall not pay any funds from the Property Cash Flow to the Subordinate Lender.

19. <u>Several and not Joint.</u> The respective obligations, covenants, representations, warranties, agreements and other provisions of this agreement in respect of the Subordinate Lender are several and not joint and any failure of same with respect to an entity that comprises the

Subordinate Lender shall not impose any obligation, liability or other commitment whatsoever on any other entity that comprises the Subordinate Lender.

20. Successors. The acknowledgements and agreements contained in this Agreement shall extend to, be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns and shall likewise be binding on any trustee or receiver in bankruptcy of any party hereto, and on any trustee or appointee of any court or other tribunal, and on any person (including a corporation) who shall receive the property of any party hereto upon any liquidation proceedings, or any proceedings involving the disposition or devolution of property by operation of law or otherwise. Where any reference is made in this Agreement to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to, a trust, such reference shall be construed and applied for all purposes as if it referred to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to, the trustee(s) of the trust.

21. Non Waiver. The failure of any party hereto to seek redress from the breach or violation of any provision of this Agreement, or to insist upon the strict performance thereof, shall not constitute a waiver of such breach, or a waiver of such party's respective rights and remedies in connection therewith, and shall not prevent a subsequent act, which would have originally constituted a violation or breach of any provision of this Agreement, from having the effect of an original violation or breach. No waiver on behalf of any party hereto in relation to any breach or default by any other party hereto, shall be effective or binding upon such first-mentioned party, unless and until such waiver is specifically confirmed or expressed in writing, and same shall not limit or affect such first-mentioned party's rights and remedies with respect to any further or other breach or default by the other party or parties hereto.

22. Severability of Invalid Provisions. Every provision of this Agreement is intended to be several, and accordingly, if any term or provision hereof is adjudged by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, then such illegal or invalid

provision shall not affect the validity of the remainder of this Agreement, but shall be severable therefrom, and this Agreement shall accordingly be construed and enforced as if such illegal or invalid provision had not been inserted in this Agreement.

23. Time of the Essence. Time shall in all respects be of the essence hereof, provided that the time for doing or completing any matter provided or contemplated in this Agreement may be extended or abridged by an agreement in writing between the Senior Lender and the Subordinate Lender, or by their respective solicitors who are hereby specifically authorized in that regard. All acts required of the Subordinate Lender hereunder shall be carried out promptly and without delay and in any event within five business days of a request for same.

24. Recitals. All recitals contained herein are true and correct and form an integral part of this Agreement

25. Heading and Gender. Any headings used throughout this Agreement are for ease of reference only, and shall not be deemed or construed to form a part of this Agreement, nor shall they influence the construction or interpretation of this Agreement. This Agreement shall be read and construed with all changes in gender or number as may be required.

26. Plural and Singular. Where the context so requires, words importing the singular number will include the plural and vice versa.

27. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto in connection with the respective priorities between the Senior Security and the Subordinate Security, and the respective obligations and agreements among the parties with respect to the financing of the acquisition and the realization upon their respective security.

28. Counterparts. This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and which counterparts together shall constitute one and the same instrument.

29. Electronic Delivery. The execution and delivery of this Agreement by facsimile transmission or electronic mail shall be as effective and binding on the parties hereto as if this Agreement were executed and delivered in the original.

SIGNATURES ON NEXT PAGE

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

BUILDING & DEVELOPMENT MORTGAGES CANADA INC., by FAAN MORTGAGE ADMINISTRATORS INC., solely in its capacity as court-appointed trustee of all of the assets, undertakings and properties of BDMC and in no other capacity

Per: [signature]
Name: Lana Bezner
Title: A.S.O.

I have authority to bind the corporation.

OLYMPIA TRUST COMPANY

Per: ____________________________
Name:
Title:

Per: ____________________________
Name:
Office:
I/We have authority to bind the corporation.

COMPUTERSHARE TRUST COMPANY OF CANADA

Per: ____________________________
Name:
Title:

Per: ____________________________
Name:
Office:
I/We have authority to bind the corporation.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

BUILDING & DEVELOPMENT MORTGAGES CANADA INC., by FAAN MORTGAGE ADMINISTRATORS INC., solely in its capacity as court-appointed trustee of all of the assets, undertakings and properties of BDMC and in no other capacity

Per: ______________________
Name: Lana Bezner
Title: A.S.O.

I have authority to bind the corporation.

OLYMPIA TRUST COMPANY

Per: ______________________
Name: Cora Dumais
Title: Team Lead

Per: ______________________
Name: Anna Le
Office: Manager
I/We have authority to bind the corporation.

COMPUTERSHARE TRUST COMPANY OF CANADA

Per: ______________________
Name:
Title:

Per: ______________________
Name:
Office:
I/We have authority to bind the corporation.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

BUILDING & DEVELOPMENT MORTGAGES CANADA INC., by FAAN MORTGAGE ADMINISTRATORS INC., solely in its capacity as court-appointed trustee of all of the assets, undertakings and properties of BDMC and in no other capacity

Per: ______________________
Name: Lana Bezner
Title: A.S.O.

I have authority to bind the corporation.

OLYMPIA TRUST COMPANY

Per: ______________________
Name:
Title:

Per: ______________________
Name:
Office:
I/We have authority to bind the corporation.

COMPUTERSHARE TRUST COMPANY OF CANADA

Per: ______________________
Name:
Title:

Winifred Chan
Associate Relationship Manager
PCS

Per: ______________________
Name:
Office:
I/We have authority to bind the corporation.

Neil Carnell
Director Broker Products

BROOKHILL HOLDINGS INC.

Per:
Name: Giuseppe Valela
Title: President
I have authority to bind the corporation.

HILLMOUNT CAPITAL INC.

Per:________________________
Name: Yitz Levinson
Title: President
I have authority to bind the corporation.

Addresses for Notices Purposes:

FAAN Mortgage Administrators Inc.,
in its capacity as court-appointed trustee of all of the assets, undertakings and properties of Building & Development Mortgages Canada Inc.
25 Brodie Drive, Unit 8
Richmond Hill, ON L4B 3K7

Olympia Trust Company
2200, 125 – 9th Avenue SE
Calgary, Alberta, T2G 0P6

Computershare Trust Company of Canada
510 Burrard Street, 3rd Floor
Vancouver, B.C. V6C 3B9

Brookhill Holdings Inc.
56 The Esplanade, Suite 406
Toronto, Ontario, M5E 1A7

Hillmount Capital Inc.
89 Tycos Drive, Suite 208
Toronto, Ontario, M6B 1W3

BROOKHILL HOLDINGS INC.

Per:____________________
Name: Giuseppe Valela
Title: President
I have authority to bind the corporation.

HILLMOUNT CAPITAL INC.

Per:____________________
Name: Yitz Levinson
Title: President
I have authority to bind the corporation.

Addresses for Notices Purposes:

FAAN Mortgage Administrators Inc.,
in its capacity as court-appointed trustee of all of the assets, undertakings and properties of Building & Development Mortgages Canada Inc.
25 Brodie Drive, Unit 8
Richmond Hill, ON L4B 3K7

Olympia Trust Company
2200, 125 – 9th Avenue SE
Calgary, Alberta, T2G 0P6

Computershare Trust Company of Canada
510 Burrard Street, 3rd Floor
Vancouver, B.C. V6C 3B9

Brookhill Holdings Inc.
56 The Esplanade, Suite 406
Toronto, Ontario, M5E 1A7

Hillmount Capital Inc.
89 Tycos Drive, Suite 208
Toronto, Ontario, M6B 1W3

SCHEDULE "A"

Lands

FIRSTLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0238 LT), municipally known as 2499 Nash Road, Clarington, Ontario
SECONDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0239 LT), municipally known as 2494 Regional Road 57, Clarington, Ontario
THIRDLY: PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON (PIN 26613-0240 LT), municipally known as 2538 Regional Road 57, Clarington, Ontario

EXHIBIT “N”

This is Exhibit "N" referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

This **SECONDARY PLAN FUNDING AGREEMENT** made this 19th day of December, 2018.

B E T W E E N:

THE CORPORATION OF THE MUNICIPALITY OF CLARINGTON
(the "**Municipality**")

-and-

BLOCK ANDRIN (CLARINGTON) DEVELOPMENTS LTD.

- and -

CAMEO PARENT CORP.

- and -

DELPARK HOMES (GREEN) INC.

- and -

DELPARK HOMES (LONGWORTH) INC.

- and -

BROOKHILL HOLDINGS INC.

- and -

1612881 ONTARIO INC.

- and -

JOHN BODDY DEVELOPMENTS LTD.

- and –

JOAN HOSKIN

- and -

HAROLD HOSKIN

- and –

BRIAN HOSKIN

- and –

KEVIN HOSKIN

(collectively, the "**Developers**")

WHEREAS the Developers are registered owners of real property that is situated within the Brookhill Secondary Plan Area;

AND WHEREAS the Municipality intends to adopt a Secondary Plan as a part of its Official Plan and to seek the approval of the Region for such Secondary Plan in order to facilitate development within the Brookhill Secondary Plan Area;

AND WHEREAS the Developers are prepared to fund the full cost of completion of the Studies and the preparation of the Secondary Plan;

THE PARTIES agree as follows:

DEFINITIONS AND INTERPRETATION

1.

(1) In this Agreement, including in the Recitals and Definitions:

Actual Costs means all actual costs incurred by the Municipality related to the carrying out and completion of the Studies and the process leading to the final approval of the Secondary Plan, and includes, but is not limited to, Consultants' Fees, Additional Costs, HST, Project Management Costs and Legal Fees;

Additional Costs means any costs in addition to the Estimated Costs (or any component thereof); and/or any further plans, studies, works or services that were not contemplated in the Work Plan that are in excess of the Contingency Allowance and that are necessary to complete the Secondary Plan;

Agreement means this Agreement;

Brookhill Secondary Plan Update Area refers to the subset of lands within the Brookhill Secondary Plan Area in the Municipality of Clarington, as shown on Schedule "A";

Consultants means the consultant or consultants or consulting firm or firms retained by the Municipality to carry out the Studies and to complete the Secondary Plan;

Consultants' Fees means all fees and charges of any kind whatsoever charged by the Consultants to the Municipality, including but not limited to, fees for time, subconsultants, disbursements, taxes, late charges, interest charges or overhead charges;

Contingency Allowance means an allowance of ten percent (10%) of the Consultants' Fees, which has been included in the calculation of the Estimated Costs by the Municipality;

Council means the Council of the Municipality of Clarington;

Developers' Share shall mean 100% of the Estimated Costs and the Actual Costs;

Estimated Costs means all estimated costs related to the carrying out and completion of the Studies and the process leading to the final approval of the Secondary Plan, and includes Consultants' Fees, HST, Project Management Costs and the Contingency Allowance, as set out on Schedule "C";

Legal Fees means all legal fees incurred by the Municipality with respect to issues arising out of the administration of this Agreement and the process involved therewith up to and including final approval of the Secondary Plan;

Project Management Costs means an amount of twenty percent (20%) of the Consultants' Fees, excluding disbursements, taxes, late charges, interests charges and overhead charges, to cover the Municipality's staff time and administrative costs in managing the carrying out of the Studies, and the preparation of the Secondary Plan by the Consultants;

Region means the Regional Municipality of Durham;

Secondary Plan means the secondary plan or plans which will be prepared or updated and presented to Council for adoption to guide development in the Brookhill Secondary Plan Update Area;

Steering Committee(s) shall have the meaning ascribed thereto in Subsection 2(3);

Studies means the set of studies to be undertaken by the Municipality and its Consultants to establish the planning, development and infrastructure requirements in the Brookhill Secondary Plan Update Area and for the Secondary Plan as more particularly described in the Work Plan; and

Work Plan means the Secondary Plan proposal, submitted to the Municipality by the Consultants, a copy of which is attached hereto as Schedule "B".

(2) References in this Agreement to legislation, including by-laws, shall be deemed to include the words "as amended, revised, re-enacted and/or consolidated from time to time and any successor legislation thereto."

GENERAL MATTERS

2.

(1) The statements contained in the Recitals, which are to be read as an integral part of this Agreement, are true and correct. Schedules, section, subsection or clause numbers referred to herein shall mean schedules, section or subsection or clause numbers contained in this Agreement unless otherwise specified.

(2) The lands affected by this Agreement are those lands depicted in Schedule "A".

(3) The Municipality intends to establish a Steering Committee to guide and co-ordinate the carrying out and completion of the Studies and the preparation of the Secondary Plan subject to the terms and conditions set out in the Work Plan. It is the further intention of the Municipality to include three (3) representatives selected by the Developers as members of the Steering Committee, and to provide the Developers with a meaningful opportunity to comment on the process to complete the Secondary Plan.

PLANS AND STUDIES

3. The Municipality has established that the Studies shall be carried out in accordance with the Work Plan. However, the Municipality may, in its sole and absolute discretion, acting reasonably, modify the Work Plan and/or the area or areas which shall be the subject of the Studies, at any time. The Municipality shall consult with the Developers prior to making any substantial changes to the Work Plan.

4.

(1) Details of the Studies shall include those investigations and reports as set out in the Work Plan.

(2) The Parties confirm that the Municipality has accepted the Work Plan and has awarded the contract(s) to the Consultants.

(3) The Studies to be undertaken by the Municipality and funded by the Developers shall be limited to the work as set out in the Work Plan and contracts with the Consultants, and any material deviation therefrom or addition thereto shall be subject to Subsection 6(3) of this Agreement.

(4) The Developers shall be entitled to receive copies of the Studies and any associated background studies, reports and other materials and information related thereto, which shall be provided by the Municipality once it has had an opportunity to review same with its Consultants. Approval of the Studies and their adoption or endorsement by the Council of the Municipality shall be at the sole discretion of the Municipality.

(5) The amount of the Estimated Costs are as set out on Schedule "C" attached hereto.

(6) If the Developers or their consultants have obtained data or the results of field investigations pertaining to the Brookhill Secondary Plan Update Area (the "**Information**"), the Developers may, at their discretion, provide the Information to the Municipality. If in the sole discretion of the Municipality, any of the Information provided is relevant to the Studies, all or any part of the Information may be used to supplement the Studies or to reduce the work otherwise to be carried out by the Consultants.

FUNDING BY THE DEVELOPERS

5. The Developers shall pay the Developers' Share of the Actual Costs.

6.

(1) Concurrently with the delivery of executed copies of this Agreement to the Municipality, the Developers shall pay to the Municipality the Developers' Share of the Estimated Costs.

(2) In the event that the Municipality, in consultation with the Steering Committee, considers that Additional Costs are required for completion of the Studies or the preparation of the Secondary Plan, the Municipality shall inform the Developers of the Additional Costs required. Within thirty (30) days thereafter the Developers shall pay to the Municipality the Additional Costs.

(3) Within ninety (90) days of the final approval of the Secondary Plan, either by the Region, or by another planning or judicial authority, and provided that the Actual Costs have been fully determined and finalized and all payments payable by the Developers under this Agreement have been made to the Municipality, the Municipality shall refund any surplus monies that the Developers have overpaid (the "**Refund**").

(4) The Developers each grant permission to the Municipality, the Municipality's agents and the Consultants to enter upon and have access to the lands within the Brookhill Secondary Plan Update Area for the purpose of completing the Studies, provided that no less than seventy-two (72) hours' written notice is provided to the affected Developer. The Municipality shall indemnify and save the Developers harmless from any and all manner of action, causes of action, claims, demands, damages or costs whatsoever arising out of loss, damage or injury sustained by any person or persons directly attributable to entry by the Municipality onto the lands, save and except for any negligence by the Developers.

(5) The Municipality confirms its intention to require, as a condition of development, that appropriate cost sharing arrangements be entered into

by owners within Brookhill Secondary Plan Update Area (which, for clarity includes owners who are not a Party to this Agreement) in accordance with Section 23.17.8 of the Clarington Official Plan.

DEFAULT

7.

(1) In the event that the Developers are in default of any requirement of this Agreement (the "**Event of Default**") and the default continues for a period of thirty (30) days after receipt of a letter from the Municipality advising of such default, the Municipality may, in its sole and absolute discretion, terminate this Agreement with respect to further payments of the Refund to the Developers.

(2) In addition to the foregoing, following an Event of Default which continues for a period of thirty (30) days after receipt of a letter from the Municipality advising of such default, the Municipality may, notwithstanding any other section of this Agreement, in its sole and absolute discretion, terminate or delay the work of the Consultants with respect to any or all of the Studies, or the preparation of the Secondary Plan and the Developers shall be responsible for any costs arising from such termination or delay.

ADMINISTRATION

8.

(1) Any notice, demand, acceptance or request required to be given hereunder in writing, shall be deemed to be given if either personally delivered or mailed by registered mail, postage prepaid, at any time other than during a general discontinuance of postal services due to a strike, lockout or otherwise, and addressed to the Developers and the Municipality at the addresses set out below:

The Corporation of the Municipality of Clarington
40 Temperance Street
Bowmanville, Ontario
L1C 3A6

Attn: Carlos Salazar
Tel: 905-623-3379
Fax: 905-623-6020
Email: csalazar@clarington.net

Developers
c/o GHD
65 Sunray Street
Whitby, ON
L1N 8Y3

Attn: Bryce Jordan
Tel: 905-429-4966
Fax: 905-432-7877
Email: bryce.jordan@ghd.com

or such change of address as the applicable Party has by written notification forwarded to the Municipality and the other Parties.

(2) Any notice shall be deemed to have been given to and received by the Party to which it is addressed:

(a) if delivered, on the date of delivery; or

(b) if mailed, then on the fifth (5^{th}) business day after the mailing thereof.

9. This Agreement is binding upon and shall be enforceable by and against the Parties, their heirs, executors, administrators, successors and assigns.

10. If any provision of this Agreement is determined by a Court of competent jurisdiction to be illegal or beyond the power, jurisdiction, or capacity of any party bound hereby, such provision shall be severed from this Agreement and the remainder of this Agreement shall continue in full force and effect and in such case the Parties shall negotiate in good faith to amend this Agreement in order to implement the intentions as set out herein. It is agreed and acknowledged by the Parties that each is satisfied as to the jurisdiction of each party to enter into this Agreement. The Parties agree that they shall not question the jurisdiction of any Party to enter into this Agreement nor question the legality of any portion hereof, nor question the legality of any obligation created hereunder and the parties, their successors and assigns are and shall be estopped from contending otherwise in any proceeding before a Court of competent jurisdiction or any administrative tribunal.

11. The Developers each represent and warrant as follows:

(a) it is a corporation validly subsisting under the laws of Ontario and has full corporate power, authority, and capacity to enter into this Agreement and any documents arising from this Agreement; and

(b) all necessary corporate action has been taken by it to authorize the execution and delivery of this Agreement.

12. This Agreement shall be interpreted under and is governed by the laws of the Province of Ontario.

13. The Parties shall execute such further documents and cause the doing of such acts and cause the execution of such further documents as are within their power as the Parties may reasonably request be done or executed, in order to give full effect to the provisions of this Agreement.

14. Time shall be of the essence of this Agreement and each of its provisions.

15. The Developers each acknowledge and agree that nothing contained in this Agreement is in any way an exemption from the official plan, rezoning, site plan or subdivision application requirements as provided in sections 22, 34, 41 and 50 of the *Planning Act*, R.S.O. 1990, c. P.13, or any fees payable by a Developer pursuant to any by-law of the Municipality.

16. This Agreement shall not in any manner fetter the discretion or rights of the Council of the Municipality with respect to any application by a Developer and/or the final determination of the Studies and/or the adoption of policies for the Brookhill Secondary Plan Update Area.

17. The Municipality shall provide to the Developers in writing every two (2) months during the term of this Agreement, a statement showing the following:

(a) the amount then incurred with respect to the Actual Costs, and the estimated timing and costs to complete same; and

(b) the status of the Studies and/or the draft Secondary Plan.

18. This Agreement may be executed in counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same Agreement. For the purposes of this Agreement, the delivery of a facsimile or e-mail copy of the shall be deemed to be a valid execution and delivery of this Agreement, but the party delivering a facsimile or e-mail copy shall deliver an original copy of this Agreement as soon as possible after delivering the facsimile or e-mail copy.

LIST OF SCHEDULES

19. The following schedules are attached hereto and form part of this Agreement:

SCHEDULE "A"	Brookhill Secondary Plan Update Area
SCHEDULE "B"	Work Plan
SCHEDULE "C"	Estimated Costs

- signatures appear on the following pages -

The Municipality has executed this Agreement by the signature of its duly authorized signing officer on this ____ day of ____________________, 2018

THE CORPORATION OF THE MUNICIPALITY OF CLARINGTON

Per: ________________________
Name: XXX
Director of Planning Services

I have authority to bind the municipal corporation

Authorized by By-law No.2017-085

Block Andrin (Clarington) Developments Ltd has executed this Agreement by the signature of its duly authorized signing officer(s) on this 22nd day of January, 20~~18~~ 19

BLOCK ANDRIN (CLARINGTON) DEVELOPMENTS LTD.

Per: ________________________
Name: Joanne Barnett

I have authority to bind the corporation

Cameo Parent Corp. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

CAMEO PARENT CORP.

Per: ________________________
Name: Jeffrey Goldman

I have authority to bind the corporation

Delpark Homes (Green) Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

DELPARK HOMES (GREEN) INC.

Per: ________________________
Name: Mark Di Giovanni

I have authority to bind the corporation

The Municipality has executed this Agreement by the signature of its duly authorized signing officer on this ____ day of ____________________, 2018.

THE CORPORATION OF THE MUNICIPALITY OF CLARINGTON

Per: ________________________
Name: Faye Langmaid
Acting Director of Planning Services

I have authority to bind the municipal corporation

Authorized by By-law No.2018-061

Block Andrin (Clarington) Developments Ltd has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

BLOCK ANDRIN (CLARINGTON) DEVELOPMENTS LTD.

Per: ________________________
Name: Joanne Barnett

I have authority to bind the corporation

Cameo Parent Corp. has executed this Agreement by the signature of its duly authorized signing officer(s) on this 17th day of JANUARY, ~~2018~~. 2019

CAMEO PARENT CORP.

Per: ________________________
Name: Jeffrey Goldman

I have authority to bind the corporation

Delpark Homes (Green) Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

DELPARK HOMES (GREEN) INC.

Per: ________________________
Name: Mark Di Giovanni

I have authority to bind the corporation

The Municipality has executed this Agreement by the signature of its duly authorized signing officer on this ____ day of ____________________, 2018.

THE CORPORATION OF THE MUNICIPALITY OF CLARINGTON

Per: ________________________
Name: Faye Langmaid
Acting Director of Planning Services

I have authority to bind the municipal corporation

Authorized by By-law No.2018-061

Block Andrin (Clarington) Developments Ltd has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

BLOCK ANDRIN (CLARINGTON) DEVELOPMENTS LTD.

Per: ________________________
Name: Joanne Barnett

I have authority to bind the corporation

Cameo Parent Corp. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

CAMEO PARENT CORP.

Per: ________________________
Name: Jeffrey Goldman

I have authority to bind the corporation

Delpark Homes (Green) Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this 23 day of January, 2019.

DELPARK HOMES (GREEN) INC.

Per: ________________________
Name: Mark Di Giovanni

I have authority to bind the corporation

Delpark Homes (Longworth) Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this 23 day of January, 2019.

DELPARK HOMES (LONGWORTH) INC.

Per: ______________________
Name: Mark Di Giovanni

I have authority to bind the corporation

Brookhill Holdings Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

BROOKHILL HOLDINGS INC.

Per: ______________________
Name: Giuseppe Valela

I have authority to bind the corporation

1612881 Ontario Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

1612881 ONTARIO INC.

Per: ______________________
Name: Robert De Gasperis

Per: ______________________
Name: William Daniell

We have authority to bind the corporation

John Boddy Developments Ltd. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

JOHN BODDY DEVELOPMENTS LTD.

Per: ______________________
Name: Blake Boddy

I have authority to bind the corporation

Delpark Homes (Longworth) Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

DELPARK HOMES (LONGWORTH) INC.

Per: ______________________
Name: Mark Di Giovanni

I have authority to bind the corporation

Brookhill Holdings Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this 20th day of DECEMBER, 2018.

BROOKHILL HOLDINGS INC.

Per: ______________________
Name: Giuseppe Vatela

I have authority to bind the corporation

1612881 Ontario Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

1612881 ONTARIO INC.

Per: ______________________
Name: Robert De Gasperis

Per: ______________________
Name: William Daniell

We have authority to bind the corporation

John Boddy Developments Ltd. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

JOHN BODDY DEVELOPMENTS LTD.

Per: ______________________
Name: Blake Boddy

I have authority to bind the corporation

Delpark Homes (Longworth) Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

DELPARK HOMES (LONGWORTH) INC.

Per: ________________________
Name:Mark Di Giovanni

I have authority to bind the corporation

Brookhill Holdings Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

BROOKHILL HOLDINGS INC.

Per: ________________________
Name:Giuseppe Valela

I have authority to bind the corporation

1612881 Ontario Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

1613881 ONTARIO INC. B

~~**1612881 ONTARIO INC.**~~

Per: ________________________
Name:Robert De Gasperis

Per: ________________________
Name:William Daniell

We have authority to bind the corporation

John Boddy Developments Ltd. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

JOHN BODDY DEVELOPMENTS LTD.

Per: ________________________
Name:Blake Boddy

I have authority to bind the corporation

Delpark Homes (Longworth) Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

DELPARK HOMES (LONGWORTH) INC.

Per: ________________________
Name: Mark Di Giovanni

I have authority to bind the corporation

Brookhill Holdings Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

BROOKHILL HOLDINGS INC.

Per: ________________________
Name: Giuseppe Valela

I have authority to bind the corporation

1612881 Ontario Inc. has executed this Agreement by the signature of its duly authorized signing officer(s) on this ____ day of ____________________, 2018.

1612881 ONTARIO INC.

Per: ________________________
Name: Robert De Gasperis

Per: ________________________
Name: William Daniell

We have authority to bind the corporation

John Boddy Developments Ltd. has executed this Agreement by the signature of its duly authorized signing officer(s) on this 28 day of December, 2018.

JOHN BODDY DEVELOPMENTS LTD.

Per: ________________________
Name: Blake Boddy

I have authority to bind the corporation

Joan and Harold Hoskin have executed this Agreement on this 21 day of December, 2018.

Joan Hoskin

Joan Hoskin

Harold Hoskin

Harold Hoskin

Brian and Kevin Hoskin have executed this Agreement on this 21 day of December, 2018.

Brian Hoskin

Kevin Hoskin

EXHIBIT “O”

This is Exhibit “O” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

fogler rubinoff

Fogler, Rubinoff LLP
Lawyers

77 King Street West
Suite 3000, PO Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
t: 416.864.9700 | f: 416.941.8852
foglers.com

Law Clerk: Medina Young
Direct Dial: 416-864-9700 ext. 204
E-mail: myoung@foglcrs.com

Lawyer: Joseph Fried
Direct Dial: 416.941.8836
E-mail: jfried@foglers.com

Our File No. 200697

January 27, 2020

DELIVERED BY REGULAR LETTER MAIL
AND BY EMAIL TO JVALELA@TERCOT.COM

Brookhill Holdings Inc.
56 The Esplanade
Suite 406
Toronto, Ontario M5E 1A7

Attention: Joe Valela

Dear Sir/Madam:

Re: Hillmount Capital Inc. (the "Lender") mortgage loan to Brookhill Holdings Inc. on 2499 Nash Road, 2538 Regional Road 57, 2494 Regional Road 57, Bowmanvill, ON Registered as Instrument No. DR1715079 (the "Mortgage")

Please be advised that we are solicitors for the Lender.

You have failed to make the January 1, 2020 mortgage payment and your Mortgage is in default. The amount required to pay off our client's Mortgage as of February 6, 2020 is as follows:

Principal	$4,200,000.00
Interest from December 1, 2019 to February 6, 2020	$79,193.61
Wiring fee	$25.00
Missed payment fees of the mortgagee (January 1, 2020)	$300.00
Default fee of the mortgagee	$2,000.00
Mortgage Statement (July 15, 2019 and December 9, 2019)	$200.00
TOTAL PAYABLE TO HILLMOUNT CAPITAL INC. AS OF FEBRUARY 6, 2020 BY 12 P.M.	**$4,281,718.61**

Per Diem: $1,189.53

Legal fees for issuing Demand and Notice of Intention to Enforce Security	$1,200.00
Legal fees for time prior to issuance of demand letter	$815.00
Registered Mail (10.32 x 1)	$10.32
HST on legal fees	$261.95
Disbursements and HST	$68.63
TOTAL PAYABLE TO FOGLER, RUBINOFF LLP	**$2,355.90**

TAKE NOTICE that unless we are in receipt of your CERTIFIED CHEQUE payable to **Fogler, Rubinoff, LLP for a total amount of $4,284,074.51** on or before **February 6, 2020**, we have been instructed to commence such proceedings against you as our client deems necessary without any further notice to you.

We enclose herewith a Notice of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act*, subsection 244 (1).

UNCERTIFIED CHEQUES AND PARTIAL PAYMENTS WILL NOT BE ACCEPTED.

Our client has advised that the Mortgage matures on March 1, 2020 and will not be renewed. If you intend to discharge the Mortgage please request a Discharge Statement.

When contacting our office regarding this matter, please reference the property address.

Yours very truly,
FOGLER, RUBINOFF LLP
Per:

Medina Young
Law Clerk
E. & O. E.
cc: Hillmount Capital Inc.

FORM 115

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

TO: Brookhill Holdings Inc., an insolvent corporation
56 The Esplanade, Suite 406
Toronto, Ontario M5E 1A7

TAKE NOTICE THAT:

1. Hillmount Capital Inc., a secured creditor, intends to enforce its security on the property of the insolvent person described below:

   Firstly, PIN No. 26613-0238 (LT) PART LOT 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON
   Town of Newcastle
   Regional Municipality of Durham
   Durham Land Registry Office (No. 40)

   municipally known as 2499 Nash Road, Bowmanville, Ontario L1C 6S8

   Secondly, PIN No. 26613-0239 (LT) PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON
   Town of Newcastle
   Regional Municipality of Durham
   Durham Land Registry Office (No. 40)

   municipally known as 2538 Regional Road 57, Bowmanville, Ontario L1C 6S8

   Thirdly, PIN No. 26613-0240 (LT) PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON
   Town of Newcastle
   Regional Municipality of Durham
   Durham Land Registry Office (No. 40)

   municipally known as 2494 Regional Road 57, Bowmanville, Ontario L1C 6S8

2. The security that is to be enforced is in the form of:

   (a) a Charge/Mortgage of Land signed June 29, 2018 and registered in the Durham Land Registry Office (No. 40) on July 4, 2018 as Instrument No. DR1716079;

   (b) a General Assignment of Rents registered in the said Land Titles Office on July 4, 2018 as Instrument No. DR1716080; and

   (c) a General Security Agreement made as of the 24th day of May, 2018.

3. The total amount of the indebtedness secured by the security is $4,284,074.51 as at the 6th day of February, 2020, inclusive of $2,355.90 costs inclusive of HST thereon for issuing this Notice, with a per diem payment thereafter of $1,1898.53 on the mortgage loan.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person

consents to an earlier enforcement.

DATED at the City of Toronto, this 27th day of January, 2020.

HILLMOUNT CAPITAL INC.
by its solicitors
FOGLER, RUBINOFF LLP

Per: ______________________________
Joseph Fried*
Ste 3000, P.O. Box 95
77 King Street West
TD Centre North Tower
Toronto, Ontario M5K1G8
T: 416-864-9700
F: 416-941-8852

**on behalf of Joseph Fried Professional Corporation*

Please direct any enquiries to: **Medina Young at 416-864-9700 ext. 204 (myoung@foglers.com)**

This Notice is a required document under the Bankruptcy & Insolvency Act ("Act"). The use of the word "insolvent" is prescribed by the Act but nothing herein shall be deemed to imply that any person to whom this Notice is delivered is, in fact insolvent.

EXHIBIT “P”

This is Exhibit “P” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R.Bengino

A Commissioner for taking affidavits

NOTICE OF SALE UNDER MORTGAGE

TO: Brookhill Holdings Inc.
56 The Esplanade, Suite 206
Toronto, Ontario M5E 1A7

AND TO: Brookhill Holdings Inc.
56 The Esplanade, Suite 406
Toronto, Ontario M5E 1A7

AND TO: Brookhill Holdings Inc.
c/o Owens Wright LLP
20 Holly Street, Suite 300
Toronto, Ontario M4S 3B1

Attention: David Forgione

AND TO: Brookhill Development Inc.
56 The Esplanade, Suite 206
Toronto, Ontario M5E 1A7

AND TO: Brookhill Development Inc.
56 The Esplanade, Suite 406
Toronto, Ontario M5E 1A7

AND TO: Fortress Brookhill Inc.
25 Brodie Drive
Unit 1
Richmond Hill, Ontario L4B 3K7

AND TO: Vincenzo Petrozza
471 Sunset Beach Road
Richmond Hill, Ontario L4E 3J3

AND TO: Jawad S. Rathore
2 Scandia Court
Markham, Ontario L6C 1G6

AND TO: Jaekel Capital Inc.
10376 Yonge Street
Suite 203
Richmond Hill, Ontario L4C 3B8

Inst. Nos. DR1467269

AND TO: Olympia Trust Company
2200, 125-9th Avenue SE
Calgary, Alberta T2G 0P6

Inst. Nos. DR1567425, DR1567427, DR1569737, DR1584540, DR1591006, DR1599139, DR1613712, DR1621709, DR1656693, DR1656694, DR1659475, DR1661774, DR1668221, DR1670288, DR1672963, DR1674628, DR1679035 and DR1716190

AND TO: To all persons for whom Olympia Trust Company holds Charge No. DR1567425 in trust for
c/o Olympia Trust Company
2200, 125-9th Avenue SE
Calgary, Alberta T2G 0P6

AND TO: Computershare Trust Company of Canada
510 Burrard Street, 3rd Floor
Vancouver, British Columbia

V6C 3B9

Inst. Nos. DR1567425, DR1567427, DR1569737, DR1584540, DR1591006, DR1599139, DR1613712, DR1621709, DR1656693, DR1656694, DR1659475, DR1661774, DR1668221, DR1670288, DR1672963, DR1674628, DR1679035 and DR1716190

AND TO: To all persons whome Computershare Trust Company of Canada holds Charge No. DR1679035 in trust for
c/o Computershare Trust Company of Canada
510 Burrard Street, 3rd Floor
Vancouver, British Columbia
V6C 3B9

AND TO: Building & Development Mortgages Canada Inc.
25 Brodie Drive, Unit 8
Richmond Hill, Ontario L4B 3K7

Inst. Nos. DR1567425, DR1567427, DR1569737, DR1584540, DR1591006, DR1599139, DR1613712, DR1621709, DR1656693, DR1656694, DR1659475, DR1661774, DR1668221, DR1670288, DR1672963, DR1674628, DR1679035 and DR1716190

AND TO: FAAN Mortgage Administrators Inc. as Trustee for Building & Development Mortgages Canada Inc.
25 Brodie Drive, Unit 8
Richmond Hill, Ontario L4B 3K7

Inst. Nos. DR1567425, DR1567427, DR1569737, DR1584540, DR1591006, DR1599139, DR1613712, DR1621709, DR1656693, DR1656694, DR1659475, DR1661774, DR1668221, DR1670288, DR1672963, DR1674628, DR1679035, DR1716190 and DR1716086

AND TO: To all persons whom Building & Development Mortgages Canada Inc. holds Charge No. DR1567425 in trust for
c/o FAAN Mortgage Administrators Inc. as Trustee for Building & Development Mortgages Canada Inc.
25 Brodie Drive, Unit 8
Richmond Hill, Ontario L4B 3K7

TAKE NOTICE that default has been made in payment of the moneys due under a certain mortgage signed June 29, 2018, made between

BROOKHILL HOLDINGS INC.

as Mortgagor,

- and -

HILLMOUNT CAPITAL INC.

as Mortgagee,

-and-

BROOKHILL DEVELOPMENT INC., FORTRESS BROOKHILL INC., VINCENZO PETROZZA AND JAWAD S. RATHORE

as Guarantors of the Mortgage

upon the following property namely:

PIN Nos. 26613-0238, 26613-0239, 26613-0240 (LT)

PIN No. 26613-0238 (LT)

PART LOT 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634;

MUNICIPALITY OF CLARINGTON

Town of Newcastle

Regional Municipality of Durham

Durham Land Registry Office (No. 40)

Address: 2499 Nash Road, Clarington, Ontario

PIN No. 26613-0239 (LT)

PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON

Town of Newcastle

Regional Municipality of Durham

Durham Land Registry Office (No. 40)

Address: 2538 Regional Road 57, Clarington, Ontario

PIN No. 26613 - 0240 (LT)

PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON

Town of Newcastle

Regional Municipality of Durham

Durham Land Registry Office (No. 40)

Address 2494 Regional Road 57, Clarington, Ontario

which mortgage was registered on July 4, 2018, in the Durham Land Registry Office (No. 40) as No. DR1716079 and renewed by Mortgage Renewal dated November 29, 2019.

AND I hereby give you notice that the amount now due on the mortgage for principal money, interest, late payment interest, collection costs, three months' interest pursuant to Section 17 of the Mortgages Act and the terms of the mortgage, missed/returned payment fees, previous statement fee and costs respectively, are as follows:

For principal	$4,200,000.00
For interest frm December 1, 2019 to February 21, 2020	$96,885.64
For wire costs	$25.00
For three month's interest pursuant to Section 17 of the *Mortgages Act* and the provisions of the mortgage	$107,625.00
For missed/returned payment fees of the mortgagee (January 1 and February 1, 2020)	$650.00

For mortgage statement fee of the mortgagee	$200.00
For default administration fee of mortgagee	$2,000.00
For legal fees for issuing demand letter	$500.00
For legal fees for issuing Notice of Intention to Enforce Security	$700.00
For legal fees for time prior to the issuance of the demand letter and Notice of Intention	$815.00
For legal fees for time prior to the issuance of the Notice of Sale	$1,645.00
For legal fees, disbursements and costs in connection with the service of this notice only (and thereafter such further legal fees, disbursements and costs will be charged as may be incurred)	$4,268.53
For HST on costs	$1,030.71
	$4,416,344.88

(such amount for costs being up to and including the service of this Notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at the rate of 10.25% per annum, on the principal and interest hereinbefore mentioned, from the 21st day of February, 2020, to the date of payment.

AND unless the said sums are paid on or before the 28th day of March, 2020, I shall sell the property covered by the said mortgage under the provisions contained in it.

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

DATED the 21st day of February, 2020.

HILLMOUNT CAPITAL INC.
by its solicitors
FOGLER, RUBINOFF LLP

Per: ____________________
Joseph Fried*

*on behalf of ON BEHALF OF JOSEPH FRIED PROFESSIONAL CORPORATION
Fogler, Rubinoff LLP HST Registration #R119420859

Municipal Address is: 2499 Nash Road, 2538 Regional Road 57 and 2494 Regional Road 57, Bowmanville, Ontario L1C 6S8

Please direct any enquiries to:

Medina Young, Law Clerk
Fogler, Rubinoff LLP
Barristers & Solicitors
Ste 3000, P.O. Box 95
77 King Street West
TD Centre North Tower
Toronto, Ontario M5K1G8
Telephone: 416-864-9700 ext. 204
Fax: 416-941-8852
Email: myoung@foglers.com

OR to:
Joseph Fried
Fogler, Rubinoff LLP
Email: jfried@foglers.com

Matter No. #200697

EXHIBIT “Q”

This is Exhibit “Q” referred to in the
Affidavit of Itzhak Levinson sworn before me
this 28th day of April, 2020.

R. Bengino

A Commissioner for taking affidavits

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

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

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.

FILE CURRENCY : 01APR 2020

ENQUIRY NUMBER 20200402081924.10 CONTAINS 15 PAGE(S), 4 FAMILY(IES).

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

CERTIFIED BY/CERTIFIÉES PAR
Barbara Duckitt
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES
(crfj5 06/2019)

THORNTON GROUT FINNIGAN LLP - ROXANA MANEA

3200-100 WELLINGTON STREET WEST
TORONTO ON M5K 1K7

CONTINUED... 2

Ontario

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

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER 761346702

	CAUTION FILING	PAGE NO.	OF TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		001	1		20200401 1216 1590 0750	P PPSA	2

02 DEBTOR NAME — DATE OF BIRTH / FIRST GIVEN NAME / INITIAL / SURNAME
03 BUSINESS NAME: BROOKHILL DEVELOPMENT INC.
ONTARIO CORPORATION NO.
04 ADDRESS: 56 THE ESPLANADE, SUITE #406 TORONTO ON M5E 1A7

05 DEBTOR NAME — DATE OF BIRTH / FIRST GIVEN NAME / INITIAL / SURNAME
06 BUSINESS NAME
ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT: HILLMOUNT CAPITAL INC.
09 ADDRESS: 89 TYCOS DR., SUITE 208 TORONTO ON M6B 1W3

COLLATERAL CLASSIFICATION

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

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

13 GENERAL COLLATERAL DESCRIPTION
14
15

16 REGISTERING AGENT: THORNTON GROUT FINNIGAN LLP (DJM/RB)
17 ADDRESS: 3200-100 WELLINGTON STREET WEST TORONTO ON M5K 1K7

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

CONTINUED... 3

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

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER 740474919

01 CAUTION FILING | PAGE NO. 001 | OF TOTAL PAGES 003 | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20180613 1206 1862 5548 | REGISTERED UNDER P PPSA | REGISTRATION PERIOD 2

02 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
03 BUSINESS NAME: BROOKHILL HOLDINGS INC. — ONTARIO CORPORATION NO. 2499216
04 ADDRESS: 56 THE ESPLANADE, SUITE 406 TORONTO ON M5E 1A7

05 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
06 BUSINESS NAME: BROOKHILL DEVELOPMENT INC. — ONTARIO CORPORATION NO. 2499676
07 ADDRESS: 56 THE ESPLANADE, SUITE 406 TORONTO ON M5E 1A7

08 SECURED PARTY / LIEN CLAIMANT: HILLMOUNT CAPITAL INC.
09 ADDRESS: 89 TYCOS DRIVE, SUITE 208 TORONTO ON M6B 1W3

COLLATERAL CLASSIFICATION

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

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

13 GENERAL SECURITY AGREEMENTS CREATING A SECURITY INTEREST IN ALL PRESENT AND
14 COLLATERAL AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTORS LOCATED AT, ON, USED
15 DESCRIPTION IN CONNECTION WITH, RELATING TO OR DERIVED FROM THE PROPERTIES

16 REGISTERING AGENT: MEYER, WASSENAAR & BANACH, LLP (JF-LL 18-1276)
17 ADDRESS: 5001 YONGE STREET, SUITE 301 TORONTO ON M2N 6P6

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

CONTINUED... 4

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

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
740474919

01 CAUTION FILING | PAGE NO. 002 | OF TOTAL PAGES 003 | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20180613 1206 1862 5548 | REGISTERED UNDER | REGISTRATION PERIOD

02 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
03 BUSINESS NAME: FORTRESS BROOKHILL INC.
ONTARIO CORPORATION NO. 2501157
04 ADDRESS: 25 BRODIE DRIVE, UNIT 1 RICHMOND HILL ON L4B 3K7

05 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
06 BUSINESS NAME
ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT
09 ADDRESS

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

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

13 GENERAL MUNICIPALLY KNOWN AS 2499 NASH ROAD, CLARINGTON, ONTARIO, 2494
14 COLLATERAL REGIONAL ROAD 57, CLARINGTON, ONTARIO SAND 2538 REGIONAL ROAD 57,
15 DESCRIPTION CLARINGTON, ONTARIO AND SECURITY AGREEMENTS RESPECTING DEPOSITS AND

16 REGISTERING AGENT
17 ADDRESS

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

CONTINUED... 5

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

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
740474919

	CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		003		003		20180613 1206 1862 5548		

02 DEBTOR NAME — DATE OF BIRTH — FIRST GIVEN NAME — INITIAL — SURNAME
03 BUSINESS NAME — ONTARIO CORPORATION NO.
04 ADDRESS

05 DEBTOR NAME — DATE OF BIRTH — FIRST GIVEN NAME — INITIAL — SURNAME
06 BUSINESS NAME — ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT
09 ADDRESS

COLLATERAL CLASSIFICATION

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

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

13 GENERAL COLLATERAL DESCRIPTION CASH SECURITY.
14
15

16 REGISTERING AGENT
17 ADDRESS

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

CONTINUED... 6

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

Ontario

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

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		01		001		20200401 1048 1590 0725	

21 RECORD REFERENCED FILE NUMBER 740474919

	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
22			B RENEWAL	2	

FIRST GIVEN NAME INITIAL SURNAME
23 REFERENCE
24 DEBTOR/ BUSINESS NAME BROOKHILL HOLDINGS INC.
TRANSFEROR

25 OTHER CHANGE
26 REASON/
27 DESCRIPTION
28

02/ DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
05 DEBTOR/
03/ TRANSFEREE BUSINESS NAME
06 ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08
09 ADDRESS

COLLATERAL CLASSIFICATION

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

YEAR MAKE MODEL V.I.N.
11 MOTOR
12 VEHICLE
13 GENERAL
14 COLLATERAL
15 DESCRIPTION
16 REGISTERING AGENT OR THORNTON GROUT FINNIGAN LLP (DJM/RB)
17 SECURED PARTY/ ADDRESS 3200-100 WELLINGTON STREET WEST TORONTO ON M5K 1K7
LIEN CLAIMANT

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

CONTINUED... 7

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

Ontario

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

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
723248244

	CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		001		2		20161208 1925 1590 2951	P PPSA	4

02 DEBTOR NAME — DATE OF BIRTH / FIRST GIVEN NAME / INITIAL / SURNAME
03 BUSINESS NAME: BROOKHILL HOLDINGS INC.
ONTARIO CORPORATION NO.
04 ADDRESS: 56 THE ESPLANADE, SUITE 206 TORONTO ON M5E 1A7

05 DEBTOR NAME — DATE OF BIRTH / FIRST GIVEN NAME / INITIAL / SURNAME
06 BUSINESS NAME: FORTRESS BROOKHILL INC.
ONTARIO CORPORATION NO.
07 ADDRESS: 25 BRODIE DRIVE, UNIT 1 RICHMOND HILL ON L4B 3K7

08 SECURED PARTY / LIEN CLAIMANT: VECTOR FINANCIAL SERVICES LIMITED
09 ADDRESS: 25 IMPERIAL STREET, SUITE 500 TORONTO ON M5P 1B9

COLLATERAL CLASSIFICATION

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

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

13 GENERAL COLLATERAL DESCRIPTION: SECURITY DOCUMENTATION RELATING TO PROPERTY LOCATED AT 2499 NASH
14 ROAD, BOWMANVILLE, ONTARIO, 2494 REGIONAL ROAD 57, BOWMANVILLE, ON
15 AND 2538 REGIONAL ROAD 57, BOWMANVILLE, ONTARIO (LOAN NO. 16-51)

16 REGISTERING AGENT: CASSELS BROCK & BLACKWELL LLP
17 ADDRESS: SUITE 2100, 40 KING STREET WEST TORONTO ON M5H 3C2

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

CONTINUED... 8

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

Ontario

RUN NUMBER : 093
RUN DATE : 2020/04/02
ID : 20200402081924.10

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

REPORT : PSSR060
PAGE : 8
(4175)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
723248244

01 CAUTION FILING | PAGE NO. 002 | OF | TOTAL PAGES 2 | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20161208 1925 1590 2951 | REGISTERED UNDER | REGISTRATION PERIOD

02 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
03 BUSINESS NAME: BROOKHILL DEVELOPMENT INC. — ONTARIO CORPORATION NO.
04 ADDRESS: 56 THE ESPLANADE, SUITE 206 TORONTO ON M5E 1A7

05 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
06 BUSINESS NAME — ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT
09 ADDRESS

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

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

13 GENERAL
14 COLLATERAL
15 DESCRIPTION

16 REGISTERING
17 AGENT — ADDRESS

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

CONTINUED... 9

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

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO. OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		001	001		20180705 1009 1862 7246	

21 RECORD REFERENCED FILE NUMBER 723248244

	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
22		X	D ASSIGNMENT		

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

25 OTHER CHANGE
26 REASON/
27 DESCRIPTION
28

02/ 05 DEBTOR/ TRANSFEREE — DATE OF BIRTH / FIRST GIVEN NAME / INITIAL / SURNAME
03/ 06 BUSINESS NAME — ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR VECTOR FINANCIAL SERVICES LIMITED
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08 HILLMOUNT CAPITAL INC.
09 ADDRESS 89 TYCOS DRIVE, SUITE 208 TORONTO ON M6B 1W3

COLLATERAL CLASSIFICATION

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

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

13 GENERAL
14 COLLATERAL
15 DESCRIPTION
16 REGISTERING AGENT OR MEYER, WASSENAAR & BANACH, LLP (JF-LL 18-1276)
17 SECURED PARTY/ LIEN CLAIMANT ADDRESS 5001 YONGE STREET, SUITE 301 TORONTO ON M2N 6P6

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

CONTINUED... 10

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

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		01		001		20200401 1048 1590 0726	

21 RECORD REFERENCED FILE NUMBER 723248244

22 PAGE AMENDED NO SPECIFIC PAGE AMENDED CHANGE REQUIRED B RENEWAL RENEWAL YEARS 2 CORRECT PERIOD

23 REFERENCE DEBTOR/ TRANSFEROR FIRST GIVEN NAME INITIAL SURNAME
24 BUSINESS NAME BROOKHILL HOLDINGS INC.

25 OTHER CHANGE
26 REASON/
27 DESCRIPTION
28

02/ DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
05 DEBTOR/
03/ TRANSFEREE BUSINESS NAME
06 ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08
09 ADDRESS

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

YEAR MAKE MODEL V.I.N.
11 MOTOR
12 VEHICLE
13 GENERAL
14 COLLATERAL
15 DESCRIPTION
16 REGISTERING AGENT OR THORNTON GROUT FINNIGAN LLP (DJM/RB)
17 SECURED PARTY/ LIEN CLAIMANT ADDRESS 3200-100 WELLINGTON STREET WEST TORONTO ON M5K 1K7

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

CONTINUED... 11

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

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER 723151665

01 CAUTION FILING | PAGE NO. 001 | OF | TOTAL PAGES 2 | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20161206 1417 1590 2691 | REGISTERED UNDER P PPSA | REGISTRATION PERIOD 5

02 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
03 BUSINESS NAME: BROOKHILL DEVELOPMENT INC. — ONTARIO CORPORATION NO.
04 ADDRESS: 56 THE ESPLANADE, SUITE 206 TORONTO ON M5E 1A7

05 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
06 BUSINESS NAME — ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT: BUILDING & DEVELOPMENT MORTGAGES CANADA INC.
09 ADDRESS: 25 BRODIE DRIVE, UNIT 8 RICHMOND HILL ON L4B 3K7

COLLATERAL CLASSIFICATION

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

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

13 GENERAL COLLATERAL DESCRIPTION: PROPERTY USED IN CONNECTION WITH, SITUATE AT OR ARISING FROM THE
14 OWNERSHIP, DEVELOPMENT, USE OR DISPOSITION OF THE PROPERTY
15 MUNICIPALLY KNOWN AS 2494 AND 2538 REGIONAL ROAD 57 AND 2499 NASH

16 REGISTERING AGENT: FOGLER, RUBINOFF LLP (R.ROTCHTIN - 166182)
17 ADDRESS: 77 KING ST WEST, SUITE 3000, TD CENTRE TORONTO ON M5K 1G8

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

CONTINUED... 12

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

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
723151665

01

CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002		2		20161206 1417 1590 2691		

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME ONTARIO CORPORATION NO.
04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT
09 ADDRESS

COLLATERAL CLASSIFICATION

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

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

13 GENERAL ROAD, BOWMANVILLE, ONTARIO, AND LEGALLY DESCRIBED IN PIN NOS.
14 COLLATERAL 26613-0017 (LT), 26613-0018 (LT) AND 26613-0019 (LT)
15 DESCRIPTION

16 REGISTERING
AGENT
17 ADDRESS

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

CONTINUED... 13

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

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

CAUTION FILING | PAGE NO. OF | TOTAL PAGES | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER | REGISTERED UNDER

01 001 2 20170411 1158 1590 1557

21 RECORD REFERENCED FILE NUMBER 723151665

PAGE AMENDED | NO SPECIFIC PAGE AMENDED | CHANGE REQUIRED | RENEWAL YEARS | CORRECT PERIOD

22 D ASSIGNMENT

FIRST GIVEN NAME | INITIAL | SURNAME

23 REFERENCE
24 DEBTOR/ BUSINESS NAME BROOKHILL DEVELOPMENT INC.
TRANSFEROR

25 OTHER CHANGE
26 REASON/
27 DESCRIPTION
28

02/ DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
05 DEBTOR/
03/ TRANSFEREE BUSINESS NAME
06 ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR BUILDING & DEVELOPMENT MORTGAGES CANADA INC.
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08 BUILDING & DEVELOPMENT MORTGAGES CANADA INC.
09 ADDRESS 25 BRODIE DRIVE, UNIT 8 RICHMOND HILL ON L4B 3K7
COLLATERAL CLASSIFICATION
CONSUMER GOODS | INVENTORY | EQUIPMENT | ACCOUNTS | OTHER | MOTOR VEHICLE INCLUDED | AMOUNT | DATE OF MATURITY | OR | NO FIXED MATURITY DATE
10

YEAR | MAKE | MODEL | V.I.N.
11 MOTOR
12 VEHICLE
13 GENERAL
14 COLLATERAL
15 DESCRIPTION
16 REGISTERING AGENT OR FOGLER, RUBINOFF LLP (R.ROTCHTIN - 166182)
17 SECURED PARTY/ ADDRESS 77 KING ST WEST, SUITE 3000, TD CENTRE TORONTO ON M5K 1G8
LIEN CLAIMANT

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

CONTINUED... 14

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

Ontario

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

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		002		2		20170411 1158 1590 1557	

21 RECORD REFERENCED — FILE NUMBER 723151665
PAGE AMENDED — NO SPECIFIC PAGE AMENDED — CHANGE REQUIRED — RENEWAL YEARS — CORRECT PERIOD
22
FIRST GIVEN NAME — INITIAL — SURNAME
23 REFERENCE
24 DEBTOR/ TRANSFEROR — BUSINESS NAME

25 OTHER CHANGE
26 REASON/
27 DESCRIPTION
28
02/ DATE OF BIRTH — FIRST GIVEN NAME — INITIAL — SURNAME
05 DEBTOR/
03/ TRANSFEREE — BUSINESS NAME
06 ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08 OLYMPIA TRUST COMPANY
09 ADDRESS 2200, 125 - 9TH AVENUE SE CALGARY AB T2G 0P6
COLLATERAL CLASSIFICATION
CONSUMER GOODS — INVENTORY — EQUIPMENT — ACCOUNTS — OTHER — MOTOR VEHICLE INCLUDED — AMOUNT — DATE OF MATURITY — OR — NO FIXED MATURITY DATE
10
YEAR — MAKE — MODEL — V.I.N.
11 MOTOR
12 VEHICLE
13 GENERAL
14 COLLATERAL
15 DESCRIPTION
16 REGISTERING AGENT OR
17 SECURED PARTY/ LIEN CLAIMANT — ADDRESS

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

CONTINUED... 15

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

Ontario

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

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL DEVELOPMENT INC.
FILE CURRENCY : 01APR 2020

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
761346702	20200401 1216 1590 0750			
740474919	20180613 1206 1862 5548	20200401 1048 1590 0725		
723248244	20161208 1925 1590 2951	20180705 1009 1862 7246	20200401 1048 1590 0726	
723151665	20161206 1417 1590 2691	20170411 1158 1590 1557		

8 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.

CERTIFIED BY/CERTIFIÉES PAR
Barbara Duckitt
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES
(crfj5 06/2019)

Ontario

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

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

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.

FILE CURRENCY : 01APR 2020

ENQUIRY NUMBER 20200402081417.85 CONTAINS 15 PAGE(S), 4 FAMILY(IES).

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

CERTIFIED BY/CERTIFIÉES PAR
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES
(crfj5 06/2019)

THORNTON GROUT FINNIGAN LLP - ROXANA MANEA

3200-100 WELLINGTON STREET WEST
TORONTO ON M5K 1K7

CONTINUED... 2

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
761346594

01 CAUTION FILING | PAGE NO. 001 | OF TOTAL PAGES 1 | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20200401 1210 1590 0749 | REGISTERED UNDER P PPSA | REGISTRATION PERIOD 2

02 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
03 BUSINESS NAME BROOKHILL HOLDINGS INC.
ONTARIO CORPORATION NO.
04 ADDRESS 56 THE ESPLANADE, SUITE #406 TORONTO ON M5E 1A7

05 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
06 BUSINESS NAME
ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT HILLMOUNT CAPITAL INC.
09 ADDRESS 89 TYCOS DR., SUITE 208 TORONTO ON M6B 1W3

COLLATERAL CLASSIFICATION

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

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

13 GENERAL
14 COLLATERAL
15 DESCRIPTION

16 REGISTERING AGENT THORNTON GROUT FINNIGAN LLP (DJM/RB)
17 ADDRESS 3200-100 WELLINGTON STREET WEST TORONTO ON M5K 1K7

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

CONTINUED... 3

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

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
740474919

01 CAUTION FILING | PAGE NO. 001 | OF TOTAL PAGES 003 | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20180613 1206 1862 5548 | REGISTERED UNDER P PPSA | REGISTRATION PERIOD 2

02 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
03 BUSINESS NAME: BROOKHILL HOLDINGS INC.
ONTARIO CORPORATION NO. 2499216
04 ADDRESS: 56 THE ESPLANADE, SUITE 406 TORONTO ON M5E 1A7

05 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
06 BUSINESS NAME: BROOKHILL DEVELOPMENT INC.
ONTARIO CORPORATION NO. 2499676
07 ADDRESS: 56 THE ESPLANADE, SUITE 406 TORONTO ON M5E 1A7

08 SECURED PARTY / LIEN CLAIMANT: HILLMOUNT CAPITAL INC.
09 ADDRESS: 89 TYCOS DRIVE, SUITE 208 TORONTO ON M6B 1W3

COLLATERAL CLASSIFICATION

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

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

13 GENERAL SECURITY AGREEMENTS CREATING A SECURITY INTEREST IN ALL PRESENT AND
14 COLLATERAL AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTORS LOCATED AT, ON, USED
15 DESCRIPTION IN CONNECTION WITH, RELATING TO OR DERIVED FROM THE PROPERTIES

16 REGISTERING AGENT: MEYER, WASSENAAR & BANACH, LLP (JF-LL 18-1276)
17 ADDRESS: 5001 YONGE STREET, SUITE 301 TORONTO ON M2N 6P6

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

CONTINUED... 4

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

Ontario

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

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER 740474919

01 CAUTION FILING | PAGE NO. 002 | OF TOTAL PAGES 003 | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20180613 1206 1862 5548 | REGISTERED UNDER | REGISTRATION PERIOD

02 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
03 BUSINESS NAME FORTRESS BROOKHILL INC. — ONTARIO CORPORATION NO. 2501157
04 ADDRESS 25 BRODIE DRIVE, UNIT 1 RICHMOND HILL ON L4B 3K7

05 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
06 BUSINESS NAME — ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT
09 ADDRESS

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

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

13 GENERAL COLLATERAL DESCRIPTION MUNICIPALLY KNOWN AS 2499 NASH ROAD, CLARINGTON, ONTARIO, 2494
14 REGIONAL ROAD 57, CLARINGTON, ONTARIO SAND 2538 REGIONAL ROAD 57,
15 CLARINGTON, ONTARIO AND SECURITY AGREEMENTS RESPECTING DEPOSITS AND

16 REGISTERING AGENT
17 ADDRESS

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

CONTINUED... 5

CERTIFIED BY/CERTIFIÉES PAR
Barbara Duckitt
REGISTRAR OF PERSONAL PROPERTY SECURITY/ LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj1fu 06/2019)

Ontario

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

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
740474919

01 CAUTION FILING | PAGE NO. 003 | OF | TOTAL PAGES 003 | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20180613 1206 1862 5548 | REGISTERED UNDER | REGISTRATION PERIOD

02 DEBTOR DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
03 NAME BUSINESS NAME | ONTARIO CORPORATION NO.
04 ADDRESS

05 DEBTOR DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
06 NAME BUSINESS NAME | ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT
09 ADDRESS

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

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

13 GENERAL CASH SECURITY.
14 COLLATERAL
15 DESCRIPTION

16 REGISTERING
AGENT
17 ADDRESS

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

CONTINUED... 6

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

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO.	OF TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		01	001		20200401 1048 1590 0725	

21 RECORD REFERENCED FILE NUMBER 740474919

	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
22			B RENEWAL	2	

FIRST GIVEN NAME INITIAL SURNAME
23 REFERENCE
24 DEBTOR/ TRANSFEROR BUSINESS NAME BROOKHILL HOLDINGS INC.

25 OTHER CHANGE
26 REASON/
27 DESCRIPTION
28

02/ DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
05 DEBTOR/
03/ TRANSFEREE BUSINESS NAME
06 ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08
09 ADDRESS

COLLATERAL CLASSIFICATION

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

YEAR MAKE MODEL V.I.N.
11 MOTOR
12 VEHICLE
13 GENERAL
14 COLLATERAL
15 DESCRIPTION
16 REGISTERING AGENT OR THORNTON GROUT FINNIGAN LLP (DJM/RB)
17 SECURED PARTY/ LIEN CLAIMANT ADDRESS 3200-100 WELLINGTON STREET WEST TORONTO ON M5K 1K7

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

CONTINUED... 7

CERTIFIED BY/CERTIFIÉES PAR
REGISTRAR OF PERSONAL PROPERTY SECURITY/ LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

RUN NUMBER : 093
RUN DATE : 2020/04/02
ID : 20200402081417.85

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

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER: 723248244

	CAUTION FILING	PAGE NO.	OF TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01		001	2		20161208 1925 1590 2951	P PPSA	4

02 DEBTOR NAME — DATE OF BIRTH / FIRST GIVEN NAME / INITIAL / SURNAME

03 BUSINESS NAME: BROOKHILL HOLDINGS INC. — ONTARIO CORPORATION NO.

04 ADDRESS: 56 THE ESPLANADE, SUITE 206 TORONTO ON M5E 1A7

05 DEBTOR NAME — DATE OF BIRTH / FIRST GIVEN NAME / INITIAL / SURNAME

06 BUSINESS NAME: FORTRESS BROOKHILL INC. — ONTARIO CORPORATION NO.

07 ADDRESS: 25 BRODIE DRIVE, UNIT 1 RICHMOND HILL ON L4B 3K7

08 SECURED PARTY / LIEN CLAIMANT: VECTOR FINANCIAL SERVICES LIMITED

09 ADDRESS: 25 IMPERIAL STREET, SUITE 500 TORONTO ON M5P 1B9

COLLATERAL CLASSIFICATION

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

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

13 GENERAL SECURITY DOCUMENTATION RELATING TO PROPERTY LOCATED AT 2499 NASH
14 COLLATERAL ROAD, BOWMANVILLE, ONTARIO, 2494 REGIONAL ROAD 57, BOWMANVILLE, ON
15 DESCRIPTION AND 2538 REGIONAL ROAD 57, BOWMANVILLE, ONTARIO (LOAN NO. 16-51)

16 REGISTERING AGENT: CASSELS BROCK & BLACKWELL LLP

17 ADDRESS: SUITE 2100, 40 KING STREET WEST TORONTO ON M5H 3C2

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

CONTINUED... 8

CERTIFIED BY/CERTIFIÉES PAR
Barbara Duckitt
REGISTRAR OF PERSONAL PROPERTY SECURITY/ LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

(crj1fu 06/2019)

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER 723248244

01 CAUTION FILING | PAGE NO. 002 | OF TOTAL PAGES 2 | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20161208 1925 1590 2951 | REGISTERED UNDER | REGISTRATION PERIOD

02 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
03 BUSINESS NAME: BROOKHILL DEVELOPMENT INC. — ONTARIO CORPORATION NO.
04 ADDRESS: 56 THE ESPLANADE, SUITE 206 TORONTO ON M5E 1A7

05 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
06 BUSINESS NAME — ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT
09 ADDRESS

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

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

13 GENERAL COLLATERAL DESCRIPTION
14
15

16 REGISTERING AGENT
17 ADDRESS

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

CONTINUED... 9

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

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		001		001		20180705 1009 1862 7246	

21 RECORD REFERENCED FILE NUMBER 723248244

	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
22		X	D ASSIGNMENT		

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

25 OTHER CHANGE
26 REASON/
27 DESCRIPTION
28

02/ DATE OF BIRTH / FIRST GIVEN NAME / INITIAL / SURNAME
05 DEBTOR/
03/ TRANSFEREE BUSINESS NAME
06 ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR VECTOR FINANCIAL SERVICES LIMITED
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08 HILLMOUNT CAPITAL INC.
09 ADDRESS 89 TYCOS DRIVE, SUITE 208 TORONTO ON M6B 1W3

COLLATERAL CLASSIFICATION

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

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

13 GENERAL
14 COLLATERAL
15 DESCRIPTION
16 REGISTERING AGENT OR MEYER, WASSENAAR & BANACH, LLP (JF-LL 18-1276)
17 SECURED PARTY/ LIEN CLAIMANT ADDRESS 5001 YONGE STREET, SUITE 301 TORONTO ON M2N 6P6

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

CONTINUED... 10

CERTIFIED BY/CERTIFIÉES PAR
Barbara Duckitt
REGISTRAR OF PERSONAL PROPERTY SECURITY/ LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO.	OF	TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		01		001		20200401 1048 1590 0726	

21 RECORD REFERENCED FILE NUMBER 723248244

	PAGE AMENDED	NO SPECIFIC PAGE AMENDED	CHANGE REQUIRED	RENEWAL YEARS	CORRECT PERIOD
22			B RENEWAL	2	

FIRST GIVEN NAME INITIAL SURNAME
23 REFERENCE
24 DEBTOR/ TRANSFEROR BUSINESS NAME BROOKHILL HOLDINGS INC.

25 OTHER CHANGE
26 REASON/
27 DESCRIPTION
28

02/ DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
05 DEBTOR/
03/ TRANSFEREE BUSINESS NAME
06 ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08
09 ADDRESS

COLLATERAL CLASSIFICATION

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

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

13 GENERAL
14 COLLATERAL
15 DESCRIPTION
16 REGISTERING AGENT OR THORNTON GROUT FINNIGAN LLP (DJM/RB)
17 SECURED PARTY/ LIEN CLAIMANT ADDRESS 3200-100 WELLINGTON STREET WEST TORONTO ON M5K 1K7

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

CONTINUED... 11

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

Ontario

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

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER 723151611

01 CAUTION FILING | PAGE NO. 001 OF TOTAL PAGES 2 | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20161206 1416 1590 2690 | REGISTERED UNDER P PPSA | REGISTRATION PERIOD 5

02 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
03 BUSINESS NAME BROOKHILL HOLDINGS INC.
ONTARIO CORPORATION NO.
04 ADDRESS 56 THE ESPLANADE, SUITE 206 TORONTO ON M5E 1A7

05 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
06 BUSINESS NAME
ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT BUILDING & DEVELOPMENT MORTGAGES CANADA INC.
09 ADDRESS 25 BRODIE DRIVE, UNIT 8 RICHMOND HILL ON L4B 3K7

COLLATERAL CLASSIFICATION

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

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

13 GENERAL PROPERTY USED IN CONNECTION WITH, SITUATE AT OR ARISING FROM THE
14 COLLATERAL OWNERSHIP, DEVELOPMENT, USE OR DISPOSITION OF THE PROPERTY
15 DESCRIPTION MUNICIPALLY KNOWN AS 2494 AND 2538 REGIONAL ROAD 57 AND 2499 NASH

16 REGISTERING AGENT FOGLER, RUBINOFF LLP (R.ROTCHTIN - 166182)
17 ADDRESS 77 KING ST WEST, SUITE 3000, TD CENTRE TORONTO ON M5K 1G8

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

CONTINUED... 12

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

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
723151611

01 CAUTION FILING | PAGE NO. 002 | OF | TOTAL PAGES 2 | MOTOR VEHICLE SCHEDULE | REGISTRATION NUMBER 20161206 1416 1590 2690 | REGISTERED UNDER | REGISTRATION PERIOD

02 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
03 BUSINESS NAME
ONTARIO CORPORATION NO.
04 ADDRESS

05 DEBTOR NAME — DATE OF BIRTH | FIRST GIVEN NAME | INITIAL | SURNAME
06 BUSINESS NAME
ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT
09 ADDRESS

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

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

13 GENERAL COLLATERAL DESCRIPTION ROAD, BOWMANVILLE, ONTARIO, AND LEGALLY DESCRIBED IN PIN NOS.
14 26613-0017 (LT), 26613-0018 (LT) AND 26613-0019 (LT)
15

16 REGISTERING AGENT
17 ADDRESS

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

CONTINUED... 13

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

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

		CAUTION FILING	PAGE NO.	OF TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01			001	2		20170411 1157 1590 1556	

21 RECORD REFERENCED — FILE NUMBER 723151611

22 PAGE AMENDED — NO SPECIFIC PAGE AMENDED — CHANGE REQUIRED: D ASSIGNMENT — RENEWAL YEARS — CORRECT PERIOD

23 / 24 REFERENCE DEBTOR/ TRANSFEROR — FIRST GIVEN NAME — INITIAL — SURNAME
BUSINESS NAME: BROOKHILL HOLDINGS INC.

25–28 OTHER CHANGE REASON/ DESCRIPTION

02/05 03/06 04/07 DEBTOR/ TRANSFEREE — DATE OF BIRTH — FIRST GIVEN NAME — INITIAL — SURNAME — BUSINESS NAME — ONTARIO CORPORATION NO. — ADDRESS

29 ASSIGNOR: BUILDING & DEVELOPMENT MORTGAGES CANADA INC.

SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08 BUILDING & DEVELOPMENT MORTGAGES CANADA INC.
09 ADDRESS: 25 BRODIE DRIVE, UNIT 8 RICHMOND HILL ON L4B 3K7

COLLATERAL CLASSIFICATION

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

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

16 REGISTERING AGENT OR SECURED PARTY/ LIEN CLAIMANT: FOGLER, RUBINOFF LLP (R.ROTCHTIN - 166182)
17 ADDRESS: 77 KING ST WEST, SUITE 3000, TD CENTRE TORONTO ON M5K 1G8

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

CONTINUED... 14

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

Ontario

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	CAUTION FILING	PAGE NO.	OF TOTAL PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER
01		002	2		20170411 1157 1590 1556	

21 RECORD REFERENCED FILE NUMBER 723151611

PAGE AMENDED NO SPECIFIC PAGE AMENDED CHANGE REQUIRED RENEWAL YEARS CORRECT PERIOD

22

FIRST GIVEN NAME INITIAL SURNAME

23 REFERENCE
24 DEBTOR/ BUSINESS NAME
TRANSFEROR

25 OTHER CHANGE
26 REASON/
27 DESCRIPTION
28

02/ DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
05 DEBTOR/
03/ TRANSFEREE BUSINESS NAME
06 ONTARIO CORPORATION NO.
04/07 ADDRESS

29 ASSIGNOR
SECURED PARTY/LIEN CLAIMANT/ASSIGNEE
08 OLYMPIA TRUST COMPANY
09 ADDRESS 2200, 125 - 9TH AVENUE SE CALGARY AB T2G 0P6

COLLATERAL CLASSIFICATION

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

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

13 GENERAL
14 COLLATERAL
15 DESCRIPTION
16 REGISTERING AGENT OR
17 SECURED PARTY/ ADDRESS
LIEN CLAIMANT

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

CONTINUED... 15

CERTIFIED BY/CERTIFIÉES PAR
REGISTRAR OF PERSONAL PROPERTY SECURITY/ LE REGISTRATEUR DES SÛRETÉS MOBILIÈRES

Ontario

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

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : BROOKHILL HOLDINGS INC.
FILE CURRENCY : 01APR 2020

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
761346594	20200401 1210 1590 0749			
740474919	20180613 1206 1862 5548	20200401 1048 1590 0725		
723248244	20161208 1925 1590 2951	20180705 1009 1862 7246	20200401 1048 1590 0726	
723151611	20161206 1416 1590 2690	20170411 1157 1590 1556		

8 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.

CERTIFIED BY/CERTIFIÉES PAR
Barbara Duckitt
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES
(crfj5 06/2019)

Ontario

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC.
Applicant

and

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.
Respondents

Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

DECLARATION OF ITZHAK LEVINSON
Declared April 28, 2020

Thornton Grout Finnigan LLP
TD West Tower, Toronto-Dominion Centre
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7
Fax: (416) 304-1313

D.J. Miller (LSO# 34393P)
Email: djmiller@tgf.ca
Tel: (416) 304-0559

Rachel Bengino (LSO# 68348V)
Email: rbengino@tgf.ca
Tel: (416) 304-1153

Lawyers for the Applicant, Hillmount Capital Inc.

TAB 3

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

HILLMOUNT CAPITAL INC.

Applicant

\- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

CONSENT

ERNST & YOUNG INC. hereby consents to act as Court-appointed Receiver in this proceeding should such an Order be granted by the Court.

Dated at Toronto, Ontario, this 1st day of April, 2020.

ERNST & YOUNG INC.

Per: ____________________

Name: Alex Morrison
Title: Senior Vice President

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC.
Applicant

and

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.
Respondents

Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

CONSENT

Thornton Grout Finnigan LLP
TD West Tower, Toronto-Dominion Centre
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7
Fax: (416) 304-1313

D.J. Miller (LSO# 34393P)
Email: djmiller@tgf.ca
Tel: (416) 304-0559

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Lawyers for the Applicant, Hillmount Capital Inc.

TAB 4

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

THE HONOURABLE MADAM	)	TUESDAY, THE 5TH
	)	
JUSTICE CONWAY	)	DAY OF MAY, 2020

B E T W E E N:

HILLMOUNT CAPITAL INC.

Applicant

- and -

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

ORDER
(appointing Receiver)

THIS APPLICATION brought by Hillmount Capital Inc. for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Ernst & Young Inc. as receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of Brookhill Holdings Inc. (the "**Debtor**") and of the beneficial interest of Brookhill Development Inc. ("**BDI**") in the Lands (as defined below) acquired for, or used in relation to a business carried on by the Debtor, was heard this day by videoconference due to the COVID-19 crisis.

ON READING the Declaration of Itzhak Levinson dated April 28, 2020 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, counsel for the Respondents, and such other parties present, no one else appearing although duly served as appears from the affidavit of service of Rachel Bengino sworn April 28, 2020 and on reading the consent of Ernst & Young Inc. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record herein is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Ernst & Young Inc. is hereby appointed Receiver, without security, of (i) all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to any business carried on by the Debtor, including in relation to the real properties municipally known as 2499 Nash Road, 2538 Regional Road 57 and 2494 Regional Road 57, Bowmanville, Ontario, and more specifically described as (collectively, the "**Lands**"):

(a) PIN26613-0238 (LT): PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON;

(b) PIN26613-0239 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON: and

(c) PIN26613-0240 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON,

and (ii) the beneficial ownership interests of BDI in the Lands, and all proceeds thereof (collectively, the "**Property**").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality

of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property, including any deposits or funds held in trust by the Debtor or its solicitors, and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, cease to perform any contracts of the Debtor, or continue to perform any contracts of the Debtor including, but not limited to, the Secondary Plan Funding Agreement dated December 19, 2018 between the Corporation of the Municipality of Clarington, the Debtor and various other developers as listed therein;

(d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;

(f) to pay such protective disbursements as may be deemed necessary to preserve and protect the Property pending any disposition of same;

(g) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

(h) to settle, extend or compromise any indebtedness owing to the Debtor;

(i) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

(j) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;

(k) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(l) 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;

(m) 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 $500,000, provided that the aggregate consideration for all such transactions does not exceed $750,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the *Ontario Mortgages Act*, as the case may be, shall not be required, and in each case the *Ontario Bulk Sales Act* shall not apply.

(n) 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 or other instruments affecting such Property, other than such permitted encumbrances as may be acceptable to the purchaser or rights that run with the land;

(o) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(p) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(q) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(r) 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;

(s) to exercise any shareholder, partnership, joint venture, co-ownership or other rights which the Debtor may have; and

(t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the

Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized

banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**"). The monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

13. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

14. 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

15. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

16. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

17. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

19. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow from the Applicant by way of a revolving credit or otherwise, such monies from time to

time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $250,000 (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 with the Applicant, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

22. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

23. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

24. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of

documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL 'www.ey.com/ca/brookhill'.

25. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

RETENTION OF LAWYERS

26. THIS COURT ORDERS that the Receiver may retain solicitors to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including without limitation, those conferred by this Order. Such solicitors may include Thornton Grout Finnigan LLP and Fogler Rubinoff LLP, solicitors for the Applicant herein, in respect of any matter where there is no conflict of interest. The Receiver shall, however, retain independent solicitors in respect of any legal advice or services where a conflict exists, or may arise.

GENERAL

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

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. THIS COURT ORDERS that the Land Registry Office for the Land Titles Division of Durham (No. 40) shall register this Order against title to the real properties municipally known as 2499 Nash Road, 2538 Regional Road 57 and 2494 Regional Road 57, Bowmanville, Ontario, and more specifically described as:

(a) PIN26613-0238 (LT): PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON;

(b) PIN26613-0239 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON: and

(c) PIN26613-0240 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON.

30. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

31. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate, with such priority and at such time as this Court may determine.

33. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

SCHEDULE “A”

RECEIVER CERTIFICATE

CERTIFICATE NO. _______________

AMOUNT $__________

1. THIS IS TO CERTIFY that ERNST & YOUNG INC., the receiver (the “**Receiver**”) of the assets, undertakings and properties of Brookhill Holdings Inc. acquired for, or used in relation to a business carried on by the Debtor, and the beneficial interest of Brookhill Development Inc. in respect of the Lands (as defined in the Order), including all proceeds thereof (collectively, the “**Property**”), appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated the 5th of May, 2020 (the “**Order**”) made in an action having Court file number CV-20-00640134-00CL, has received as such Receiver from Hillmount Capital Inc. (the “**Lender**”) the principal sum of $_________________, being part of the total principal sum of $_____________________ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [monthly] not in advance on the ______ day of each month after the date hereof at a rate per annum equal to the rate of ______ per cent above the prime commercial lending rate of Bank of ______________________ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _________ day of ______________, 2020.

ERNST & YOUNG INC., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: ______________________________________

Name:

Title:

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC.
Applicant

and

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.
Respondents

Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

ORDER
(APPOINTING RECEIVER)

Thornton Grout Finnigan LLP
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Lawyers for the Applicant, Hillmount Capital Inc.

TAB 5

~~Revised: January 21, 2014~~

~~s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver~~

Court File No. CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

THE HONOURABLE ~~JUSTICE~~ MADAM	~~)~~ ~~)~~)	~~WEEKDAY~~ TUESDAY, THE ~~#~~ ~~DAY OF MONTH, 20YR~~ 5TH
JUSTICE CONWAY	))	DAY OF MAY, 2020

B E T W E E N:

~~**PLAINTIFF**[1]~~

~~Plaintiff~~

HILLMOUNT CAPITAL INC.

Applicant

\- and -

~~**DEFENDANT**~~

~~Defendant~~

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.

Respondents

~~[1] The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

ORDER
(appointing Receiver)

THIS ~~MOTION made by the Plaintiff[2]~~APPLICATION brought by Hillmount Capital Inc. for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the ~~"~~“**BIA**~~"~~”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the ~~"~~“**CJA**~~"~~”) appointing ~~[RECEIVER'S NAME]~~Ernst & Young Inc. as receiver ~~[~~and manager~~]~~ (in such capacities, the ~~"~~“**Receiver**~~"~~”) without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~Brookhill Holdings Inc. (the ~~"~~“**Debtor**~~"~~”) and of the beneficial interest of Brookhill Development Inc. (“**BDI**”) in the Lands (as defined below) acquired for, or used in relation to a business carried on by the Debtor, was heard this day ~~at 330 University Avenue, Toronto, Ontario~~by videoconference due to the COVID-19 crisis.

ON READING the ~~affidavit of [NAME] sworn [DATE]~~Declaration of Itzhak Levinson dated April 28, 2020 and the Exhibits thereto and on hearing the submissions of counsel for ~~[NAMES]~~the Applicant, counsel for the Respondents, and such other parties present, no one else appearing ~~for [NAME]~~ although duly served as appears from the affidavit of service of ~~[NAME]~~Rachel Bengino sworn ~~[DATE]~~ April 28, 2020 and on reading the consent of ~~[RECEIVER'S NAME]~~Ernst & Young Inc. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of ~~Motion~~Application and the ~~Motion~~Application Record herein is hereby abridged and validated~~[3]~~ so that this ~~motion~~application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~Ernst & Young Inc. is hereby appointed Receiver, without

~~[2] Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

~~[3] If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.~~

security, of (i) all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to ~~a~~any business carried on by the Debtor, including in relation to the real properties municipally known as 2499 Nash Road, 2538 Regional Road 57 and 2494 Regional Road 57, Bowmanville, Ontario, and more specifically described as (collectively, the “**Lands**”):

(a) PIN26613-0238 (LT): PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON;

(b) PIN26613-0239 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON: and

(c) PIN26613-0240 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON,

and (ii) the beneficial ownership interests of BDI in the Lands, and all proceeds thereof (collectively, the ~~"~~“**Property**~~"~~”).

RECEIVER’S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property, including any deposits or funds held in trust by the Debtor or its solicitors, and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, ~~or~~ cease to perform any contracts of the Debtor, or continue to perform any contracts of the Debtor including, but not limited to, the Secondary Plan Funding Agreement dated December 19, 2018 between the Corporation of the Municipality of Clarington, the Debtor and various other developers as listed therein;

(d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver~~'~~’s powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;

(f) to pay such protective disbursements as may be deemed necessary to preserve and protect the Property pending any disposition of same;

(g) ~~(f)~~ to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

(h) ~~(g)~~ to settle, extend or compromise any indebtedness owing to the Debtor;

(i) ~~(h)~~ to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver~~'~~’s name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

(j) to undertake environmental or workers’ health and safety assessments of the Property and operations of the Debtor;

(k) ~~(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.[4] The authority hereby conveyed shall extend to such appeals or

[4] ~~This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(l) ~~(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;

(m) ~~(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 $~~________~~500,000, provided that the aggregate consideration for all such transactions does not exceed $~~__________~~750,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, ~~[~~or section 31 of the *Ontario Mortgages Act*, as the case may be,~~]~~[5] shall not be required, and in each case the *Ontario Bulk Sales Act* shall not apply.

(n) ~~(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 or other instruments affecting such Property, other than such permitted encumbrances as may be acceptable to the purchaser or rights that run with the land;

(o) ~~(m)~~ to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property

[5] ~~If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(p) ~~(n)~~ to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(q) ~~(o)~~ to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(r) ~~(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;

(s) ~~(q)~~ to exercise any shareholder, partnership, joint venture, co-ownership or other rights which the Debtor may have; and

(t) ~~(r)~~ to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being ~~"~~“**Persons**~~"~~” and each being a ~~"~~“**Person**~~"~~”) shall forthwith advise the Receiver of the existence of any Property in such Person~~'~~’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver~~'~~’s request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the ~~"~~“**Records**~~"~~”) in that Person~~'~~’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

~~7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver’s intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver’s entitlement to remove any such fixture under the provisions of~~

~~the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.~~

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. ~~9.~~ THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. ~~10.~~ THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any ~~"~~“eligible financial contract~~"~~” as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. ~~11.~~ THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract,

agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. ~~**12.**~~ THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor~~'~~’s current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. ~~**13.**~~ THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the ~~"~~“**Post Receivership Accounts**~~"~~”) ~~and the~~. The monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

13. ~~**14.**~~ THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor~~'~~’s behalf, may terminate the

employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

14. ~~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

15. ~~16.~~ THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, ~~"~~"**Possession**~~"~~") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder

(the ~~"~~“**Environmental Legislation**~~"~~”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver~~'~~’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER’S LIABILITY

16. ~~**17.**~~ THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER~~'~~’S ACCOUNTS

17. ~~**18.**~~ THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the ~~"~~“**Receiver~~'~~’s Charge**~~"~~”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings~~, and that the~~. The Receiver~~'~~’s Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.[6]

18. ~~19.~~ THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

~~[6] Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

19. ~~20.~~ THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. ~~**21.**~~ THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow from the Applicant by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $~~__________~~250,000 (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 with the Applicant, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the ~~"~~“**Receiver~~'~~’s Borrowings Charge**~~"~~”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

22. ~~23.~~ THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule ~~"~~“A~~"~~” hereto (the ~~"~~“**Receiver’s Certificates**~~"~~”) for any amount borrowed by it pursuant to this Order.

23. ~~24.~~ THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates

evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver~~'~~'s Certificates.

SERVICE AND NOTICE

24. ~~25.~~ THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '~~<@>~~www.ey.com/ca/brookhill'.

25. ~~26.~~ THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

RETENTION OF LAWYERS

26. THIS COURT ORDERS that the Receiver may retain solicitors to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including without limitation, those conferred by this Order. Such solicitors may include Thornton Grout Finnigan LLP and Fogler Rubinoff LLP, solicitors for the Applicant herein, in respect of any

matter where there is no conflict of interest. The Receiver shall, however, retain independent solicitors in respect of any legal advice or services where a conflict exists, or may arise.

GENERAL

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

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. THIS COURT ORDERS that the Land Registry Office for the Land Titles Division of Durham (No. 40) shall register this Order against title to the real properties municipally known as 2499 Nash Road, 2538 Regional Road 57 and 2494 Regional Road 57, Bowmanville, Ontario, and more specifically described as:

(a) PIN26613-0238 (LT): PART L0T 15 CONCESSION 2 DARLINGTON PART 1 PLAN 40R29634; MUNICIPALITY OF CLARINGTON;

(b) PIN26613-0239 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 2 PLAN 40R29634; MUNICIPALITY OF CLARINGTON: and

(c) PIN26613-0240 (LT): PART LOT 15 CONCESSION 2 DARLINGTON PART 3 PLAN 40R29634; MUNICIPALITY OF CLARINGTON.

30. ~~29.~~ THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

31. ~~30.~~ THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and

that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. ~~31.~~ THIS COURT ORDERS that the ~~Plaintiff~~Applicant shall have its costs of this ~~motion~~application, up to and including entry and service of this Order, provided for by the terms of the ~~Plaintiff~~Applicant's security or, if not so provided by the ~~Plaintiff~~Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate, with such priority and at such time as this Court may determine.

33. ~~32.~~ THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

____

SCHEDULE ~~"~~"A~~"~~"

RECEIVER CERTIFICATE

CERTIFICATE NO. ______________

AMOUNT $_________~~____________~~

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ERNST & YOUNG INC., the receiver (the ~~"~~"**Receiver**~~"~~") of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~of Brookhill Holdings Inc. acquired for, or used in relation to a business carried on by the Debtor, and the beneficial interest of Brookhill Development Inc. in respect of the Lands (as defined in the Order), including all proceeds thereof (collectively, the "**Property**"), appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the ~~"~~"**Court**~~"~~") dated the~~___ day~~ 5th of ~~______~~May, ~~20__~~2020 (the ~~"~~"**Order**~~"~~") made in an action having Court file number CV-20-___________~~-CL-~~___~~____~~00CL, has received as such Receiver from ~~the holder of this certificate~~Hillmount Capital Inc. (the ~~"~~"**Lender**~~"~~") the principal sum of $_____ ___________, being part of the total principal sum of $___________ _________ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded ~~[daily]~~[monthly] not in advance on the _______~~–~~ day of each month~~]~~ after the date hereof at a ~~notional~~ rate per annum equal to the rate of _______ per cent above the prime commercial lending rate of Bank of ____________ _________ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the __________ day of ______________, ~~20~~ 2020.

~~[RECEIVER'S NAME]~~ERNST & YOUNG INC., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: ____________________________

Name:

Title:

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC. and **BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.**

Applicant

Respondents

Court File No.: CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

ORDER
(APPOINTING RECEIVER)

Thornton Grout Finnigan LLP
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Lawyers for the Applicant, Hillmount Capital Inc.

Document comparison by Workshare 10.0 on April 28, 2020 11:29:20 AM

Input:	
Document 1 ID	iManage://TGF-WSS01/Client/2852892/1
Description	#2852892v1<Client> - MODEL Receivership-order-EN
Document 2 ID	iManage://TGF-WSS01/Client/2852891/8
Description	#2852891v8<Client> - Order (appointing Receiver)_Brookhill Holdings Inc. (May 5, 2020 draft)
Rendering set	Standard

Legend:	
Insertion	
~~Deletion~~	
~~Moved from~~	
Moved to	
Style change	
Format change	
~~Moved deletion~~	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:

	Count
Insertions	217
Deletions	187
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	404

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

HILLMOUNT CAPITAL INC.
Applicant

and

BROOKHILL HOLDINGS INC. and BROOKHILL DEVELOPMENT INC.
Respondents

CV-20-00640134-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

APPLICATION RECORD

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