



No. S205095
Vancouver Registry

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

– AND –

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, C. 57, AS AMENDED

– AND –

IN THE MATTER OF A PLAN AND COMPROMISE AND ARRANGEMENT OF
PORT CAPITAL DEVELOPMENT (EV) INC. and EVERGREEN HOUSE DEVELOPMENT
LIMITED PARTNERSHIP

NOTICE OF APPLICATION

Name of Applicant: Solterra Acquisitions Corp. (“Solterra”)

To: The Service List

TAKE NOTICE that an application will be made by the applicant to the Honourable Madam Justice Fitzpatrick Via MS Teams at the courthouse at 800 Smithe Street Vancouver BC V6Z 2E1 on Friday, September 16, 2022 at 9:30 a.m. for the order set out in Part 1 below.

Part 1: ORDER SOUGHT

1. An Order substantially in the form attached as **Schedule “A”** hereto, providing the following relief:
 - (a) Approval of certain amendments to the Approval and Vesting Order granted by Madam Justice Fitzpatrick on July 22, 2022 to reflect the assignment of the Purchase and Sale Agreement dated July 22, 2022 (the “**Sale Agreement**”) between Port Capital Development (EV) Inc. and Evergreen House Development Limited Partnership (collectively, the “**Vendor**”), and Solterra, from Solterra to Solterra Development (Terrace House) Corp. (“**Solterra Development**”) and Solterra (Terrace House) Limited Partnership (collectively, the “**Purchaser**”).

Part 2: FACTUAL BASIS

2. Pursuant to section 11.14 of the Sale Agreement reproduced below as **Schedule “B”** hereto, Solterra may assign its rights and obligations under the Sale Agreement to an affiliate on prior written notice to, but without the consent of the Debtors.
3. On September 9, 2022, Solterra notified Ernst & Young Inc, in its capacity as the court-appointed Monitor of the Vendor, that it would be exercising its right to assign its rights and obligations under the Sale Agreement to the Purchaser.
4. Also on September 9, 2022, Solterra and the Purchaser executed an Assignment Agreement assigning Solterra’s rights and obligations under the Sale Agreement to the Purchaser.
5. In preparing for closing, the solicitors for Solterra and the Purchaser, the Monitor and the Purchaser’s lender identified certain matters which would best be addressed by way of amendments to the Approval and Vesting Order, as was contemplated by the parties and addressed during the hearing in this matter on July 22, 2022 when the order was granted.

Part 3: LEGAL BASIS

6. Solterra is entitled to assign its rights and obligations under the Sale Agreement to its affiliates.
7. Solterra Development (Terrace House) Corp. and Solterra (Terrace House) Limited Partnership are affiliates of Solterra.
8. The amendments to the Approval and Vesting Order address issues identified by the solicitors for Solterra and its lender, and for the Monitor in preparing for closing. The amendments are intended to address those issues to facilitate the closing.
9. The amendments to the Approval and Vesting Order are necessary to ensure the Purchased Assets as defined in the Sale Agreement are properly vested in the Purchaser, including to clear title with the Land Title Office for the Land Title District of Vancouver, as well as to facilitate the closing of the Sale Agreement, including the execution of all required documents.

Part 4: MATERIALS TO BE RELIED ON

1. Affidavit #2 of Suzanne Volkow, made September 9, 2022; and
2. Such further and other materials as counsel may advise and this Honourable Court shall permit.

The Applicant estimates that the application will take **5 minutes**.

This matter is not within the jurisdiction of a master. Madam Justice Fitzpatrick is seized of this proceeding.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this Notice of Application, you must, within 5 business days after service of this Notice of Application or, if this application is brought under Rule 9-7, within 8 business days after service of this Notice of Application,

- (a) file an Application Response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - (i) a copy of the filed Application Response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
 - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Dated: 15-Sep-2022



For: Signature of Kibben Jackson
Lawyer for the Applicant

The Solicitors for the Applicant are Fasken Martineau DuMoulin LLP, whose office address and address for delivery is 550 Burrard Street, Suite 2900, Vancouver, BC V6C 0A3 Telephone: +1 604 631 3131 Facsimile: +1 604 631 3232. (Reference: Kibben Jackson/326726.00001)

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- ☐ discovery: comply with demand for documents
- ☐ discovery: production of additional documents
- ☐ other matters concerning document discovery
- ☐ extend oral discovery
- ☐ other matter concerning oral discovery
- ☐ amend pleadings
- ☐ add/change parties
- ☐ summary judgment
- ☐ summary trial
- ☐ service
- ☐ mediation
- ☐ adjournments
- ☐ proceedings at trial
- ☐ case plan orders: amend
- ☐ case plan orders: other
- ☐ experts

SCHEDULE "A"
FORM OF ORDER

SCHEDULE "A"

No. S-205095
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IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF
PORT CAPITAL DEVELOPMENT (EV) INC. and EVERGREEN HOUSE DEVELOPMENT
LIMITED PARTNERSHIP

ORDER MADE AFTER APPLICATION

AMENDED AND RESTATED APPROVAL AND VESTING ORDER

BEFORE THE HONOURABLE	)	
MADAM JUSTICE FITZPATRICK	)	16/September/2022
	)	

THE APPLICATION of Solterra Acquisitions Corp. ("**Solterra Acquisitions**") coming on for hearing on the this day; AND ON HEARING Kibben Jackson, counsel for Solterra Acquisitions, and those other counsel and parties listed on **Schedule "A"** hereto;

THIS COURT ORDERS AND DECLARES THAT:

1. The sale transaction (the "**Transaction**") contemplated by the Purchase and Sale Agreement dated July 22, 2022 (the "**Sale Agreement**") between the Petitioners and Solterra Acquisitions, as assigned to Solterra Development (Terrace House) Corp. ("**Solterra Development**") and Solterra (Terrace House) Limited Partnership (collectively, the "**Purchaser**"), a copy of which is attached as **Schedule "B"** hereto, is hereby approved, and the Sale Agreement is commercially reasonable. The execution of

the Sale Agreement by Ernst & Young, Inc. (the “**Monitor**”) on behalf of the Petitioners and the completion of the transaction contemplated thereby (the “**Transaction**”) is hereby authorized and approved, and the Petitioners and the Monitor, on its own behalf and in the name and on behalf of the Petitioners, as applicable, are hereby authorized and directed to take such additional steps and to execute and deliver such additional documents as may be necessary or desirable for the completion of the Transaction, including without limitation for the conveyance to the Purchaser of the assets described in the Sale Agreement (the “**Purchased Assets**”), the execution of the documents and completion of the steps enumerated in and contemplated by Article 9 of the Sale Agreement and herein, and the execution of any documents or instruments required to be executed and delivered by the GP in favour of the Purchaser’s lender, and in all such cases the Monitor is hereby authorized to take such steps and execute any necessary documents on behalf and in the name of either of the Petitioners without the need for any further authorizations, whether by the shareholders or partners of the Petitioners or the directors or officers of the Petitioner Port Capital Development (EV) Inc. (the “**GP**”).

2. Upon delivery by the Monitor to the Purchaser of a certificate substantially in the form attached as **Schedule “C”** hereto (the “**Monitor’s Certificate**”), the following shall occur and be deemed to have occurred on the Closing Date (as defined in the Sale Agreement) in the following sequence:
 - a. first, the Monitor shall incorporate a new subsidiary (“**ResidualCo**”) of Port Capital Development (EV) Inc. (“**GP**”), which shall be added as a Petitioner in these proceedings pursuant to paragraph 9 hereof;
 - b. second, all of the Petitioners’ right, title and interest in and to the Excluded Assets and Liabilities (as defined in the Sale Agreement) shall vest absolutely and exclusively in ResidualCo, and any and all Claims and Encumbrances shall continue to attach to the Excluded Assets with the same nature and priority as they had immediately prior to their transfer;
 - c. third, without the need for any further action by any of GP’s shareholders, directors or officers, GP shall allot and issue one common voting share without par value in the

capital of GP (the “**New Common Share**”) to Solterra Development, or such other entity as the Purchaser may direct, and the issuance of the New Common Share is hereby authorized, approved and validated, and, concurrently, and without the need for any further action by GP or any of its shareholders, directors or officers, all other issued and outstanding securities of GP (but, for clarity, excluding the New Common Share), including without limitation any shares in GP, any options and warrants issued by GP to acquire any shares in GP, and any other document, instrument or writing of GP commonly known as a security, are hereby cancelled, none of which shall be with any further force or effect, and the obligations of GP thereunder, or in any way related thereto, shall be satisfied and discharged, with no compensation or participation being provided or payable therefor, or in connection therewith, and all certificates formerly representing any such securities shall be deemed to be cancelled and shall be null and void;

- d. fourth, all of the Petitioners’ right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement), which for certainty, includes the New Common Share, shall vest absolutely in the Purchaser in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by any orders of this court; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system; and (iii) those Claims enumerated in **Schedule “D”** hereto (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the permitted encumbrances, easements and restrictive covenants enumerated in **Schedule “E”** hereto), and, for greater certainty, this court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets;

- e. fifth, GP shall cease to be a Petitioner in these proceedings and shall be deemed released from the purview of all orders of this court granted in these proceedings, save and accept for this order; and
 - f. sixth, GP shall cease to be the general partner of the Petitioner Evergreen House Development Limited Partnership ("LP") and the limited partnership agreement with respect to the LP is hereby amended to replace GP with ResidualCo as the general partner of the LP, and the Monitor, on behalf of ResidualCo is hereby authorized to file with the Registrar of Companies an amended certificate of limited partnership to reflect the replacement of the general partner.
3. Upon presentation for registration in the Land Title Office for the Land Title District of Vancouver of a certified copy of this order, together with a letter from Blake Cassels & Graydon LLP, solicitors for the Monitor, authorizing registration of this order, the British Columbia Registrar of Land Titles, having considered the interest of third parties, is hereby directed to:
- a. register a Form B mortgage and assignment of rents against title to the Lands in favour of HSBC Bank Canada, which mortgage and assignment of rents has been executed by the Monitor in the name and on behalf of the GP; and
 - b. discharge, release, delete and expunge from title to the Lands as identified in **Schedule "F"**, all of the registered Encumbrances except for those listed in Schedule "E";
4. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Monitor's Certificate all Claims shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.

5. The Monitor is to file with the Court a copy of the Monitor's Certificate forthwith after delivery thereof.
6. Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets, including any real property, shall be delivered by the Monitor to the Purchaser at 12:00 noon on the Closing Date, subject to the permitted encumbrances as set out in the Sale Agreement and enumerated in Schedule "E".
7. The Monitor and the Purchaser shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court.
8. Notwithstanding:

- (a) these proceedings;
- (b) any applications for a bankruptcy order in respect of the Petitioners now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made by or in respect of the Petitioners,

the vesting of the Purchased Assets (including the New Common Share) in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Petitioners and shall not be void or voidable by creditors of the Petitioners, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. As of the Closing Date and in the sequence set out in paragraph 2 herein:
 - (a) ResidualCo shall be a company to which the *Companies' Creditors Arrangement Act* (the "CCAA") applies;

- (b) the corporate entity referred to herein as ResidualCo shall be added as a Petitioner in these proceedings and all references in any order of this court made in these proceedings to: (i) the “Petitioners” shall refer to and include ResidualCo, *mutatis mutandis*, and (ii) “Property” shall refer to and include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of ResidualCo; and
 - (c) The Monitor shall be exempt from compliance with section 23(1)(a) of the CCAA with respect to ResidualCo; provided, however, that, within five days of the Closing Date, the Monitor shall make this order publically available in the manner prescribed under the CCAA.
10. Immediately after the Closing Date, the Monitor is hereby authorized and directed to bankrupt ResidualCo. Neither GP nor Solterra Acquisitions, nor the Purchaser shall be liable for any obligations of ResidualCo, whether in their capacities as direct or indirect shareholders of ResidualCo or otherwise.
11. Monitor, counsel to the Monitor, and counsel to the Petitioner shall be entitled to the benefit of and are hereby granted a charge (the “**Supplemental Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$150,000 as security for their respective fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this order which are related to the Petitioner’s restructuring. The Supplemental Administration Charge shall rank subordinate to the Administration Charge, the debt and security held by Domain Mortgage Corp. (“**Domain**”) to the extent of the Senior Creditor Priority Limit, as defined in the Priority/Subordination Agreement dated March 16, 2022 between Aviva Insurance Company of Canada and Domain, but shall otherwise rank in priority to all other security interests, trusts, liens, mortgages, charges and encumbrances and claims of secured creditors, statutory or otherwise, in favour of any Person, save and except those claims contemplated by section 11.8(8) of the CCAA. As between the Monitor, counsel to the Monitor, and counsel to the Petitioners, the Supplemental Administrational Charge shall be allocated, first, to the fees and disbursements of the

Monitor and Monitor's counsel incurred from the date of this Order, and, second, to the unpaid fees and disbursements incurred by the Monitor, Monitor's counsel, and counsel to the Petitioners prior to the granting of this Order. For greater certainty, the protections afforded to the Administration Charge by Orders granted by this Court in the within proceedings shall apply, mutatis mutandis, to the Supplemental Administration Charge.

12. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Monitor 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 Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.
13. The Monitor or any other party affected by this order have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this order.
14. Endorsement of this Order by counsel appearing on this application, other than counsel for Solterra Acquisitions, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Kibben Jackson
Lawyer for Solterra Acquisitions Corp.

BY THE COURT

REGISTRAR

Schedule "A"

(List of Counsel)

Counsel name/litigant	Party represented
Peter Bychawski	Ernst & Young, Inc., the Monitor

SCHEDULE "B"

PURCHASE AND SALE AGREEMENT (TERRACE HOUSE, VANCOUVER, BC)

THIS AGREEMENT is dated for reference July 22, 2022 and is made

AMONG:

PORT CAPITAL DEVELOPMENT (EV) INC., a British Columbia corporation formed under the *Business Corporations Act* (British Columbia)

(the "GP")

AND:

EVERGREEN HOUSE DEVELOPMENT LIMITED PARTNERSHIP, a British Columbia limited partnership formed under the *Partnership Act* (British Columbia)

(the "Limited Partnership" and, together with the GP, the "Vendor")

AND:

SOLTERRA ACQUISITIONS CORP., a British Columbia corporation formed under the *Business Corporations Act* (British Columbia)

(the "Purchaser")

BACKGROUND:

- A. The Vendor is the legal and beneficial owner of the lands and premises legally described in Part 1 of Schedule A (the "Lands").
- B. The Vendor obtained an initial order of the Supreme Court of British Columbia dated May 29, 2020 under the *Companies' Creditors Arrangement Act*, which among other things, commenced the CCAA Proceedings and granted an initial stay of proceedings in respect of the Vendor.
- C. The Vendor agrees to sell and the Purchaser has agrees to purchase all of the Vendor's right, title, and interest in and to the Purchased Assets (as defined in this Agreement) on the terms and conditions set out in this Agreement.

FOR CONSIDERATION, the receipt and sufficiency of which is acknowledged by each of the parties, the parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.1 Definitions. In this Agreement:

- (a) "**Approved Contracts**" means those Contracts entered into by the Vendor and any third party consultants in connection with the Project along with any other

material Contracts which the Purchaser has approved by way of notice in writing to the Vendor no less than two Business Days prior to the Closing Date.

- (b) **"Authorized Parties"** has the meaning given to it in Section 11.17.
- (c) **"Balance"** has the meaning given to it in Section 2.2(c).
- (d) **"Buildings"** means all buildings and improvements located on the Lands.
- (e) **"Business Day"** means any day that is not a Saturday, Sunday, Boxing Day, Easter Monday or statutory holiday in British Columbia.
- (f) **"CCAA Proceedings"** means the legal proceedings in the Court under the *Companies' Creditors Arrangement Act*, Vancouver Registry No. S-205095.
- (g) **"Chattels"** means all of the personal property owned by the Vendor and used in connection with Project including without limitation, all fixtures, leasehold improvements, glass, personal property, plant, and equipment, inventory including spare parts, furniture whether moveable or built-in, computer hardware, kitchen equipment, tools and supplies, whether the same is located on the Lands or otherwise.
- (h) **"Closing Date"** means either the Original Closing Date or, if the Second Deposit is paid on or before the Original Closing Date, the Extended Closing Date.
- (i) **"Closing Documents"** has the meaning given to it in Section 9.4.
- (j) **"Consultant Reports"** means all consultant reports and studies that were commissioned by the Vendor in connection with the Project.
- (k) **"Contracts"** means all contracts or agreements, other than Title Contracts and Pre-Sale Contracts, relating to the use or operation of the Property or any part thereof or the design, development and construction of the Project, including, without limitation, the consulting agreements in connection with the Property or any part thereof made by or on behalf of the Vendor relating to the Property.
- (l) **"Court"** means the Supreme Court of British Columbia.
- (m) **"Delay Notice"** has the meaning given to it in Section 11.13.
- (n) **"Deposit"** means the First Deposit and, if applicable, the Second Deposit.
- (o) **"Encumbrance"** means any legal notation, charge, lien, interest or other encumbrance or title defect of whatever kind or nature, regardless of form, whether or not registered or registrable and whether or not consensual or arising by law (statutory or otherwise), including any mortgage, lien, pledge, debenture, trust deed, assignment by way of security, security interest, conditional sales contract or similar interest or instrument charging, or creating a security interest in, the Purchased Assets or any part thereof or interest therein, and any agreement, lease, licence, option or claim, easement, right of way, restriction, execution or other encumbrance (including any notice or other registration in respect of any of

the foregoing) affecting title to or the ownership of the Purchased Assets or any part thereof or interest therein.

- (p) "ETA" has the meaning given to it in Section 10.1.
- (q) "Execution Date" means the date this Agreement is fully executed by all parties to the Agreement.
- (r) "Excluded Assets and Liabilities" means: (i) all shares of capital stock or other equity interest in securities in any entity other than the Shares; (ii) any partnership interest in the Limited Partnership; (iii) Contracts which are not Approved Contracts; (iv) all Liability of the Vendor arising prior to the Closing Date including, but not limited to, Liability owed to lenders, service contractors or third parties of any kind including all Liability under the Approved Contracts or Plans, Permits and Approvals; (v) any Liability relating to or arising out of the assets of the Vendor which are not being acquired by the Purchaser, including, without limitation, Liability for terminating, not complying with or a defaulting under any Contract; (vi) any Liability of the Vendor for taxes resulting from the Vendor's sale of the Purchased Assets; (vii) all employees, employment agreements, executive personnel agreements, officer or director agreements, union contracts, collective agreements, employee wages, employee benefit plans or payments, pension obligations, employee tax withholding obligations, employee health or dental plan obligations, all grievances, arbitrations, employee complaints or claims, labour relations board actions or other employee proceedings and similar obligations of the Vendor; (viii) all Liability for payment of fees for operations of the Purchased Assets up to the Closing Date; (ix) any proceedings, claims or actions commenced in any court initiated against the Vendor or threatened against the Vendor; (x) the costs and expenses and Liability of the Vendor under the CCAA Proceedings; (xi) any Liability for a breach or non-compliance with any applicable law; (xii) the Liability of the Vendor under this Agreement and any other assets, property or obligations which pursuant to the terms and conditions of this Agreement, remain the property of the Vendor after the completion of the transactions contemplated herein including, without limitation, the rights of the Vendor under this Agreement; (xiii) any proceedings, claims or causes of action for the benefit of the Vendor; (xiv) all cash of the Vendor; (xv) Receivables; and (xvi) all Pre-Sale Contracts, including, for greater certainty, all deposits provided pursuant to the Pre-Sale Contracts and all claims, causes of action or rights in relation to such deposits.
- (s) "Excusable Delay" means any delay in the performance or observance by the Vendor or Purchaser of any obligation or act of the Vendor or Purchaser, as applicable, hereunder which occurs as a consequence of or is attributable to any circumstance which is not caused by any default or act of commission or omission of that party and which is beyond the reasonable control of that party, including without limiting the generality of the foregoing, strikes or labour or industrial disturbances (including lock-outs), civil disturbances, acts, orders, legislation, regulations, good faith compliance with an order, directive, guideline or other recommendation of any governmental or other public authorities (including, without limitation, health authorities or occupational safety authorities), acts of public enemies, war, riots, sabotage, blockades, embargoes, shortages of materials and suppliers, shortages of labour, lightning, earthquakes, fire, storms, pandemics, epidemics, quarantines and health emergencies, hurricanes, floods, wash-outs,

explosions and acts of God, but excluding, for clarity, the financial circumstances of the Purchaser.

- (t) **"Extended Closing Date"** means that date which is 30 days after the Original Closing Date.
- (u) **"First Deposit"** has the meaning given to it in Section 2.2(a).
- (v) **"GST"** has the meaning given to it in Section 10.1.
- (w) **"GST Certificate"** has the meaning given to it in Section 10.1.
- (x) **"Intellectual Property"** means all intellectual property and proprietary rights of any kind in connection with the Project, including the "Terrace House" name, architectural design and instruments of service and all rights to the branding, logo and design in connection with the same.
- (y) **"Interim Period"** means the period commencing on the Execution Date until and including the Closing Date.
- (z) **"Land Title Office"** means the Land Title and Survey Authority of British Columbia, land title office applicable to the Lands.
- (aa) **"Lands"** has the meaning given to it in Recital A.
- (bb) **"Liability"** means any debts, claim, liability, duty, responsibility, obligations, commitment, assessment, cost, expense, loss, expenditure, charge, fee, penalty, fine, contribution or premium of any kind or nature whatsoever, whether known or unknown, asserted or unasserted, absolute or contingent, direct or indirect, or due or to become due and regardless of when sustained, incurred or asserted or when the relevant events occurred or circumstances existed.
- (cc) **"LP Agreement"** means the limited partnership agreement of Evergreen House Development Limited Partnership made as of June 30, 2014 and restated as of March 13, 2015 between those persons who from time to time execute the agreement and become a limited partner, as limited partners, and the GP, as general partner, as further amended and restated, modified or supplemented from time to time.
- (dd) **"Material Loss"** means the loss or damage to or destruction of the Property or any part of it to such an extent that the replacement or repair of it cannot be substantially completed: (i) at a cost of less than \$500,000.00; or (ii) within six (6) months of the occurrence.
- (ee) **"Monitor"** means Ernst & Young Inc., in its capacity as monitor of the CCAA Proceedings or such other monitor or monitors as are appointed by the Court from time to time in connection with the CCAA Proceedings.
- (ff) **"Order"** means an order of the Court.

- (gg) **"Original Closing Date"** means that date which is 60 days after the date on which the Reverse Vesting Order is granted.
- (hh) **"Permitted Encumbrances"** means the Encumbrances set out in Part 2 of Schedule A.
- (ii) **"Plans, Permits and Approvals"** means: (i) all plans and specifications pertaining to the construction of the Project, including, without limitation, all structural, architectural, mechanical, electrical, landscape and interior design and specifications for the Project; and (ii) all planning approvals, permits, licences, development agreements, crane swing, underpinning and airspace agreements with respect to the Project.
- (jj) **"Pre-Sale Contracts"** means each of those agreements between the Vendor and a Buyer in respect of the purchase and sale of one or more condominium units at the Property. For greater certainty, a Pre-Sale Contract is not a Contract.
- (kk) **"Project"** means the construction and development of the Buildings on the Lands.
- (ll) **"Property"** means the Lands and the Buildings.
- (mm) **"Purchase Price"** means:
 - (i) \$18,500,000 plus the Revenue Share Portion if the transactions that are the subject of this Agreement complete on the Original Closing Date, exclusive of any applicable taxes; or
 - (ii) \$18,500,000 plus \$650,000 plus the Revenue Share Portion if the transactions that are the subject of this Agreement complete on the Extended Closing Date, exclusive of any applicable taxes.
- (nn) **"Purchased Assets"** means:
 - (i) the Shares; and
 - (ii) all of the Limited Partnership's right, title and interest, in and to the following assets and properties:
 - (A) the Property;
 - (B) the Chattels;
 - (C) the Approved Contracts;
 - (D) the Title Contracts;
 - (E) the Plans, Permits and Approvals;
 - (F) the Warranties;
 - (G) subject to such transfer being approved by the necessary parties in accordance with Section 3.1(c)(i), the Intellectual Property;

- (H) all insurance and new home warranties obtained in connection with the Project; and
- (I) all marketing materials prepared in connection with the Project, excluding, for certainty, the Excluded Assets and Liabilities.
- (oo) **"Purchaser's Solicitors"** means Fasken Martineau DuMoulin, LLP or such other firm or firms of solicitors or agents as are retained by the Purchaser from time to time and written notice of which is provided to the Vendor.
- (pp) **"Receivables"** means the Vendor's interest in all receivables including, without limitation, receivables relating to amounts owed by a Buyer in connection with a Pre-Sale Contract, any grants, subsidies (including the Canada Emergency Wage Subsidy), tax relief or gifts or any other receivable.
- (qq) **"ResidualCo"** means a company to be incorporated by the Vendor and which shall be a subsidiary of GP, to which all Excluded Assets and Liabilities will be transferred by the Vendor in connection with the closing of the transactions contemplated herein, and which will replace the GP in its role as general partner of the Limited Partnership.
- (rr) **"Revenue Share Portion"** means 40% of the amount by which the gross sales revenue derived from the sale of the Units exceeds \$134,000,000.
- (ss) **"Reverse Vesting Order"** has the meaning given to it in Section 8.3(a).
- (tt) **"Second Deposit"** means the sum of \$650,000.
- (uu) **"Shares"** means all of the issued and outstanding shares in the capital of the GP.
- (vv) **"Specified Date"** has the meaning given to it in Section 11.13.
- (ww) **"Title Contracts"** means, collectively, those agreements and instruments affecting the Property or any part thereof, including without limitation, the Permitted Encumbrances and any municipal site plan and development agreements, crane swing, underpinning and airspace agreements, common use agreements and easement agreements, concession or other agreements with any governmental authority or other public authorities having jurisdiction, and any new agreements of similar nature respecting the Property or any part thereof (other than the Contracts or Approved Contracts). For greater certainty, a Title Contract is not a Contract.
- (xx) **"Units"** means each of the condominium units comprising the Buildings.
- (yy) **"Vendor's Solicitors"** means Blake Cassels & Graydon LLP or such other firm or firms of solicitors or agents as are retained by the Vendor from time to time and written notice of which is provided to the Purchaser.

- (zz) **"Warranties"** means all subsisting warranties and guarantees in connection with the Project or any part thereof that are assignable without consent and in effect on the Closing Date.

ARTICLE 2 – PURCHASE AND SALE

2.1 Agreement of Purchase and Sale. Subject to the terms and conditions of this Agreement, the Vendor agrees to sell and the Purchaser agrees to purchase the Purchased Assets for the Purchase Price on the Closing Date free and clear of all Encumbrances, except for the Permitted Encumbrances.

2.2 Payment of Purchase Price. The Purchase Price for the Purchased Assets will be paid by the Purchaser as follows:

- (a) by a deposit in the amount of \$1,000,000 (the **"First Deposit"**) to be paid to the Vendor's Solicitors within two Business Days of the Execution Date;
- (b) if applicable, by payment of the Second Deposit on or before the Original Closing Date;
- (c) by payment of the balance of the Purchase Price (the **"Balance"**), as adjusted in accordance with Article 5, on the Closing Date as provided in Article 9; and
- (d) the Revenue Share Portion within 30 days of completion of the sale of all of the Units.

2.3 Deposits. The Vendor shall cause the Vendor's Solicitors to: (i) deposit the Deposits into an interest bearing trust account promptly following receipt of the Deposits; and (ii) pay the Deposits and any interest that may accrue thereon only as set out in this Agreement or as directed in writing by the Vendor and the Purchaser or as directed by a court of competent jurisdiction. The Vendor shall cause the Vendor's Solicitors to pay the Deposits to:

- (a) the Vendor, without interest (less the \$10.00 paid by the Vendor to the Purchaser pursuant to Section 8.6):
 - (i) on account of the Purchase Price on the Closing Date as set out in Article 9; or
 - (ii) as liquidated damages upon the default of the Purchaser if the Purchaser is in default of its obligation to complete the transactions contemplated by this Agreement, unless such default is waived in writing by the Vendor and which payment shall be in full satisfaction of all claims the Vendor may have by reason of such default;
- (b) the Purchaser, with interest (less the \$10.00 paid by the Purchaser to the Vendor pursuant to Section 8.2):
 - (i) if the Purchaser is not required to complete the transaction contemplated by this Agreement, promptly following the date on which the Purchaser becomes entitled not to complete the transactions contemplated by this Agreement;

- (ii) upon the default of the Vendor without prejudice to any other right or remedy of the Purchaser, if the Vendor is in default of its obligation to complete the transactions contemplated by this Agreement, unless such default is waived in writing by the Purchaser and provided that the maximum aggregate liability of the Vendor in connection with such a default is limited and shall not exceed an amount equal to the Deposits; or
- (iii) if any or all of the conditions set out in Sections 8.1 and 8.3 have not been satisfied or waived.

2.4 Allocation of Purchase Price. The parties agree that the Purchase Price shall be allocated among the Purchased Assets as follows: (i) \$1.00 to the Shares; (ii) \$18,499,998 plus, if applicable, \$650,000 to the Lands and Buildings; and (iii) \$1.00 to the remaining Purchased Assets.

ARTICLE 3 – GENERAL COVENANTS

3.1 Covenants of the Vendor. The Vendor:

- (a) throughout the Interim Period, will upkeep and maintain the Property in its present condition, reasonable wear and tear excepted, and will manage the Property in a professional and diligent manner and as a careful and prudent owner would do in accordance with current practices in the CCAA Proceedings and in compliance with all applicable laws, regulations and orders;
- (b) throughout the Interim Period, will maintain in full force and effect insurance coverage for fire, earthquake and all risks in respect of the Property as well as commercial liability coverage until closing on the Closing Date, in such amounts and on such terms as would a prudent owner;
- (c) throughout the Interim Period, will use commercially reasonable efforts to:
 - (i) obtain all consents, approvals and authorizations that may be required in order to provide the Purchaser with the right to use the Intellectual Property for the purposes of the marketing, development and construction of the Project as of the Closing Date;
 - (ii) obtain an extension of at least six months from the City of Vancouver in connection with the building permit for the Project; and
 - (iii) obtain reliance letters in favour of the Purchaser in connection with those Consultant Reports that the Purchaser identifies to the Vendor, in writing, not less than fifteen (15) Business Days prior to the Closing Date;
- (d) from the Execution Date until the satisfaction or waiver of all of the conditions precedent set out in Section 8.1(a), will not enter into any commitment or agreement or contract, or modify any material terms or terminate any of the Approved Contracts, Permitted Encumbrances, Title Contracts, Plans, Permits and Approvals, or any mortgage or charge relating to the Purchased Assets or that would form an Encumbrance on the Purchased Assets without prior written notice to the Purchaser, and from the date of satisfaction or waiver by the Purchaser of

all of the conditions precedent set out in Section 8.1(a) will not enter into any commitment or agreement or contract, or modify any material terms or terminate any of the Approved Contracts, Permitted Encumbrances, Title Contracts, Plans, Permits and Approvals, or any mortgage or charge relating to the Purchased Assets or that would form an Encumbrance on the Purchased Assets without the prior written consent of the Purchaser, which the Purchaser may withhold in its sole discretion;

- (e) will, on or prior to the Closing Date, cancel, disclaim or terminate at its expense all Contracts other than Approved Contracts;
- (f) will take or cause to be taken all proper steps and actions and corporate proceedings on its part to enable the Vendor to vest a good and marketable title to the Purchased Assets in the Purchaser free and clear of all Encumbrances except for Permitted Encumbrances and to enable the Vendor to carry out the sale of the Purchased Assets and to execute and deliver this Agreement as valid and binding obligations of the Vendor;
- (g) will promptly notify the Purchaser if the Vendor becomes aware that, after the date of this Agreement, any of its representations or warranties in this Agreement become untrue or incorrect or if any covenants, terms or conditions in this Agreement are breached or cannot be performed; and
- (i) throughout the Interim Period, grant to the Purchaser and its authorized representatives the right to enter upon the Property during business hours upon reasonable notice for the purposes of carrying out such inspections, examinations, tests and surveys, including soil tests, as the Purchaser may deem necessary; provided that the Purchaser shall indemnify and save harmless the Vendor from any and all loss, cost or damage suffered as a direct result of the Purchaser exercising its rights pursuant to this clause.

ARTICLE 4 – RISK

4.1 Risk. The Purchased Assets will be at the risk of the Vendor until completion of closing on the Closing Date and thereafter at the risk of the Purchaser.

4.2 Material Loss Damage. If there is any Material Loss prior to the passing of risk as set out in Section 4.1, the Purchaser will, within fifteen (15) days following such Material Loss, by notice in writing at its option either:

- (a) terminate this Agreement, in which case the Deposit together with accrued interest will be paid to the Purchaser and neither party will be under any further obligation to the other; or
- (b) elect to complete the purchase of the Purchased Assets, in which case the insurance proceeds and the right to receive the proceeds of all insurance will be assigned by the Vendor to the Purchaser on the Closing Date and the Purchase Price shall be reduced by the amount of any insurance deductible that has not been paid by the Vendor.

Failure by the Purchaser to so elect within the period set out above will be deemed to be an election to complete the purchase of the Purchased Assets. The Vendor will promptly notify the Purchaser if it becomes aware of any Material Loss.

ARTICLE 5 – ADJUSTMENTS AND RELATED MATTERS

5.1 Adjustments. The Purchase Price payable by the Purchaser to the Vendor for the Purchased Assets will be subject to adjustment. All adjustments with respect to the Purchased Assets, including taxes, utilities, deposits and interest on deposits (if any), and other items normally adjusted between a vendor and purchaser in the sale of similar properties in British Columbia will be adjusted as of the Closing Date so that the Vendor will bear and pay all expenses and receive all income related to the Purchased Assets accruing prior to the Closing Date and the Purchaser will bear and pay all expenses and receive all income related to the Purchased Assets accruing on and after the Closing Date and the Purchase Price will be adjusted accordingly. The Vendor shall cause any water, gas, or electrical meter readings required to make the adjustments herein.

5.2 Statement of Adjustments. A statement of adjustments will be delivered to the Purchaser by the Vendor at least five (5) Business Days prior to the Closing Date and shall have annexed to it complete details of the calculations used by the Vendor to arrive at all debits and credits on the statement of adjustments. On request, the Vendor shall give the Purchaser access to the Vendor's working papers and backup materials in order to confirm the statement of adjustments.

5.3 Re-Adjustment Determination. The parties acknowledge and agree that there will be no re-adjustment after the Closing Date.

ARTICLE 6 – POSSESSION

6.1 Possession Date. The Purchaser will, upon completion of the purchase and sale have possession of all Purchased Assets as of the Closing Date free and clear of all Encumbrances subject only to the Permitted Encumbrances.

6.2 Non-assignable Assets. If any of the Purchased Assets are not transferable without consent of a third party by the terms of the applicable instruments, the Vendor shall use commercially reasonable efforts to obtain such consent prior to the Closing Date and, if such consent is not obtained by the Closing Date, the Vendor shall use commercially reasonable efforts to obtain an Order in the CCAA Proceedings transferring or assigning, as applicable, such Purchased Assets to the Purchaser. For certainty, any failure to obtain the consent of any such third party will not constitute a default of the Vendor nor will it entitle the Purchaser to terminate this Agreement.

ARTICLE 7 – REPRESENTATIONS AND WARRANTIES

7.1 Vendor's Representations and Warranties. The Vendor represents and warrants to the Purchaser, regardless of any independent investigations that the Purchaser may cause to be made, that as at the date of this Agreement:

- (a) the Limited Partnership is a limited partnership formed under the *Partnership Act* (British Columbia) and has the power and authority to own the Purchased Assets, to enter into this Agreement, and to perform its obligations under this Agreement, all of which have been authorized by all necessary proceedings;

- (b) the GP is a corporation formed under the *Business Corporations Act* (British Columbia) and has the power and authority to own the Purchased Assets, in its capacity as general partner of the Limited Partnership or in its own capacity, as applicable, to enter into this Agreement, and to perform its obligations under this Agreement, all of which have been authorized by all necessary proceedings;
- (c) the Limited Partnership is a Canadian partnership within the meaning of the *Income Tax Act* (Canada); and
- (d) the GP is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).

7.2 Survival of Vendor's Representations and Warranties. The representations and warranties contained in Section 7.1 will survive the Closing Date and will continue in full force and effect for the benefit of the Purchaser after the Closing Date for a period of 12 months, unless otherwise expressly indicated herein, notwithstanding any independent inquiry or investigation by the Purchaser or the satisfaction or waiver by the Purchaser of any condition set out in Section 8.1, the subject matter of which is contained in a representation or warranty in this Agreement.

7.3 Purchaser's Representations and Warranties. The Purchaser represents and warrants to the Vendor, regardless of any independent investigation that the Vendor may cause to be made that:

- (a) the Purchaser is a corporation incorporated and existing under the laws of British Columbia;
- (b) the Purchaser has the corporate power and authority to enter into this Agreement and to perform its obligations under this Agreement;
- (c) there is no action or proceeding pending or to the best of the Purchaser's knowledge, threatened against the Purchaser before any court, arbiter, arbitration panel, administrative tribunal or agency which, if decided adversely to the Purchaser, might materially affect the Purchaser's ability to perform the Purchaser's obligations hereunder;
- (d) neither the Purchaser's entering into this Agreement nor the performance of its terms will result in the breach of or constitute a default under any term or provision of any indenture, mortgage, deed of trust or other agreement to which the Purchaser is bound or subject;
- (e) the Purchaser is not a non-Canadian for the purposes of the *Investment Canada Act* (Canada); and
- (f) the Purchaser is not a foreign entity for the purposes of the *Property Transfer Tax Act* (British Columbia).

7.4 Survival of Purchaser's Representations and Warranties. The representations and warranties contained in Section 7.3 will survive the Closing Date and will continue in full force and effect for the benefit of the Vendor after the Closing Date for a period of 12 months, unless otherwise expressly indicated herein, notwithstanding any independent inquiry or investigation by the Vendor.

7.5 "As Is" Purchase. The Purchaser acknowledges and agrees that:

- (a) in entering into this Agreement and completing the transactions contemplated herein, except for the representations and warranties of the Vendor set out in Section 7.1, the Purchaser has relied and will continue to rely solely upon its own due diligence with respect to the Purchased Assets;
- (b) the Purchased Assets are being purchased by the Purchaser on an "as is, where is" basis as of the Closing Date and without any representation or warranty, whether expressed or implied by this Agreement or at law, by the Vendor of any nature or kind whatsoever respecting any of the Purchased Assets or any matter relating thereto, except for the representations and warranties of the Vendor set out in Section 7.1 or in the Closing Documents;
- (c) except for the representations and warranties of the Vendor set out in Section 7.1 or in the Closing Documents, the Vendor makes no representations or warranties concerning any statements made or information delivered or made available to the Purchaser (whether by the Vendor, the Vendor's Solicitors or any other agents, representatives or advisors of the Vendor or any of their respective affiliates, or any other person) with respect to the Purchased Assets, whether included as part of any due diligence matters or any other information disclosed to the Purchaser or otherwise; and
- (d) except as otherwise expressly provided for in this Agreement or in the Closing Documents, the Vendor shall have no obligations or responsibility to the Purchaser after the Closing Date with respect to any matter relating to the Purchased Assets or the condition thereof.

The provisions of this Section shall survive closing or the termination of this Agreement.

ARTICLE 8 – CONDITIONS PRECEDENT

8.1 Purchaser's Conditions. The Purchaser's obligation to complete the transactions contemplated by this Agreement is subject to the following conditions, all of which are for the sole benefit of the Purchaser:

- (a) on the Closing Date, the representations and warranties of the Vendor contained in Section 7.1 will be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the Closing Date; and
- (b) on the Closing Date, all of the covenants and agreements of the Vendor to be performed on or before the Closing Date pursuant to this Agreement will have been duly performed in all material respects.

If the conditions set out in this Section have not been satisfied by notice in writing from the Purchaser to the Vendor, by the times specified in this Section, the Purchaser may by notice in writing to the Vendor waive satisfaction of such conditions, in whole or in part, without prejudice to any of its other rights under this Agreement and complete the purchase of the Purchased Assets or elect not to complete.

8.2 Consideration for and Nature of Conditions. A portion of the First Deposit in the amount of \$10.00 represents non-refundable consideration paid by the Purchaser for its right to satisfy or waive the conditions set out in Section 8.1 and Section 8.3 and the Vendor acknowledges the sufficiency in all respects of such consideration. Although the Purchaser's obligation to complete the transaction contemplated by this Agreement is subject to satisfaction or waiver of conditions, those conditions are not conditions to there being a binding agreement of purchase and sale between the parties respecting the Purchased Assets and until the time limited for the satisfaction or waiver of such conditions has expired, this Agreement is not void, voidable, revocable or, except for default, otherwise capable of being terminated by either of the parties.

8.3 Mutual Condition. The obligation of each of the parties to complete the transactions contemplated by this Agreement is subject to the following mutual conditions, all of which are for the benefit of both the Vendor and the Purchaser, on or before 5:00 p.m. (Vancouver time) on July 22, 2022, the Vendor has obtained (at the sole cost of the Vendor) an Order in substantially form attached hereto as Schedule "B" (the "**Reverse Vesting Order**"):

- (a) approving this Agreement and implementing the transactions contemplated herein in accordance with its terms;
- (b) adding ResidualCo as a debtor to the CCAA Proceedings;
- (c) replacing the GP as the general partner of the Limited Partnership with ResidualCo;
- (d) transferring and assigning all of the Excluded Assets and Liabilities to ResidualCo;
- (e) vesting title to the Purchased Assets (including, without limitation, the Shares) in and to the Purchaser, free and clear of all Encumbrances except the Permitted Encumbrances; and
- (f) authorizing and directing the Monitor to assign ResidualCo into bankruptcy.

8.4 Satisfaction of Mutual Condition. The parties agree that if each of the Purchaser and the Vendor do not give notice to the other party by the time limited in Section **Error! Reference source not found.** that the condition in that Section is satisfied, then this Agreement will automatically be null and void upon the expiry of such time and the Deposits shall be returned to the Purchaser with interest (if any). For certainty, a failure to satisfy the conditions set out in Section 8.3 shall not constitute a default of either party.

8.5 Vendor's Conditions. The Vendor's obligation to complete the transactions contemplated by this Agreement is subject to the following conditions, all of which are for the sole benefit of the Vendor:

- (a) on the Closing Date, the representations and warranties of the Purchaser contained in Section 7.3 will be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the Closing Date; and
- (b) on the Closing Date, all of the covenants and agreements of the Purchaser to be performed on or before the Closing Date pursuant to this Agreement will have been duly performed in all material respects.

If the conditions set out in this Section have not been satisfied by notice in writing from the Vendor to the Purchaser, by the times specified in this Section, the Vendor may, with the written consent of the Monitor, by notice in writing to the Purchaser waive satisfaction of such conditions, in whole or in part, without prejudice to any of its other rights under this Agreement and complete the sale of the Purchased Assets or elect not to complete.

8.6 Consideration for and Nature of Conditions. The Vendor hereby pays to the Purchaser the amount of \$10.00 representing non-refundable consideration paid by the Vendor for its right to satisfy or waive the conditions set out in Sections 8.3 and 8.5 and the Purchaser acknowledges the sufficiency in all respects of such consideration. Although the Vendor's obligation to complete the transaction contemplated by this Agreement is subject to satisfaction or waiver of conditions, those conditions are not conditions to there being a binding agreement of purchase and sale between the parties respecting the Purchased Assets and until the time limited for the satisfaction or waiver of such conditions has expired, this Agreement is not void, voidable, revocable or, except for default, otherwise capable of being terminated by either of the parties.

8.7 CCAA Proceedings. The Purchaser and the Vendor shall support the application for the Reverse Vesting Order. In the event any variation is sought or leave to appeal is sought, an appeal is taken or a stay pending appeal is requested with respect to the Reverse Vesting Order, the Vendor shall promptly notify the Purchaser of such application for leave to appeal, appeal or stay request and shall promptly provide to the Purchaser a copy of the related notice(s) or order(s).

8.8 Form of Order. The Vendor or its solicitors will provide the Purchaser and its solicitors with a draft copy of all Orders proposed to be obtained in connection with this Agreement for review and comment at least two (2) days prior to the date that the Vendor applies for such Order(s), and, provided that such amendments are consistent with the terms set out herein, the Vendor will incorporate any reasonable amendments requested by the Purchaser or its solicitors.

ARTICLE 9 – CLOSING

9.1 Closing. The closing of the purchase and sale of the Purchased Assets will commence at 10:00 a.m. (Vancouver time) on the Closing Date. The closing will be a virtual closing with documents to be exchanged electronically, or at such other time on the Closing Date, or in such other format as may be agreed in writing by the Vendor and the Purchaser.

9.2 Vendor's Closing Documents. On or before the Closing Date, the Vendor will deliver, or cause the Vendor's Solicitors to deliver, to the Purchaser's Solicitors in trust to be held in escrow as provided in this Agreement, the following duly executed as applicable and all in a form satisfactory to the Purchaser, acting reasonably:

- (a) Court certified copy of the Reverse Vesting Order and any other Orders as are necessary, all in a form registrable in all necessary offices required to effect the transfer of the Purchased Assets;
- (b) letters from legal counsel to the Vendor to the Land Title Survey Authority or other agency as may be required by the Reverse Vesting Order;
- (c) a beneficial transfer conveying the beneficial interest in the Property to the Purchaser;

- (d) an assignment and assumption of Approved Contracts, Plans, Permits and Approvals wherein the Purchaser assumes the rights and obligations under the Approved Contracts and Plans, Permits and Approvals as of the Closing Date and the Purchaser indemnifies the Vendor for all Liability under the Approved Contracts and Plans, Permits and Approvals arising after the completion of the transactions contemplated herein and the Vendor retains all Liability under the Approved Contracts and Plans, Permits and Approvals arising prior to the Closing Date and indemnifies the Purchaser for all Liability under the Approved Contracts and Plans, Permits and Approvals arising prior to the completion of the transactions contemplated herein;
- (e) an assignment and assumption of Permitted Encumbrances and Title Contracts;
- (f) an assignment and assumption of the Vendor's right, title and interest, in and to:
 - (i) subject to such transfer being approved by the necessary parties in accordance with Section 3.1(c)(i), the Intellectual Property; (ii) all insurance and new home warranties obtained in connection with the Project; and (iii) all marketing materials prepared in connection with the Project;
- (g) a bill of sale conveying the Chattels to the Purchaser;
- (h) a statement of adjustments pursuant to Article 5;
- (i) an assignment of all of the Vendor's rights under any and all Warranties wherein the Purchaser acquires all rights under the Warranties whether arising prior to or after the Closing Date;
- (j) a transfer of the Shares together with all resolutions, certificates and acknowledgements of the Limited Partnership and the GP as may be reasonably required by the Purchaser to effectively transfer the Shares
- (k) an amendment to the LP Agreement effecting the change in the general partner from the GP to ResidualCo, together with all supporting resolutions, certificates and acknowledgements of the Limited Partnership and the GP as may be reasonably required by the Purchaser;
- (l) a certificate dated as of the Closing Date of a senior officer of the GP, in its own capacity and as general partner of the Limited Partnership, having knowledge of the facts certifying, on behalf of the GP and the Limited Partnership and without personal liability, that the representations and warranties set out in Section 7.1 are true and correct in all material respects as at the Closing Date and that the Vendor's covenants and agreements to be observed or performed on or before the Closing Date pursuant to the terms of this Agreement have been duly observed and performed in all material respects;
- (m) a notice from the Vendor to the other parties under the Approved Contracts giving notice of the sale of the Property;
- (n) keys to all units and facilities of the Property to the extent required by the Purchaser; and

- (o) such other documents and assurances as may be reasonably required by the Purchaser to give full effect to the intent and meaning of this Agreement.

9.3 Purchaser's Closing Documents. On or before the Closing Date, the Purchaser will deliver, or cause the Purchaser's Solicitors to deliver, to the Vendor's Solicitors in trust to be held in escrow as provided in this Agreement, the following duly executed as applicable:

- (a) an assignment and assumption of Approved Contracts, Plans, Permits and Approvals;
- (b) an assignment and assumption of Permitted Encumbrances and Title Contracts;
- (c) an assignment and assumption of the Vendor's right, title and interest, in and to: (i) subject to such transfer being approved by the necessary parties in accordance with Section 3.1(c)(i), the Intellectual Property; (ii) all insurance and new home warranties obtained in connection with the Project; and (iii) all marketing materials prepared in connection with the Project;
- (d) the GST Certificate;
- (e) a certificate dated as of the Closing Date of a senior officer of the Purchaser having knowledge of the facts certifying, on behalf of the Purchaser and without personal liability, that the representations and warranties set out in Section 7.3 are true and correct in all material respects as at the Closing Date and that the Purchaser's covenants and agreements to be observed or performed on or before the Closing Date pursuant to the terms of this Agreement have been duly observed and performed in all material respects; and
- (f) such other documents and assurances as may be reasonably required by the Vendor to give full effect to the intent and meaning of this Agreement.

9.4 Preparation and Form of Documents. The closing documents contemplated in Sections 9.2 and 9.3 (collectively, the "**Closing Documents**"), other than the statement of adjustments in Article 5, and the materials required in connection with a Reverse Vesting Order set out in Section 9.2(j) will be prepared by the Purchaser's Solicitors and delivered to the Vendor's Solicitors at least five (5) Business Days before the Closing Date. The Closing Documents (including the statement of adjustments in Article 5 and the materials required in connection with a Reverse Vesting Order set out in Section 9.2(j)) will be in a form and substance reasonably satisfactory to the parties. The Vendor shall provide the Purchaser with drafts of all materials to be filed with the Court no later than two (2) days prior to the date of any hearing of the Court regarding the Reverse Vesting Order.

9.5 Payment into Trust. On or before the Closing Date, the Purchaser will pay to the Purchaser's Solicitors, in trust, by way of certified cheque, bank draft, or wire transfer, funds in an amount equal to the Balance, as adjusted, less any amount to be advanced to the Purchaser on the Closing Date under any mortgage financing arranged by the Purchaser, as further described in Section 9.9.

9.6 Registration. On the Closing Date, after receipt by the Purchaser's Solicitors of the Closing Documents set out in Section 9.2 and the funds as set out in Section 9.5, and after receipt by the Vendor's Solicitors of the Closing Documents set out in Section 9.3, the Purchaser will

cause the Purchaser's Solicitors to file the Reverse Vesting Order in the Land Title Office and any security documents applicable to any mortgage financing arranged by the Purchaser, as further described in Section 9.9.

9.7 Closing Escrow. All Closing Documents, funds, and other items delivered by the parties, except the Reverse Vesting Order (which will be dealt with pursuant to Section 9.6), will be held in trust by the Vendor's Solicitors and the Purchaser's Solicitors until completion of closing on the Closing Date in accordance with this Agreement. Promptly after the filings set out in Section 9.6 and a satisfactory post filing for registration search has been received by the Purchaser's Solicitors showing that title to the Property will be free and clear of all Encumbrances except for the Permitted Encumbrances or any Encumbrances granted by or claimed through the Purchaser, the Closing Documents will be released to the appropriate parties and the Purchaser will cause the Purchaser's Solicitors to pay the Purchase Price, as adjusted, to the Vendor's Solicitors by way of wire transfer.

9.8 Concurrent Requirements. It is a condition of the closing that all matters of payment, execution and delivery of documents by each party to the other and the filing of documents in the Land Title Office as set out in Section 9.6, all pursuant to the terms of this Agreement, will be deemed to be concurrent requirements and it is specifically agreed that nothing will be complete at the closing until everything required as a condition precedent at the closing has been paid, executed and delivered and all filings set out in Section 9.6 have been completed.

9.9 Purchaser's Financing. If the Purchaser is relying upon a new mortgage to finance the purchase of the Purchased Assets, the Purchaser, while still required to pay the Purchase Price on the Closing Date, may wait to pay the Purchase Price until after the Reverse Vesting Order and new mortgage documents have been filed in the Land Title Office and after receipt of the proceeds of such mortgage financing, but only if, before such filing, the Purchaser has:

- (a) made available for tender to the Vendor that portion of the Purchase Price not secured by the new mortgage;
- (b) fulfilled all the new mortgagee's conditions for funding except filing the mortgage for registration; and
- (c) made available to the Vendor, a lawyer's undertaking to pay the Purchase Price upon the filing of the Reverse Vesting Order and new mortgage documents and the advance by the mortgagee of the mortgage proceeds.

9.10 Payment by Wire Transfer. Notwithstanding anything else contained herein, provided the Purchaser's Solicitors have initiated the wire transfer for the balance of the Purchase Price, as adjusted, to the Vendor's Solicitors on the Closing Date, and provided the Vendor's Solicitors with written confirmation thereof, the Purchaser will be deemed to have paid the balance of the Purchase Price, as adjusted, due to the Vendor if such amount is credited to the Vendor's Solicitors account by 11:00 a.m. (Vancouver time) on the first Business Day following the Closing Date without interest or penalty. If such amount is not received by 11:00 a.m. (Vancouver time) on the first Business Day following the Closing Date, the Purchaser will pay to the Vendor interest at the rate of the prime rate of interest designated from time to time by Royal Bank of Canada plus 3% per annum on such amount until such time as it is received by the Vendor.

ARTICLE 10 – TAXES

10.1 GST. The Purchaser represents and warrants to Vendor that it is and will be, as of the closing on the Closing Date, registered for the purposes of Part IX of the *Excise Tax Act* (Canada) (the "ETA") in accordance with the requirements of Subdivision D of Division V of the ETA and will assume responsibility to account for, report and remit any goods and services tax and harmonized sales tax (collectively, the "GST") payable under the ETA in connection with the transaction contemplated in this Agreement. On the Closing Date, the Purchaser will deliver to the Vendor a certificate (the "GST Certificate") of a senior officer of the Purchaser certifying, on behalf of the Purchaser and without personal liability (a) that the Purchaser is registered under Part IX of the ETA as of the Closing Date; (b) its registration number; and (c) that the Purchaser will account for, report and remit any GST payable in respect of the purchase of the Purchased Assets in accordance with the ETA. If the Purchaser delivers such GST Certificate, then the Purchaser will not be required to pay to the Vendor, and the Vendor will not be required to collect from the Purchaser nor report or remit, any GST in connection with the transaction contemplated in this Agreement. The Purchaser shall indemnify and hold the Vendor and its directors, officers, employees, advisors and agents harmless from any liability under the ETA arising as a result of any breach of this Section, the GST Certificate or any declaration made therein and such indemnity shall survive the completion of the transactions contemplated herein.

10.2 Provincial Sales Tax. The Purchaser acknowledges that it may be liable to pay provincial sales tax in respect of some or all of the Chattels and, if required, it will report and remit as required by applicable law any such sales tax that is due directly to the applicable taxing authority. The Purchaser shall indemnify and hold the Vendor and its directors, officers, employees, advisors and agents harmless from any liability related to the Vendor's failure to account for, report and remit such provincial sales tax and such indemnity shall survive the completion of the transactions contemplated herein.

10.3 Tax Elections. Notwithstanding the above, the Vendor will cooperate with the Purchaser to execute any election available under applicable law that may reduce or defer the amount or due date of any GST or other tax payable by the Purchaser provided such election will not result in any increased cost or tax liability for the Vendor.

10.4 Other Taxes. The Purchaser shall be responsible for all transfer taxes (subject to an adjustment to the Purchase Price in accordance with Section **Error! Reference source not found.**), fees and expenses in connection with the registration of the Final Order or transfer of the Purchased Assets.

10.5 Preparation of Tax Returns After Closing. Forthwith following closing on the Closing Date the Vendor will, in consultation with the Purchaser and the Purchaser's professional advisors and accountants, cause income tax and other tax returns consequent to the closing to be prepared for the GP. The Purchaser will be responsible for all reasonable costs related to the preparation and filing of these returns along with the costs of the Purchaser's own accountant and other consultants in reviewing the same. The Vendor will also provide reasonable assistance in preparing and filing all financial statements, tax returns and other documents required by law in respect of any government charges or in respect of any federal, provincial, municipal or other taxing statute for fiscal periods of the GP ending for tax purposes on or before the Closing Date.

ARTICLE 11 – GENERAL

11.1 Further Assurances. Each of the parties will execute and deliver all such further documents and do such further acts and things as may be reasonably required from time to time to give effect to this Agreement.

11.2 No Merger. The execution and delivery of the Closing Documents is not intended to and will not in any way merge or otherwise restrict the terms, covenants, conditions, representations, warranties or provisions made or to be performed or observed by the parties contained in this Agreement other than the obligation to deliver the Closing Documents.

11.3 Entire Agreement. This Agreement constitutes the entire agreement between the Vendor and the Purchaser pertaining to the purchase and sale of the Purchased Assets and supersedes all prior agreements and undertakings, negotiations and discussions, whether oral or written, of the Vendor and the Purchaser and there are no representations, warranties, covenants or agreements between the Vendor and Purchaser except as set out in this Agreement.

11.4 Amendment. Subject to Section 11.5, this Agreement may only be altered or amended by an agreement in writing executed by all of the parties.

11.5 Solicitors as Agents. Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Purchaser's Solicitors, on behalf of the Purchaser, and by the Vendor's Solicitors, on behalf of the Vendor, and any tender of Closing Documents and the Purchase Price may be made upon the Vendor's Solicitors and the Purchaser's Solicitors, as the case may be.

11.6 Notices. Any notice, document or communication required or permitted to be given under this Agreement will be in writing and delivered by hand or electronic transmission as follows:

(a) if to the Purchaser:

Solterra Acquisitions Corp.
460 Fraserview Place
Delta, BC V3M 6H4

Attention: Gerry Nichele
E-mail: Gnasst@niradia.com

with a further copy to the Purchaser's Solicitors:

Fasken Martineau DuMoulin LLP
#2900 – 550 Burrard Street
Vancouver, BC V6C 0A3

Attention: Kibben Jackson
E-mail: kjackson@fasken.com mailto:

(b) If to the Vendor:

Port Capital Development (EV) Inc. / Evergreen House Development Limited Partnership
c/o Ernst & Young Inc.
700 West Georgia Street
Vancouver, BC V7Y 1C7

Attention: Mike Bell
E-mail: mike.bell@parthenon.ey.com

with a further copy to the Vendor's Solicitors:

Bennett Jones LLP
666 Burrard Street, Suite 2500
Vancouver, BC V6C 2X8

Attention: David Gruber and Mark Lewis
E-mail: gruberd@bennettjones.com; lewismv@bennettjones.com

with a further copy to the Monitor's Solicitors:

Blake, Cassels & Graydon LLP
595 Burrard Street, P.O. Box 49314,
Suite 2600, Three Bentall Centre
Vancouver, BC V7X 1L3

Attention: Peter Rubin and Greg Umbach
E-mail: peter.rubin@blakes.com; greg.umbach@blakes.com

or to such other address in Canada as either party may in writing advise. Any notice, document or communication will be deemed to have been given on the Business Day when delivered by hand if delivered prior to 5 p.m. (Vancouver time), otherwise will be deemed to be delivered and received on the next Business Day; or, if made by email, shall be deemed to have been given on the Business Day when transmitted if it is so transmitted prior to 5 p.m. (Vancouver time) on the day of transmittal, otherwise will be deemed to be given and received on the next Business Day.

11.7 Fees. Each of the parties will pay its own legal fees and fees of its consultants. The Purchaser will pay all registration costs and property transfer tax payable in connection with its purchase of the Purchased Assets, subject to an adjustment to the Purchase Price in accordance with Section **Error! Reference source not found.**

11.8 Real Estate Commissions. Each of the Vendor and the Purchaser represents and warrants that it has not made any agreement with any real estate agent or broker regarding payment of any commission in respect of the purchase and sale of the Purchased Assets.

11.9 Waiver of Site Disclosure Statement. The Purchaser waives any right it may have to be provided with, and any requirement for the Vendor to provide, a site disclosure statement for the Property under the *Environmental Management Act* (British Columbia) and the regulations under that act.

11.10 Time. Time is of the essence of this Agreement. If anything is required to be done under this Agreement on a day which is not a Business Day, the same shall be done on the next following Business Day.

11.11 Tender. Unless otherwise set out herein, any tender of documents or money may be made upon the party being tendered or upon its solicitors and money will be tendered by certified cheque, bank draft, or wire transfer.

11.12 Enurement. This Agreement will enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

11.13 Force Majeure. If by reason of Excusable Delay, the Vendor or Purchaser is delayed in performing or observing a covenant or obligation hereunder which is to be performed or observed (the "**Specified Date**"), or if either the Purchaser or the Vendor is delayed in satisfying or waiving any of the conditions precedent set out in Sections 8.1, 8.3 or 8.5, the applicable Specified Date will be extended by a period of time equal to the duration of the Excusable Delay, provided that the Vendor or Purchaser, as applicable, notifies the other party in writing prior to the applicable Specified Date, and such notice sets out in detail the date of the commencement and nature of such circumstances (the "**Delay Notice**"), and provided further that the party giving the Delay Notice uses its commercially reasonable efforts to render performance in a timely manner utilizing to such end commercially reasonable and available resources required in the circumstances. If the duration of the Excusable Delay exceeds 60 days from the date of giving a Delay Notice, the party receiving such Delay Notice may terminate this Agreement forthwith, notwithstanding any other provision of this Agreement, by giving written notice of termination to the other party, in which event the parties shall have no further obligations to one another. In determining whether delay is excusable, the party giving the Delay Notice shall be held to a commercially reasonable standard and not to a best efforts standard.

11.14 Assignment. The Purchaser will be entitled to assign its rights and obligations under this Agreement on prior written notice to, but without the consent of the Vendor to any one or more affiliates (within the meaning of the *Business Corporations Act* (British Columbia)) of the Purchaser or to one or more limited partnerships in which the general partners are affiliates (within the meaning of the *Business Corporations Act* (British Columbia)) of the Purchaser if: (i) the Purchaser delivers written notice of such assignment(s) to the Vendor; (ii) the assignee(s) enters into an agreement pursuant to which the assignee(s) agrees to be bound by all of the obligations and Liability of the Purchaser under this Agreement as if it was the original Purchaser; (iii) the Purchaser is not released from its obligations and Liability under this Agreement until the completion of the transactions contemplated in this Agreement, at which time the assignor will be automatically released from all of its obligations and Liability under this Agreement without the need for any further deliveries or instruments of release; and (iv) such assignment(s) is completed not less than ten (10) Business Days prior to the Closing Date. The Purchaser will not otherwise be entitled to assign its rights and obligations under this Agreement except with the prior written consent of the Vendor, such consent may be arbitrarily withheld or delayed by the Vendor.

11.15 Governing Law. This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in it.

11.16 Waiver. No waiver of any of the provisions of this Agreement will be deemed or will constitute a waiver of any other provision nor will any waiver constitute a continuing waiver unless otherwise expressed or provided.

11.17 Confidentiality. Except as may be required in the CCAA Proceedings, the parties will not disclose the existence of nor the contents of this Agreement to any third party, except their respective directors, officers, employees, agents or advisors, including lawyers, accountants, consultants, bankers and financial advisors (collectively, the "**Authorized Parties**"), without the prior written consent of the other party, not to be unreasonably withheld, provided that such consent is not required in the case of disclosure required by law or disclosure by either party to enforce any of its rights under this Agreement or to obtain necessary consents under this Agreement. The parties will instruct their respective Authorized Parties to comply with the provisions of this Section 11.17 and the parties will be responsible for any breach of the provisions of this Section 11.17 by their respective Authorized Parties. This Section 11.17 does not apply to public information or information in the public domain at the time that such information is obtained, information in the possession of a party not provided by the other party, or information received in good faith from a third party lawfully in possession of the information and not in breach of any confidentiality obligation. The obligations under this Section 11.17 shall terminate as of the second anniversary of the date of this Agreement. The provisions of this Section 11.17 shall supersede the confidentiality provisions of any non-disclosure or confidentiality agreements entered into by the parties with respect to the Purchased Assets and the transactions contemplated in this Agreement.

11.18 Public Announcement. The parties agree that no disclosure or announcement, public or otherwise shall be made concerning this Agreement or the transactions contemplated hereunder without the prior consent of both parties, except as otherwise required by applicable law, regulation or regulatory authority or stock exchange rules or requirements. The parties shall consult and cooperate with each other with respect to any proposed announcement of the transactions contemplated hereunder.

11.19 No Registration. The Purchaser will not register this Agreement or notice of this Agreement against title to the Property.

11.20 Currency. All dollar amounts referred to are Canadian dollars.

11.21 Construction. The division and headings of this Agreement are for reference only and are not to affect construction or interpretation.

11.22 Counterparts and Execution. This Agreement may be executed in counterparts and delivered by electronic transmission including by PDF format, and each such counterpart will constitute an original and all such counterparts together will constitute one and the same agreement.

11.23 Schedules. The following schedules are attached to and form a part of this Agreement:

Schedule A – Legal Description and Permitted Encumbrances

Schedule B – Reverse Vesting Order

[Signature pages follow]

The parties are signing this Agreement as of the date set out above.

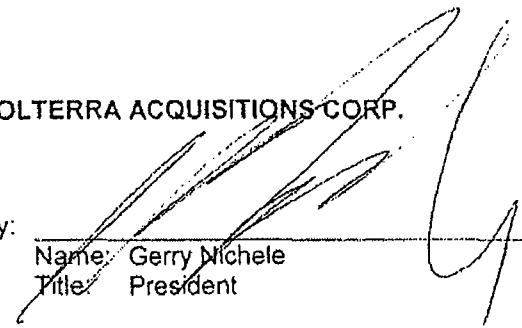
**ERNST & YOUNG INC. in its capacity as the
Monitor of EVERGREEN HOUSE DEVELOPMENT
LIMITED PARTNERSHIP, by its general partner,
PORT CAPITAL DEVELOPMENT (EV) INC., and
not in its personal capacity**

By: _____
Name: Mike Bell
Title: Senior Vice President, Ernst & Young
Inc.

**ERNST & YOUNG INC. in its capacity as the
Monitor of PORT CAPITAL DEVELOPMENT (EV)
INC., and not in its personal capacity**

By: _____
Name: Mike Bell
Title: Senior Vice President, Ernst & Young
Inc.

SOLTERRA ACQUISITIONS CORP.

By: 
Name: Gerry Nichele
Title: President



**SCHEDULE A
LEGAL DESCRIPTION AND PERMITTED ENCUMBRANCES**

Part 1 – Legal Description of Lands

PID: 006-721-397; LOT 18, EXCEPT THAT PART OF THE CANADIAN PACIFIC RAILWAY RIGHT-OF-WAY AS DESCRIBED IN ABSOLUTE FEE PARCELS BOOK, VOLUME 9, FOLIO 317, NO. 1154C, AND EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 29 DISTRICT LOT 185 PLAN 92

Part 2 – Permitted Encumbrances

- (a) the reservations, limitations, provisions or conditions expressed in the original grants from the Crown of any of the Lands and the statutory exceptions to title currently applicable to the Lands;
- (b) a claim of right, title or jurisdiction which may be made or established by any aboriginal peoples by virtue of their status as aboriginal peoples to or over any Lands;
- (c) liens for taxes, assessments, rates, duties, charges or levies not at the time due, which relate to obligations or Liability assumed by the Purchaser; and
- (d) the Encumbrances listed below in respect of the Lands.

Legal Notations

1. Easement No. BP238635

Charges, Liens and Interests

1. Restrictive Covenant No. R18424
2. Easement and Indemnity Agreement No. J7909
3. Easement No. BP238634

Schedule C – Monitor’s Certificate

No. S-205095
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

– AND –

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, C. 57, AS AMENDED

– AND –

IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF
PORT CAPITAL DEVELOPMENT (EV) INC. and EVERGREEN HOUSE
DEVELOPMENT LIMITED PARTNERSHIP

MONITOR’S CERTIFICATE

- A. By order made May 29, 2020, as amended and restated on June 8, 2020 and February 14, 2022, this Court appointed Ernst & Young Inc. as monitor (the "**Monitor**") of each of the Petitioners, pursuant to the *Companies’ Creditors Arrangement Act*, RSC 1985, c. C-46 (as amended, the "**CCAA**");
- B. Pursuant to an order of the Court dated July ●, 2022 (the "**Approval and Vesting Order**"), the Court approved the sale of the Purchased Assets to Solterra, as assigned to Solterra Development (Terrace House) Corp. (the "**Purchaser**"), providing for the vesting in the Purchaser of all of the Petitioners’ right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the Closing Payment (as defined in the Purchase Agreement).
- C. Unless otherwise indicated herein, the capitalized terms have the meanings set out in the Approval the Vesting Order.

THE MONITOR HEREBY CERTIFIES the following:

1. The Monitor has incorporated ResidualCo in accordance with the Approval and Vesting Order. ResidualCo shall hereafter be referred to as ●.
2. The Monitor has received the Purchase Price.
3. This Certificate was delivered by the Monitor at _____ on _____, 2022.

ERNST & YOUNG INC., in its capacity as
Monitor of the Petitioners, and not in its
personal capacity.

Per: _____
Name:

D
Schedule C – Claims to be deleted/expunged from title to Real Property

Nature: MORTGAGE

Registration Number: CA6395613

Registration Date and Time: 2017-10-25 14:37

Registered Owner: AVIVA INSURANCE COMPANY OF CANADA
INCORPORATION NO. A0051421

Nature: ASSIGNMENT OF RENTS

Registration Number: CA6395614

Registration Date and Time: 2017-10-25 14:37

Registered Owner: AVIVA INSURANCE COMPANY OF CANADA
INCORPORATION NO. A0051421

Nature: MORTGAGE

Registration Number: CA7337616

Registration Date and Time: 2019-02-06 15:25

Registered Owner: CMLS FINANCIAL LTD.

INCORPORATION NO. BC0124226

Transfer Number: CA7337616 TRANSFERRED TO CA9459739

Registered Owner: DOMAIN MORTGAGE CORP.

INCORPORATION NO. BC1140295

Transfer Number: CA9459739

Remarks: MODIFIED BY CA9459782

MODIFIED BY CA9790630

Nature: ASSIGNMENT OF RENTS

Registration Number: CA7337617

Registration Date and Time: 2019-02-06 15:25

Registered Owner: CMLS FINANCIAL LTD.

INCORPORATION NO. BC0124226

Transfer Number: CA7337617 TRANSFERRED TO CA9459740

Registered Owner: DOMAIN MORTGAGE CORP.

INCORPORATION NO. BC1140295

Transfer Number: CA9459740

Nature: PRIORITY AGREEMENT

Registration Number: CA7337731

Registration Date and Time: 2019-02-06 16:03

Remarks: GRANTING CA7337616 PRIORITY OVER CA6395613 AND
CA6395614

Nature: PRIORITY AGREEMENT

Registration Number: CA7337732

Registration Date and Time: 2019-02-06 16:03

Remarks: GRANTING CA7337617 PRIORITY OVER CA6395613 AND

CA6395614

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8047964
Registration Date and Time: 2020-02-21 12:07
Registered Owner: AR-CON HOLDINGS LTD.
INCORPORATION NO. BC1172997

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8140760
Registration Date and Time: 2020-04-15 16:55
Registered Owner: URBAN ONE BUILDERS CM INC.
INCORPORATION NO. BC1028882

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8148543
Registration Date and Time: 2020-04-21 11:42
Registered Owner: MATAKANA SCAFFOLDING B.C. INC.
INCORPORATION NO. BC0683439

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8154113
Registration Date and Time: 2020-04-23 17:28
Registered Owner: FRANCL ARCHITECTURE INC.
INCORPORATION NO. BC1143645

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8155198
Registration Date and Time: 2020-04-24 11:09
Registered Owner: DOKA CANADA LTD./LTEE
INCORPORATION NO. A0070064

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8170195
Registration Date and Time: 2020-05-01 11:14
Registered Owner: CAIRNS ELECTRIC LTD.
INCORPORATION NO. BC1191875

Nature: CLAIM OF BUILDERS LIEN
Registration Number: WX2147027
Registration Date and Time: 2020-05-01 13:44
Registered Owner: DYNAMIC STRUCTURES LTD.

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8187493
Registration Date and Time: 2020-05-13 14:07

Registered Owner: GLASTECH GLAZING CONTRACTORS LTD.
INCORPORATION NO. BC1188251

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8193236
Registration Date and Time: 2020-05-15 12:26
Registered Owner: TWO PILLARS CONSTRUCTION LTD.
INCORPORATION NO. BC0740590

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8198230
Registration Date and Time: 2020-05-20 12:53
Registered Owner: CENTURA BUILDING SYSTEMS (2013) LTD.
INCORPORATION NO. BC0959038

Nature: CERTIFICATE OF PENDING LITIGATION
Registration Number: CA8208931
Registration Date and Time: 2020-05-27 11:24
Registered Owner: URBAN ONE BUILDERS CM INC.
INCORPORATION NO. BC1028882

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8213493
Registration Date and Time: 2020-05-28 15:40
Registered Owner: RDH BUILDING SCIENCE INC.
INCORPORATION NO. BC0549924

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8232262
Registration Date and Time: 2020-06-08 16:39
Registered Owner: COLUMBIA SEAL LTD.
INCORPORATION NO. 1091476

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8381710
Registration Date and Time: 2020-08-25 09:42
Registered Owner: HARRIS STEEL ULC
INCORPORATION NO. A0078280

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8381711
Registration Date and Time: 2020-08-25 09:42
Registered Owner: HARRIS STEEL ULC
INCORPORATION NO. A0078280

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8381712
Registration Date and Time: 2020-08-25 09:42
Registered Owner: HARRIS STEEL ULC DBA HARRIS REBAR
INCORPORATION NO. A0078280

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8381713
Registration Date and Time: 2020-08-25 09:42
Registered Owner: HARRIS STEEL ULC
INCORPORATION NO. A0078280

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8381714
Registration Date and Time: 2020-08-25 09:42
Registered Owner: HARRIS STEEL ULC
INCORPORATION NO. A0078280

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8381715
Registration Date and Time: 2020-08-25 09:42
Registered Owner: HARRIS STEEL ULC
INCORPORATION NO. A0078280

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8430537
Registration Date and Time: 2020-09-15 15:37
Registered Owner: INTEGRAL GROUP CONSULTING (BC) LLP

Nature: CERTIFICATE OF PENDING LITIGATION
Registration Number: CA8783490
Registration Date and Time: 2021-02-19 09:20
Registered Owner: AR-CON HOLDINGS LTD.
INCORPORATION NO. BC1172997

Nature: CLAIM OF BUILDERS LIEN
Registration Number: CA8904368
Registration Date and Time: 2021-04-08 14:23
Registered Owner: DOKA CANADA LTD./LTEE

Nature: CERTIFICATE OF PENDING LITIGATION
Registration Number: CA8932182
Registration Date and Time: 2021-04-20 10:17
Registered Owner: MATAKANA SCAFFOLDING B.C. INC.
Remarks: INTER ALIA

Nature: CERTIFICATE OF PENDING LITIGATION
Registration Number: CA8939175
Registration Date and Time: 2021-04-22 11:47
Registered Owner: FRANCL ARCHITECTURE INC.
INCORPORATION NO. BC1143645

Nature: CERTIFICATE OF PENDING LITIGATION
Registration Number: CA8984690
Registration Date and Time: 2021-05-06 15:08
Registered Owner: GLASTECH GLAZING CONTRACTORS LTD.
INCORPORATION NO. BC1188251

Nature: CERTIFICATE OF PENDING LITIGATION
Registration Number: CA9002006
Registration Date and Time: 2021-05-13 10:11
Registered Owner: TWO PILARS CONSTRUCTION LTD.
INCORPORATION NO. BC0740590

Nature: CERTIFICATE OF PENDING LITIGATION
Registration Number: CA9281560
Registration Date and Time: 2021-08-17 11:58
Registered Owner: HARRIS STEEL ULC
INCORPORATION NO. A0078280

Nature: CERTIFICATE OF PENDING LITIGATION
Registration Number: CA9341705
Registration Date and Time: 2021-09-08 09:29
Registered Owner: INTEGRAL GROUP CONSULTING (BC) LLP

Nature: MODIFICATION
Registration Number: CA9459782
Registration Date and Time: 2021-10-26 15:59
Remarks: MODIFICATION OF CA7337616

Nature: PRIORITY AGREEMENT
Registration Number: CA9459931
Registration Date and Time: 2021-10-26 16:47
Remarks: GRANTING CA7337616 PRIORITY OVER CA6395613 AND
CA6395614

Nature: PRIORITY AGREEMENT
Registration Number: CA9459932
Registration Date and Time: 2021-10-26 16:47
Remarks: GRANTING CA7337617 PRIORITY OVER CA6395613 AND
CA6395614

Nature: MODIFICATION
Registration Number: CA9790630
Registration Date and Time: 2022-03-16 16:36
Remarks: MODIFICATION OF CA7337616

Nature: PRIORITY AGREEMENT
Registration Number: CA9790647
Registration Date and Time: 2022-03-16 16:44
Remarks: GRANTING CA7337616 PRIORITY OVER CA6395613 AND
CA6395614

Nature: PRIORITY AGREEMENT
Registration Number: CA9790648
Registration Date and Time: 2022-03-16 16:44
Remarks: GRANTING CA7337617 PRIORITY OVER CA6395613 AND
CA6395614

Pending Application
Parcel Identifier: 006-721-397
Application Number/Type: BB1547883 CLAIM OF BUILDERS LIEN

**Schedule E – Permitted Encumbrances, Easements and Restrictive Covenants
related to Real Property**

1. The reservations, limitations, provisos and conditions expressed in the original grant thereof from the Crown of any of the Lands and the statutory exceptions to title currently applicable to the Lands;
2. A claim of right, title or jurisdiction which may be made or established by any aboriginal peoples by virtue of their status as aboriginal peoples on or over any Lands;
3. Liens for taxes, assessments, rates, duties, charges or levies not at the time due, which related to obligations or liabilities assumed by the Purchaser;
4. The encumbrances listed below with respect to the Lands:
 - (a) Easement No. BP238635
 - (b) Restrictive Covenant No. R18424
 - (c) Easement and Indemnity Agreement No. J7909
 - (d) Easement No. BP238634

Schedule F – Legal Description of Lands

PARCEL IDENTIFIER: 006-721-397

LOT 18, EXCEPT THAT PART OF THE CANADIAN PACIFIC RAILWAY RIGHT-OF-WAY AS DESCRIBED IN ABSOLUTE FEE PARCELS BOOK, VOLUME 9, FOLIO 317, NO. 1154C, AND EXCEPT THE SOUTH 7 FEET NOW ROAD, BLOCK 29 DISTRICT LOT 185 PLAN 92

SCHEDULE "B"
SECTION 11.14 OF THE SALE AGREEMENT

11.14 Assignment. The Purchaser will be entitled to assign its rights and obligations under this Agreement on prior written notice to, but without the consent of the Vendor to any one or more affiliates (within the meaning of the *Business Corporations Act* (British Columbia)) of the Purchaser or to one or more limited partnerships in which the general partners are affiliates (within the meaning of the *Business Corporations Act* (British Columbia)) of the Purchaser if: (i) the Purchaser delivers written notice of such assignment(s) to the Vendor; (ii) the assignee(s) enters into an agreement pursuant to which the assignee(s) agrees to be bound by all of the obligations and Liability of the Purchaser under this Agreement as if it was the original Purchaser; (iii) the Purchaser is not released from its obligations and Liability under this Agreement until the completion of the transactions contemplated in this Agreement, at which time the assignor will be automatically released from all of its obligations and Liability under this Agreement without the need for any further deliveries or instruments of release; and (iv) such assignment(s) is completed not less than ten (10) Business Days prior to the Closing Date. The Purchaser will not otherwise be entitled to assign its rights and obligations under this Agreement except with the prior written consent of the Vendor, such consent may be arbitrarily withheld or delayed by the Vendor.