Clerk's stamp:

COURT FILE NUMBER	2303 01855
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PLAINTIFF	BANK OF MONTREAL
DEFENDANTS	1194038 ALBERTA LTD. and ALAN DOBISH, also known as ALLAN DOBISH
DOCUMENT	**AFFIDAVIT IN SUPPORT OF THE APPOINTMENT OF A RECEIVER AND MANAGER**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MILLER THOMSON LLP Barristers and Solicitors 2700, Commerce Place 10155-102 Street Edmonton, AB, Canada T5J 4G8 Phone: 780.429.1751 Fax: 780.424.5866 Lawyer's Name: Susy Trace Lawyer's Email: strace@millerthomson.com File No.: 0255722.0003

AFFIDAVIT OF MICHELLE MADRIGGA

Sworn on February 7, 2023

I, Michelle Madrigga, of the City of Calgary, in the Province of Alberta, SWEAR AND SAY THAT:

1. I am a Senior Account Manager, ERPM Western Canada, with Bank of Montreal ("**BMO**" or the "**Bank**"). I am the account manager responsible for the affairs of the Defendants for the Bank, and as such, have personal knowledge of the facts and matters deposed to in this my Affidavit, except where stated to be based upon information and belief, and where so stated I verily believe the same to be true.

2. I have reviewed the business records maintained by BMO in respect of the matters at issue, which I verily believe were made in the ordinary and usual course of business, and where I do not have direct personal knowledge of matters sworn to in my Affidavit, my knowledge is derived from my review of the business records of BMO or records obtained from public registries, relevant copies of which are attached to this my Affidavit.

3. I am authorized to make this Affidavit on behalf of BMO.

BACKGROUND AND PUBLIC SEARCHES

4. The Defendant, 1194038 Alberta Ltd. ("**119**"), is a body corporate incorporated pursuant to the laws of the Province of Alberta, carrying on business in and around the City of Edmonton, in the Province of Alberta.

5. The Defendant, Alan Dobish, also known as Allan Dobish ("**Dobish**"), is an individual who to the best of my knowledge resides in the City of Edmonton, in the Province of Alberta.

6. Attached to my Affidavit as **Exhibit "A"** is a copy of an Alberta Corporate Registry Search for 119 dated June 3, 2022 (the "**Corporate Registry Search**"). According to the attached Corporate Registry Search, Dobish is the sole director and voting shareholder of 119.

7. 119 is the registered owner of a single tenant commercial building located in the City of Edmonton, in the Province of Alberta, which is legally described as:

   PLAN 7722579
   BLOCK 2
   LOT 7
   EXCEPTING THEREOUT ALL MINES AND MINERALS
   (the "**Property**").

8. Attached to my Affidavit and marked as **Exhibit "B"** is a Certificate of Title for the Property obtained from the Alberta Land Titles office on November 24, 2022. Exhibit "B" evidences that 119 is the registered owner of the Property.

9. 119 operates a business as a landlord and leases the Property to Canadian Tire Real Estate Limited ("**Canadian Tire**") pursuant to a lease agreement dated June 1, 2008 (the "**Lease**"). Canadian Tire has registered its lease interest in the Property by way of caveat, land titles registration number 092 096 831 (the "**CT Caveat**").

10. Attached to my Affidavit and marked as **Exhibit "C"** is a copy of the CT Caveat.

THE INDEBTEDNESS

11. On the application of 119, BMO agreed to extend to 119 certain credit facilities, including a Real Estate Facility in the principal amount of $2,861,805.23 (the "**Facility**").

12. The terms and conditions of the Facility are set out in the following agreements:

    (a) a Commitment Letter dated September 28, 2016, a true copy of which is attached to my Affidavit and marked as **Exhibit "D"**;

    (b) a Letter of Agreement dated December 21, 2021, a true copy of which is attached to my Affidavit and marked as **Exhibit "E"**;

    (c) an Advice of Loan Terms dated January 28, 2022, a true copy of which is attached to my Affidavit and marked as **Exhibit "F"**;

    (d) a Promissory Note dated September 27, 2016, in the principal amount of $3,500,000, a true copy of which is attached to my Affidavit and marked as **Exhibit "G"**; and

(e) a Fixed Rate Term Loan Agreement dated December 7, 2016, a true copy of which is attached to my Affidavit and marked as **Exhibit "H"**;

(the agreements referenced at paragraphs 12(a) through (e) above are collectively referred to in this Affidavit as the "**Loan Agreements**").

13. As at January 17, 2023, there is outstanding under the Facility, plus further amounts owed in respect of costs and expenses incurred by BMO, including legal costs on a solicitor and own client basis, and further accruing interest from and after January 18, 2023, the following:

Description	Principal	Accrued Interest	Payout Penalty	Total	*Per Diem*
Facility	$2 ,750,493.75	$4,231.99	$24,135.58	$2,778,861.32	$264.50
	Total as at January 17, 2023, plus interest from and after January 18, 2023 plus all costs, charges and expenses, plus legal fees on a solicitor and own client full indemnity basis (the "Indebtedness"): $2,778,861.32				

14. It is an express term of the Loan Agreements (among other things) that:

(a) the Facility is payable upon demand;

(b) until demand is made, the Facility is to be repaid by blended installments comprised of principal and interest in the amount of to be paid to BMO on the last day of each and every month until maturity (the "**Installment Payment**");

(c) 119 is to open and maintain all of its operating accounts solely at BMO;

(d) 119 will pay all lawful taxes, assessments and government charges when due;

(e) 119 will not incur or create any further or additional indebtedness except to BMO and except indebtedness that is incidental to the ordinary course of business without the prior written consent of BMO;

(f) unless previously disclosed to BMO, all of 119's assets are free and clear of all hypothecs, mortgages, claims, security interests, liens, charges or other encumbrances in favour of third parties, whether perfected or otherwise;

(g) no liens or encumbrances are permitted on any assets of 119 without the prior written consent of BMO;

(h) 119 will provide annual accountant prepared financial statements within 90 days of its fiscal year end and will provide BMO with copies of its Notice of Assessment;

(i) Dobish will provide a personal financial statement and his Notice of Assessment to BMO annually;

(j) 119 will notify BMO in writing immediately upon receipt or notice of any law suits, claims, demands, governmental investigations or requirements to pay addressed to 119 or in which 119 is a named party; and

(k) 119 will maintain a debt service coverage ratio of not less than 1.25 (the "**Debt Service Covenant**").

THE GUARANTEE

15. To secure the due payment and discharge of all present and future indebtedness and liability of 119 to BMO, including, without limitation, the Indebtedness, Dobish granted to BMO a Guarantee for Indebtedness of an Incorporated Company dated September 27, 2016, guaranteeing the due payment and discharge of all present and future indebtedness and liability owing by 119 to BMO, including, without limitation, the Indebtedness, limited to the principal amount of $3,500,000.00, plus interest thereon at the rate of 3% above BMO's prime rate of interest in effect from time to time ("**Prime**"), from the date of demand, plus all of BMO's legal or other costs, charges (the "**Guarantee**").

16. Attached to my Affidavit and marked as **Exhibit "I"** is a copy of the Guarantee.

THE SECURITY

17. To secure due payment and discharge of all present and future indebtedness and liabilities of 119 to BMO, 119 granted or caused to be granted to BMO the following:

(a) a Mortgage of Land made under the *Land Titles Act*, dated September 27, 2016, and registered against the Property on October 17, 2016, under Land Titles Registration No. 162 289 182, by which 119 mortgaged to BMO the Property to secure the repayment of all present and future indebtedness and liability now or hereafter owing by 119 to BMO for up to the principal amount of $3,700,000.00, including, without limitation, the Indebtedness, plus interest at the rate of Prime plus 5.00% *per annum*, plus all costs, charges and expenses, including legal fees as between solicitor and his or her own client (the "**Mortgage**");

(b) a General Assignment of Rents and Leases dated September 27, 2016, with respect to the Property, which was registered against the Property by way of caveat on October 17, 2016, under Land Titles Registration No. 162 289 183, assigning, transferring and setting over to BMO, as assignee, all rents and leases arising out of the Property (the "**Assignment of Rents**"); and

(c) a General Security Agreement executed by 119 in favour of BMO, dated September 27, 2016, pursuant to which 119 charged and granted a security interest in favour of BMO in all of its present and after-acquired personal property, and further granted BMO a floating charge in all its property and assets, real and personal, moveable or immoveable, of whatsoever nature and kind (the "**Security Agreement**");

(the agreements referenced at paragraphs 17(a) through (c) are collectively referred to in this Affidavit as the "**Security**").

18. The terms of the Mortgage consist of the terms contained therein, and subject to the terms contained in the Standard Form Mortgage filed with the Registrar of Land Titles under the as registration number 161 070 428 (the "**Standard Terms**").

19. Attached to my Affidavit and marked as:

    (a) **Exhibit "J"** is a true copy of the Mortgage;

    (b) **Exhibit "K"** is a true copy of the Standard Terms;

    (c) **Exhibit "L"** is a true copy of the Assignment of Rents; and

    (d) **Exhibit "M"** is a true copy of the Security Agreement.

20. The Security Agreement has been, at all material times, perfected by registration at the Alberta Personal Property Registry by registration number 16092332924. Attached to my Affidavit and marked as **Exhibit "N"** is an Alberta Personal Property Registry Debtor Name Search for 119 dated November 24, 2022, evidencing the registration of BMO's Security Agreement.

21. It is an express term of the Security Agreement, among others, that on default, BMO may appoint a receiver or receiver-manager of the assets of the 119.

22. It is an express term of the Mortgage, among others, that on default of 119 thereunder, BMO may appoint or apply to any court of competent jurisdiction for the appointment of a receiver of all or part of the Property and all rents, incomes, profits and other amounts arising therefrom.

DEFAULTS AND DEMAND FOR PAYMENT

23. 119 and Dobish have defaulted under the terms of the Loan Agreements and the Security, by, among other things:

    (a) failing to repay to BMO certain Installment Payments when due (though as at the date of swearing this Affidavit, the Installment Payments are current);

    (b) failing to repay to BMO all amounts owing upon demand;

    (c) failing to maintain 119's bank accounts solely with BMO;

    (d) failing to pay taxes in the amount of $33,839.50 owing to the Province of Alberta pursuant to the *Alberta Corporate Tax Act*, RSA 2000, c A-15 (the "**Provincial Tax Arrears**"), and permitting a Requirement To Pay Money to the Government of Alberta to be issued upon BMO in respect thereof;

    (e) failing to pay outstanding corporate income taxes owing to the Government of Canada pursuant to the *Income Tax Act*, RSC 1985, c 1 (5th Supp);

    (f) failing to pay outstanding Goods and Services Taxes owing pursuant to the *Excise Tax Act*, RSC 1985, c E-15 ("**GST**");

    (g) permitting the following writs of seizure and sale to be registered by Her Majesty the Queen in the Right of Canada, Edmonton Tax Services, against 119 at the Alberta Personal Property Registry:

        (i) a writ issued on May 25, 2022, in the original judgment amount of $142,600.59, with post-judgment interest in the amount of $175.91; and

(ii) a writ issued on May 25, 2022, in the original judgment amount of $73,313.59, with post-judgment interest in the amount of $90.44, which appears to be related to unpaid GST;

(collectively, the "119 **CRA Writs**");

(h) permitting the following registrations to be made against 119 without the prior written consent of BMO:

(i) mortgage in favour of Joginder Sunner and Guggendeep Jawanda in the original principal amount of $200,000, registered on January 14, 2017 as registration no. 172 013 417 against the Property;

(ii) mortgage in favour of Guggendeep Jawanda in the original principal amount of $60,000, registered on January 13, 2018 as registration no. 182 010 575 against the Property; and

(iii) security agreement in favour of Guggendeep Jawanda registered against all personal and after acquired personal property of 119 at the Alberta Personal Property Registry as registration no. 17122918572 on December 29, 2019;

(collectively, the "**Third Party Security**");

(i) permitting a writ of seizure and sale to be registered by Her Majesty the Queen in the Right of Canada, Edmonton Tax Services, against Dobish at the Alberta Personal Property Registry, in the amount of $99,569.12, with post-judgment interest in the amount of $22,068.79 as of March 15, 2022 (the "**Dobish CRA Writ**");

(j) failing to provide BMO with annual accountant prepared financial statements within 90 days of 119's fiscal year end and failing to provide BMO with copies of its Notice of Assessment;

(k) failing to provide BMO with a personal financial statement and Notice of Assessment for Dobish; and

(l) as BMO has not been provided the required reporting referenced in paragraphs 23(i) and (j), BMO is unable to determine if 119 is in compliance with the Debt Service Covenant.

24. Attached to my Affidavit and marked as **Exhibit "O"** is a true copy of a Requirement to Pay Money to the Government of Alberta dated August 17, 2022 with respect to the Provincial Tax Arrears (the "**Requirement to Pay**") served upon BMO. As at the date of swearing this Affidavit, BMO understands that the amounts subject to the Requirement to Pay have been repaid.

25. Attached to my Affidavit and marked as **Exhibit "P"** is a copy of an Alberta Personal Property Registry Debtor Name Search for Dobish dated November 24, 2022 evidencing the Dobish CRA Writ.

26. On or about August 11, 2022, BMO demanded payment of the Indebtedness from 119, however 119 has failed, neglected or refused and continues to fail, neglect or refuse to pay all of such Indebtedness to BMO.

27. On or about August 11, 2022, BMO demanded payment of the Indebtedness from Dobish pursuant to the Guarantee, however Dobish has failed, neglected or refused and continues to fail, neglect or refuse to pay all of such Indebtedness to BMO.

28. Concurrently with the demands, BMO served upon 119 and Dobish Notices of Intention to Enforce Security pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, and the notice periods have expired.

29. Attached to my Affidavit and marked as **Exhibit "Q"** is a copy of an Affidavit of Service of the demands and notices referenced at paragraphs 26, 27 and 28 of this my Affidavit.

30. Despite the demands and notices, 119 and Dobish have failed or neglected to pay the Indebtedness to BMO, which remains due and owing to BMO.

THE LEASE

31. As stated above, to the best of my knowledge, 119, as landlord, leases the Property to Canadian Tire.

32. Attached to my Affidavit and marked as:

    (a) **Exhibit "R"** is a true copy of a Lease Extension and Amending Agreement dated July 12, 2016, between 119 and Canadian Tire (the "**Lease Amending Agreement**"); and

    (b) **Exhibit "S"** is a true copy of a letter from Canadian Tire to 119 dated October 15, 2021 (the "**CT Letter**").

33. I have reviewed the records of BMO, and the documents attached to my Affidavit as Exhibits "R" and "S", are the only documents I was able to locate related to the lease agreement between 119 and Canadian Tire. I was not able to locate a copy of the original Lease.

34. The Lease Amending Agreement indicates that the original term of the Lease would have expired on September 3, 2023, and the lessee has two options to renew Lease for a term of five years each.

35. The CT Letter indicates that Canadian Tire exercised the first option to renew the term of the Lease, such that it will expire on September 3, 2028, and that Canadian Tire is currently paying the sum of $27,620 per month in rent (though it appears this amount will reduce on September 4, 2023 from $16.25 per square foot to $16.00 per square foot).

36. The Lease is registered against the Certificate of Title for the Property in priority to BMO's Mortgage.

37. The purpose for requiring that 119 maintain its operating accounts at BMO is to ensure that all revenue generated by 119 is deposited with BMO so that the Installment Payments can be automatically withdrawn by BMO as and when due, and also so that the Bank is able to observe the financial transactions of the business.

38. 119 maintains a deposit account at BMO ending in number …1789 (the "**Deposit Account**"). Upon reviewing the Deposit Account records at BMO, it appears that 119 is failing to deposit rent received pursuant to the Lease or other business income earned by 119 in breach of the Loan Agreements.

39. Attached to my Affidavit and marked as **Exhibit "T"** is a Property Tax Search for the Property from the City of Edmonton dated January 30, 2021. Exhibit "S" demonstrates that the Property Taxes owing for 2022 totaled $48,590.19, or $4,049.18 per month.

40. Assuming that Canadian Tire is paying $27,620 per month in rent, and the monthly Installment Payment totals $16,655.49, 119 appears to have the amount of $9,583.51 in excess monthly revenue after accounting for GST. After deducting $4,049.18 to account for property taxes, 119 would have $5,534.33 in excess monthly revenue.

41. Although I have not reviewed all of the terms of the Lease and therefore do not know who is responsible to pay utilities incurred for the Property, I understand that it is common in commercial leases for the tenant to pay utilities in addition to monthly rent. If this is the case, 119 appears to earn sufficient revenue to pay GST, the Installment Payments, property taxes, and still have funds remaining to pay other operating expenses.

FINANCIAL CONCERNS

42. Despite 119 appearing to earn sufficient revenue to pay its expenses, including the Installment Payments to BMO, GST and property taxes, I am concerned that the financial condition of 119 and Dobish has inexplicably deteriorated and it appears that 119 is having difficulty meeting its expenses as they become due.

43. As far as I am aware, 119 has not paid the amount of more than $215,000.00 owing to Canada Revenue Agency ("**CRA**") pursuant to the 119 CRA Writs, which remain registered at the Alberta Personal Property Registry against 119. Moreover, $73,434.03 of this amount appears to be owing in respect of outstanding GST. This is especially concerning to BMO as I understand that the amount owing for unpaid GST could jeopardize BMO's security position.

44. Additionally, to the best of my knowledge, Dobish has not paid the amount of more than $120,000 to CRA owing under the Dobish CRA Writs, which remains registered at the Alberta Personal Property Registry against Dobish.

45. I am further concerned about the Third Party Security registered against the Property and assets of 119 which was obtained without the prior written consent of BMO and in breach of the Loan Agreements.

46. BMO has lost confidence in the ability of 119 to operate in a commercially viable manner and in compliance with the covenants and obligations of the Loan Agreements and the Security.

47. BMO is also concerned that 119's financial position has jeopardized its security position by allowing claims to accrue that could have priority over BMO, including a potential deemed trust claim for outstanding GST.

48. As 119 is not depositing its revenues at BMO, and since 119 and Dobish have not provided BMO with recent financial statements, Notices of Assessment and a Personal State of Affairs for Dobish, BMO does not know what is causing 119's financial difficulties.

49. As a result of the above, BMO has lost confidence in the management of 119 and believes that the appointment of a receiver is necessary to preserve the Property, meet its obligations as landlord under the Lease and protect its security position.

119's ATTEMPTS TO SECURE REFINANCING

50. On June 3, 2022, I sent a letter to the Defendants, by which I expressed BMO's desire to exit its relationship with 119 as a consequence of its defaults under the Loan Agreements and the Security (the "**De-marketing Letter**").

51. Attached to my Affidavit and marked as **Exhibit "U"** is a true copy of the De-Marketing Letter.

52. Since the date of the De-Marketing Letter, BMO's counsel and I have made efforts to work with the Defendants to enable them time to repay the Indebtedness, however, notwithstanding these efforts, the Defendants have been unable to provide BMO with a commitment by a third party lender for refinancing sufficient to repay the Indebtedness, which is acceptable to BMO.

53. In addition, BMO offered to enter into a forbearance agreement with the Defendants, however to date they have refused to meaningfully participate in forbearance negotiations with BMO.

54. Attached to my Affidavit and marked as **Exhibit "V"** is a true copy of email correspondence from Susy Trace of Miller Thomson LLP, legal counsel for BMO, sent to Dobish on November 22, 2022, which advises that in light of the Defendant's failure to sign a forbearance agreement and repay the Indebtedness, BMO would be proceeding with the enforcement of its security.

55. Attached to my Affidavit and marked as **Exhibit "W"** is a true copy of email correspondence from Susy Trace sent to Dobish on November 23, 2022, which sets out various concerns of BMO, including the failure to provide BMO with a form of binding commitment letter for funding to payout the Indebtedness.

56. Since the De-marketing Letter was sent by BMO on June 3, 2022, 119 has been unable to provide BMO with sufficient evidence that it will be in a position to obtain re-financing to payout the Indebtedness.

57. Given 119's inability to secure a binding commitment to finance over the last five months, and in light of the significant amounts owing to CRA by both 119 and Dobish, which would presumably have to be repaid before another lender will agree to loan 119 sufficient funds to repay the Indebtedness, BMO does not have confidence that 119 will be able to secure the necessary financing to repay the Indebtedness, which is fully, due, owing and payable to BMO.

CONSENT TO ACT AS RECEIVER

58. BMO has approached Ernst & Young Inc. ("**EY**") to act as receiver and manager over the property, assets and undertakings of 119 should BMO's application be granted, and EY has consented to the same.

59. I make this Affidavit in support of an Application to appoint EY as receiver and manager over the property, assets and undertakings of 119.

SWORN BEFORE ME at the City of Calgary, Alberta, this 7 day of February, 2023.	)))))))
Commissioner for Oaths in and for the Province of Alberta	MICHELLE MADRIGGA

James W. Reid
Barrister & Solicitor

This is **Exhibit "A"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

Government of Alberta ■

Corporation/Non-Profit Search

Corporate Registration System

Date of Search: 2022/06/03
Time of Search: 03:52 PM
Search provided by: MILLER THOMSON LLP- EDMONTON
Service Request Number: 37722711
Customer Reference Number: 0255722.0003

Corporate Access Number: 2011940380
Business Number: 822541678
Legal Entity Name: 1194038 ALBERTA LTD.

Legal Entity Status: Active
Alberta Corporation Type: Numbered Alberta Corporation
Registration Date: 2005/09/22 YYYY/MM/DD
Date of Last Status Change: 2019/12/30 YYYY/MM/DD

Revival/Restoration Date: 2019/12/30 YYYY/MM/DD

Registered Office:
Street: 1304 WELBOURN LANE NW
City: EDMONTON
Province: ALBERTA
Postal Code: T6M2M2

Records Address:
Street: 1304 WELBOURN LANE NW
City: EDMONTON
Province: ALBERTA
Postal Code: T6M2M2

Email Address: ADOBISH@SHAW.CA

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
DOBISH	ALAN			1304 WELBOURN LANE	EDMONTON	ALBERTA	T6M2M2	ADOBISH@SHAW.CA

Directors:

Last Name:	DOBISH
First Name:	ALAN
Street/Box Number:	1304 WELBOURN LANE NW
City:	EDMONTON
Province:	ALBERTA
Postal Code:	T6M2M2

Voting Shareholders:

Last Name:	DOBISH
First Name:	ALAN
Street:	1304 WELBOURN LANE NW
City:	EDMONTON
Province:	ALBERTA
Postal Code:	T6M2M2
Percent Of Voting Shares:	100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure:	SEE SCHEDULE "A" ATTACHED HERETO.
Share Transfers Restrictions:	SEE SCHEDULE "B" ATTACHED HERETO.
Min Number Of Directors:	1
Max Number Of Directors:	7
Business Restricted To:	THERE ARE NO RESTRICTIONS ON THE BUSINESS THAT THE CORPORATION MAY CARRY ON.
Business Restricted From:	THERE ARE NO RESTRICTIONS ON THE BUSINESS THAT THE CORPORATION MAY CARRY ON.
Other Provisions:	SEE SCHEDULE "C" ATTACHED HERETO.

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2021	2021/10/04

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2005/09/22	Incorporate Alberta Corporation
2018/11/02	Status Changed to Start for Failure to File Annual Returns
2019/03/02	Status Changed to Struck for Failure to File Annual Returns
2019/12/23	Initiate Revival of Alberta Corporation
2019/12/30	Complete Revival of Alberta Corporation
2020/02/18	Update BN
2021/10/04	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2005/09/22
Restrictions on Share Transfers	ELECTRONIC	2005/09/22
Other Rules or Provisions	ELECTRONIC	2005/09/22

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.

This is **Exhibit "B"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

LAND TITLE CERTIFICATE

S

LINC	SHORT LEGAL	TITLE NUMBER
0014 065 461	7722579;2;7	052 462 605

LEGAL DESCRIPTION
PLAN 7722579
BLOCK 2
LOT 7
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 0.543 HECTARES (1.34 ACRES) MORE OR LESS

ESTATE: FEE SIMPLE
ATS REFERENCE: 4;25;53;4;SE

MUNICIPALITY: CITY OF EDMONTON

REFERENCE NUMBER: 002 087 390

REGISTERED OWNER(S)

REGISTRATION	DATE(DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
052 462 605	21/10/2005	TRANSFER OF LAND	$2,300,000	$2,300,000

OWNERS

1194038 ALBERTA LTD.
OF 1304 WELBOURN LANE
EDMONTON
ALBERTA T6M 2M2

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
092 096 831	31/03/2009	CAVEAT RE : LEASE INTEREST CAVEATOR - CANADIAN TIRE REAL ESTATE LIMITED. BOX 770, STATION K 2180 YONGE ST ATTENTION PRESIDENT TORONTO ONTARIO M4P2V8

(CONTINUED)

REGISTRATION NUMBER | DATE (D/M/Y) | PARTICULARS

AGENT - JEFFREY H SELBY

162 289 182 17/10/2016 MORTGAGE
MORTGAGEE - BANK OF MONTREAL.
5TH FLOOR, 10199 - 101 STREET, EDMONTON
ALBERTA T5J3Y4
ORIGINAL PRINCIPAL AMOUNT: $3,700,000

162 289 183 17/10/2016 CAVEAT
RE : ASSIGNMENT OF RENTS AND LEASES
CAVEATOR - BANK OF MONTREAL.
5TH FLOOR, 10199 - 101 STREET, EDMONTON
ALBERTA T5J3Y4
AGENT - JOHN B WILLIAMS

172 013 417 14/01/2017 MORTGAGE
MORTGAGEE - JOGINDER SUNNER
MORTGAGEE - GUGGENDEEP JAWANDA
BOTH OF:
16404 100 AVE
EDMONTON
ALBERTA T5P4Y2
ORIGINAL PRINCIPAL AMOUNT: $200,000

182 010 575 13/01/2018 MORTGAGE
MORTGAGEE - GUGGENDEEP JAWANDA
16404 100 AVE
EDMONTON
ALBERTA T5P4Y2
ORIGINAL PRINCIPAL AMOUNT: $60,000

TOTAL INSTRUMENTS: 005

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN ACCURATE REPRODUCTION OF THE CERTIFICATE OF TITLE REPRESENTED HEREIN THIS 24 DAY OF NOVEMBER, 2022 AT 01:08 P.M.

ORDER NUMBER: 45938442

CUSTOMER FILE NUMBER: 0255722.0003

END OF CERTIFICATE

This is **Exhibit "C"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

ALBERTA GOVERNMENT SERVICES
LAND TITLES OFFICE

IMAGE OF DOCUMENT REGISTERED AS:

092096831

ORDER NUMBER: 44671882

ADVISORY

This electronic image is a reproduction of the original document registered at the Land Titles Office. Please compare the registration number on this coversheet with that on the attached document to ensure that you have received the correct document. Note that Land Titles Staff are not permitted to interpret the contents of this document.

Please contact the Land Titles Office at (780) 422-7874 if the image of the document is not legible.

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CAVEAT FORBIDDING REGISTRATION

TO: THE ALBERTA LAND TITLES OFFICE

Take notice that **Canadian Tire Real Estate Limited**, (the "**Tenant**") being a body corporate carrying on business in the Province of Alberta claim an interest as tenant in those lands (the "**Lands**") more particularly described below under and by virtue of all of the provisions of an accepted Offer to Lease (the "**Lease**") made in writing between **1194038 Alberta Ltd. (the "Landlord")**, as Landlord, and the Tenant, as Tenant, which Lease provides for rights and benefits to the Tenant as described in the Lease, to the Lands; and, which provisions include, *inter alia*, and without purporting or attempting to list all of the provisions which create or may create an interest in the Lands, the following:

LEA

(a) For the lease by the Landlord to the Tenant of certain premises (the "**Premises**") forming a part of the Lands for a term of 10 years commencing on a date prescribed in the Lease and 2 options of renewal or extension to the Tenant, each for 5 years.

(b) For the right of the Tenant to use and enjoy the Common Areas appropriate for such use on the Lands.

(c) For the right of the Tenant to assign the Lease or sublet the Leased Premises with the prior written notice to the Landlord with respect to certain assignments, as set forth in the Lease, including, inter alia, the right of the Franchisor to have the Lease assigned to Franchisor.

(d) For specific exclusive rights to the Tenant (but with some specified exceptions) to operate its business on and in the Lands as more particularly set forth in the Lease denying, providing that the Landlord will not occupy or use nor suffer or permit to be occupied or used any premises in the Lands (other than the Premises), for the primary or principal purpose of an automotive aftermarket business including the sale of automotive parts. In addition, the Landlord has covenanted to not lease or permit any part of the Lands to be used for the following specific uses:

- a theatre or cinema;
- a bingo hall or flea market;
- a store conducting in whole or in part the sale of second hand goods, insurance salvage stock, fire sale stock, or bankruptcy stock;
- an auction, bulk sale, liquidation sale, "going out of business" or bankruptcy sale;
- an adult entertainment centre or adult book store;
- the sale of sporting goods;
- the sale of hardware products;

- the sale of plumbing supplies;
- the sale of electrical supplies;
- the sale of paint and wallpaper or building supplies; and
- a store or stores carrying on the business of a full service and sale of men's, woman's and unisex work/casual wear and related accessories, workplace uniforms and related accessories, work boots, outdoor clothing and related accessories including boots, shoes and jeans and clothing products as are sold in the majority of Mark's Work Wearhouse stores.

(e) For certain signage rights over the Premises and the Lands, to the Tenant as prescribed in the Lease.

(f) For certain restrictions as the Landlord in, either, further developing or redeveloping the Lands, including without limitation to the generality of the foregoing, restricting the Landlord from in any manner adversely effecting accessibility (either or both pedestrian or vehicular), visibility, traffic flowto and around the Premises and the Tenant's signage, and the free and open vista through and over the parking areas to the adjacent municipal streets.

The Lands are:

Plan 7722579
Block 2
Lot 7
Excepting thereout all Mines and Minerals
Area: 0.543 Hectares (1.34 Acres) More or Less

standing in the register in the name of **1194038 Alberta Ltd.** and the Tenant forbids the registration of any person as transferee or owner of, or of any instrument affecting that estate or interest, unless the certificate of title or instrument, as the case may be, is expressed to be subject to its claim.

The Tenant designates the following address as the place at which notices and proceedings relating hereto may be served:

Canadian Tire Real Estate Limited
P.O. Box 770, Station K
2180 Yonge Street
Toronto, Ontario M4P 2V8
Attention: President

DATED this 3rd day of March, 2009.

Canadian Tire Real Estate Limited, by its duly authorized solicitors and agents, **Parlee McLaws LLP**,

Per: ______________________
Jeffrey H. Selby

{K:\cdox\0067805\000003\C5306579.DOC;1}

CANADA PROVINCE OF ALBERTA TO WIT:	I, Jeffrey H. Selby, of Calgary, Alberta, Solicitor, make oath and say:

1. THAT I am the agent for the above-named Caveator~~s~~.

2. THAT I believe that the said Caveator~~s~~ ha~~ve~~s a good and valid claim upon the said land and I say that this Caveat is not being filed for the purpose of delaying or embarrassing any person interested in or proposing to deal with it.

SWORN BEFORE ME Calgary, Alberta this 3rd day of March, 2008. A Commissioner for Oaths in and for Alberta.	Jeffrey H. Selby

KATHERINE LAW
A Commissioner for Oaths
My Appointment Expires Feb. 7, 2012

092096831 REGISTERED 2009 03 31
CAVE - CAVEAT
DOC 1 OF 1 DRR#: C015BEF ADR/EDMHOLTZ
LINC/S: 0014065461

This is **Exhibit "D"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

BMO Bank of Montreal

BMO Bank of Montreal
Main Branch
10199-101 Street
Edmonton, Alberta
Telephone No (780) 408-0945
Fax No (780) 408-0430
Christopher S. Cameron
Commercial Account Manager

September 28, 2016

1194038 Alberta Ltd
10103-175 Street
Edmonton, Alberta

Dear Mr. Al Dobish,

Bank of Montreal is pleased to advise that we have approved the following Canadian Dollar Credit Facilities for 1194038 Alberta Ltd. This letter sets forth the terms and conditions under which the Bank of Montreal (hereinafter referred to as the "Bank") has authorized the granting of credit facilities to 1194038 Alberta Ltd. (hereinafter referred to as the "Borrower").

You may accept our offer by returning the enclosed duplicate of this letter, signed as indicated below, by 4 p.m. on or before **September 28, 2016** or our offer will automatically expire.

We wish to thank you for the opportunity to provide banking facilities for your business and look forward to ongoing mutually beneficial banking relationship.

Should you have any questions in this regard, please contact the undersigned at 780 408-0945

Yours truly,
BMO Bank of Montreal

Christopher S. Cameron
Commercial Account Manager

Borrower: 1194038 Alberta Ltd

Guarantor: Al Dobish, for 100% of loan advance

Purpose of the Funds	Amount	Source of Funds	Amount
Pay-out Existing Debt	$2,850,000	BMO Financing	$3,500,000
Equity Repatriation	$650,000		
TOTAL COST	$3,500,000	TOTAL SOURCE OF FUNDS	$3,500,000

Purpose: To provide the Borrower with conventional first mortgage financing in the amount of $3,500,000 (69% Loan to Estimated Value) to facilitate the refinance of a single tenant commercial building located in West Edmonton. The requested facility will be utilized to refinance an existing mortgage balance of $2,850,000 and provide the borrower with equity repatriation to pursue further investment opportunities.

Loan Amount: $3,500,000.00

Funding Date: October 15, 2016

Interest Rate: Demand loan non-revolving
BMO Prime Rate + 1.00%, Prime as of August 30, 2016 2.70%

Fixed Rate Term Loan
3 years 2.80%
4 years 2.90%
5 years 3.08% Guaranteed rate until November 15, 2016

Term: One (1) to Five (5) Years

Amortization: Twenty (20) Years

Repayment: Monthly blended payment at 3.08% (5 years) for 20 years ~**$19,541.92**

Prepayment: Nil

Lender fee: $9,000.00

Municipal Addresses 10103-175 Street, Edmonton

Legal Descriptions Plan 7722579, Block 2, Lot 7

Leasable Area (SF) 20,397

Zoning IB - Business Industrial

Occupancy Rate 100%

SECURITY:
REQUIRED AT DRAWDOWN:

1. Promissory Notes/Fixed Rate Term Agreement

2. BMO commercial Life insurance– optional

3. Registered General Security Agreement for 1194038 Alberta Ltd. providing the Bank with a first charge over subject property.

4. An unconditional personal guarantee by Al Dobish with confirmation of all assets of payment of all present and future debts and liabilities, both direct and indirect, of the Borrower to the Bank up to $3,500,000.00.

5. Deposit operating accounts TBD

6. Solicitor Letter of Opinion stating Valid & Enforceable 1st Collateral Mortgage over land and building(s) located at noted above. Collateral mortgage to be re-advanceable and registered for $3,700,000.00, assignment of leases. Title insurance is acceptable. Will be only advancing $3,500,000.00 on this approval dated commitment letter September 14, 2016. During fiscal 2017 annual review additional advance of $200,000.00 to be addressed and is subject to satisfactory review by BMO.

7. Signed lease with Canadian Tire Real Estate Limited minimum lease term to be 7 years

8. Transmittal Letters on: Appraisal, Building Condition Report and Phase 1

9. BMO Environmental Review and Compliance Certificate checklist to be completed by borrower on subject property.

10. 3 months banking statements from previous FI, confirming current loan is in good standing

11. Confirmation of ownership on personal US assets, with confirmation of clean title

12. Copy of 2015 Accountant Prepared NTR Financial statements with NOA and T2

13. BMO Bank of Montreal to be named 1st loss payable for fire insurance, value of policy for replace of asset. 1st loss payable to: BMO Bank of Montreal, 9405 50th street Edmonton, Alberta. T6B 2T4

14. Additional collateral as deemed appropriate by the Bank and its solicitors.

HELD AT BMO:

15. Satisfactory appraiser by qualified AACI confirming the building value upon completion is not less than $5,360,000 on subject property.

16. Minimum Phase I Environmental to be completed confirming no environmental contamination on subject property

17. Building Condition Report with remaining economic life of minimum 28 year

18. Confirmation of personal assets

UNDERTAKING:

1. Borrower to complete repairs and maintenance on building, as per the building condition report dated August 18, 2016, within first 12 months from advance of funds

GENERAL CONDITIONS:

- The Borrower confirms that it is a corporation duly incorporated and validly subsisting under the laws of Alberta and has the power, capacity and authority to own its property and assets and to conduct business in all jurisdictions in which such business is conducted.
- The Borrower is duly authorized and empowered to execute, deliver, observe and perform its obligations under this agreement and the entering into and the observance and performance by the Borrower of this agreement has been duly authorized by all necessary corporate actions.
- There is no litigation and there are no legal proceedings pending or threatened against the Borrower before any court or agency which could materially affect the financial condition, assets or operations which are not disclosed in the Borrower's most recent financial statements.
- The bank is to be advised of any changes to senior management of the company within 15 days of the management structure changes.
- The Borrower is to open and maintain a current account at a convenient Bank of Montreal branch.

EVENTS OF DEFAULT:

The whole of the principal sum outstanding and all interest accruing thereon shall immediately become due and payable and all security become enforceable without notice or demand upon the occurrence of any of the following events:

- Failure to pay the Bank any instalment of interest or principal on the date same is due.
- Failure of the Borrower to perform or observe each and every covenant, proviso, condition or obligation hereinor in any further documents relating to the loan.
- If the Borrower sells or agrees to sell the property without the Bank's consent in writing.
- If the Borrower or any guarantor makes and assignment for the benefit of creditors or a proposal in bankruptcy, or if a bankruptcy petitions is presented against it or any of the guarantors.
- If Borrower or any guarantor allows a creditor to enter judgement against it (or them) by reason of its (or theirs) inability to pay a debt.
- If Borrower breaches any undertaking or warranty made herein or should any representation be false.
- Any other event of default as may be considered advisable by the Bank's solicitor.

REPORTING REQUIREMENTS:

The following reports are required:

Monthly:

- Nil

Quarterly:

- Nil

Annually:

- Annual Accountant Prepared Notice to Reader financial statements within 90 days of fiscal year end for 1194038 Alberta Ltdwith Corporate Notice of Assessment NOA and T2.

- Al Dobish Personal Financial Statements with confirmation of all assets and Personal Notice of Assessments

- Copy of insurance policy yearly with financial statements

- Confirmation of all property taxes has been paid on property yearly

COVENANTS:

Standard legal covenants included in security documentation required by the Bank:

1) CASH FLOW TO SERVICE DEBT

Cash flow to service debt will at year-end be greater than 1.25 times. To be tested on annual basis on accountant prepared notice to reader for 1194038 Alberta Ltd.

Cash flow is described as net income after tax plus/minus all non cash expenditures (ie including but not limited to depreciation, interest costs, deferred taxes, Gains/Loss on capital items, etc) plus interest on bank debt. Debt payment is defined as principal and interest expense for both operating and term owing to creditors and leases.

SUNDRY LOAN FEES:

Application Fee: $9,000.00 Application fee

Annual Review Fee: $1250.00 Commercial borrowing accounts are subject to the Bank's periodic review, not less frequently than annually and are made available to the Borrower at the Sole discretion of the Bank.

Breach Fee: $4000.00

Legal/Appraisal Fees: The Borrower shall pay all legal/appraisal fees/engineering fees and disbursements respecting the carrying out of this transaction and the guarantors agree that they will be specifically liable for such fees in the event that the Borrower does not pay them, and that the liability of the guarantors and the Borrower shall be joint and several in connection therewith. In the event that the transaction proceeds in accordance with this commitment, the Bank's solicitors will deduct said fees from the loan advance.

Expenses: The borrower will be responsible, in addition to those fees outlined above, for the following: All accounting and other professional fees including all present and future legal fees required in handling the account.

Interim Requests: Subject to ½% fee of the amount requested (minimum $500.00)

ANNUAL REVIEW:

The credit facilities are subject to the Bank's right of periodic review, not less frequently than annually and are made available to the Borrower at the sole discretion of the Bank. If approved, the next annual review would be scheduled for 90 days from the fiscal year end.

ENVIRONMENTAL:

You will carry on your business, and maintain your assets and property, in accordance with all applicable environmental laws and regulations. The borrower to notify the bank if any release, deposit, discharge or disposal of pollutants of any sort damaging to the environment. The borrower will take the appropriate remedial action in the event of a violation of any environmental law. The borrower indemnifies the bank against any and all alleged liability arising out of any environmental damage on Borrower property.

CONFIDENTIALITY AGREEMENT:

The terms of this Agreement are confidential between you and the Bank of Montreal. You therefore agree not to disclose the contents of this Agreement to anyone except your professional advisors.

In accepting you acknowledge that, if in the opinion of the Bank, a material adverse change in risk occurs, including without limiting the generality of the foregoing, any material adverse change in the financial condition of the Borrower, any obligation to consider some or all of the above facilities may be withdrawn or cancelled.

BMO Bank of Montreal has not committed to any construction financing on this subject property.

This commitment letter will lapse unless a signed accepted copy of same is received by the Bank not later than **September 28, 2016**

We wish to thank you for approaching Bank of Montreal for your company's requirements.

Yours truly,
Bank of Montreal

Christopher S. Cameron
Commercial Account Manager

ACKNOWLEDGEMENT:

The undersigned certifies that all information provided to the Bank of Montreal is true and acknowledges receipt of a copy of this agreement.

Accepted this 28th day of September, 2016

We hereby accept the within commitment and all it's terms.

1194038 Alberta Ltd

BMO SOLICITOR:

John B Williams
Prowse Chowne LLP
1300 10020-101A Ave
Edmonton, Alberta T5J 3G2
780 439-7171 (phone)
780 439-0475 (fax)

Schedule A

The following Positive and Negative Covenants will be maintained by the Borrower while any debt or obligation exists to Bank of Montreal:

Positive Covenants: As long as any loans or commitment of the Bank remains outstanding, the Borrowers will:

1. Cause to be paid all amounts of principal, interest and fees on the dates, times and place specified herein;
2. Provide all materials as requested under the Reporting Requirements detailed below;
3. Advise the Bank promptly of the occurrence of any event which would result in a Material Adverse Change on the financial condition of the Borrower or the occurrence of any Event of Default or default under the Credit Agreement;
4. Cause to be done all things necessary to maintain in good standing its corporate existence;
5. Cause to be paid all lawful taxes, assessments and Government charges;
6. Provide the Bank with information and financial data as it may request from time to time;
7. Maintain property, plant and equipment in good repair and working condition;
8. Provide such additional security, information and documentation as may be required by the Bank or its solicitors;
9. Continue to carry on the business currently being carried on by the Borrowers at the date hereof;
10. Maintain adequate insurance on all of its assets, undertakings and business risks;
11. The Borrowers shall comply with all applicable laws;
12. The Borrowers shall notify the Bank of any litigation commenced or threatened against the Borrower;

Schedule A Continued

Negative Covenants: The Borrowers hereby agree with the Bank that, unless the Bank shall have consented in writing, it shall not, so long as any loans or commitments hereunder remain outstanding:

1. Guarantee or act as surety or agree to indemnify the debts of others;

2. Incur or create any further or additional indebtedness except to the Bank and except such normal indebtedness as may be incidental to the ordinary course of business;

3. Lend money to or invest money in any person, firm, joint venture, partnership, company or corporation whether by way of loan, acquisition of shares, acquisition of debt obligations or in any other way whatsoever without the prior approval of the Bank;

4. Incur capital expenditures in excess of the amount approved by the Bank for the ensuing year.

5. Merge, amalgamate or acquire any other corporation or its assets outside of the Borrower without the prior approval of the Bank;

6. Make, declare or pay any Distributions except for such that are paid out of cash flow as remains after all of the Borrowers obligations and servicing of debts have been met and providing such Distribution does not cause or result in a breach of Financial Covenant;

7. Sell, lease, assign, transfer, convey or otherwise dispose of, or permit any subsidiary to sell, lease, assign, transfer or otherwise dispose of the land and buildings against which the Bank security is registered;

8. Cease to carry on the business currently being carried on by the Borrowers at the date hereof;

9. Permit any material change of ownership or change the capital structure of the Borrowers.

This is **Exhibit "E"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

BMO Bank of Montreal

525 8 Ave SW
Calgary, AB T2P 1G1

December 21, 2021

1194038 ALBERTA LTD.
1304 WELBOURN LANE NW,
EDMONTON, ALBERTA T6M 2M2

Attention: Mr. Dobish

LETTER OF AGREEMENT – AMENDMENT & RESTATEMENT

Bank of Montreal ("**BMO**") is pleased to provide this amended and restated Letter of Agreement with respect to the credit Facilities (each a "**Facility**" and collectively, the "**Facilities**") described herein. The letter (the "**Letter of Agreement**") amends and restates the existing Letter of Agreement dated September 28th, 2016 (the "**Prior Letter**"). The Facilities are offered (or continue to be offered, as applicable) on the terms and conditions set out in this Letter of Agreement. The Schedules listed below and attached form part of this Letter of Agreement.

The Schedules listed below and attached form part of this Letter of Agreement. Capitalised terms used but not defined have the meanings ascribed to them in Schedule D.

Notwithstanding any other provision of this Letter of Agreement or in any applicable agreements, any Advance under any Facility hereunder will be made at BMO's sole discretion. Any unutilized portion of any Facility hereunder may be cancelled by BMO at any time without prior notice.

Borrower:	1194038 ALBERTA LTD.
	(the "Borrower")
Guarantor:	ALAN DOBISH
	(the "Guarantor")
Total Facility Limit:	The total approved amount of all facilities shall not exceed $3,396,805.23 at any time.

Your Product Summary

Facility/ Facilities:

Facility No#	Product Type	Authorized Amount	Currency
1	Real Estate Facility - Shared limit/Multi-product/Multi-draw	$535,000.00	CAD
2	Real Estate Facility - Shared limit/Multi-product/Multi-draw	$2,861,805.23	CAD

Your Product Details

Real Estate Facility - Shared limit/Multi-product/Multi-draw

Facility # 1 - New	
Facility Authorization:	$535,000.00 CAD
Current Advanced Amount:	$0.00 CAD
Available Amount:	$0.00 CAD
Type of Loan:	Real Estate Financing
Purpose:	Debt consolidation
Maximum Amortization:	240 months
Advance Options(each a "Loan" and collectively the "Loans")	**Additional Details**
Demand Loan Non Revolving	**Interest Rate:** Prime Rate plus 1.25%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of December 21, 2021 is 2.45%. **Repayment Terms:** Repayable on demand, provided that until demand is made by BMO: Blended monthly payments comprising principal and interest to be paid in arrears, on the last day of each month. The amount of the payment will be initially determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance. Subject to review at BMO's sole discretion. OR

	Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance, as applicable. Prepayments of principal in whole or in part are permitted, without penalty
Fixed Rate Term Loan	**Type of Loan:** Closed Term Loan **Interest Rate:** To be determined at time of Advance. By way of reference only, the rate in effect as of December 21st, 2021 for a 5 year term is 3.69% per annum; and the rate is valid for 14 days, and thereafter subject to change at BMO's sole discretion from time to time. Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in Advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full. **Repayment Terms:** Blended monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the Loan amount, term, amortization and the interest rate in effect at the time of the Advance. The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan. **Prepayment Terms:** *Closed Term Loan Only* Prepayment not permitted in whole or in part, prior to the maturity date. **Maximum Term:** 5 years **Maturity Date:** The last day of the month determined based on the term selected and the date of Advance.

The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.

Each Loan under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower.

The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.

Real Estate Facility - Shared limit/Multi-product/Multi-draw

<table>
<tr><th colspan="2">Facility # 2 - Existing</th></tr>
<tr><td>Facility Authorization:</td><td>$2,861,805.23 CAD</td></tr>
<tr><td>Current Advanced Amount:</td><td>$2,861,805.23 CAD</td></tr>
<tr><td>Available Amount:</td><td>$0.00 CAD</td></tr>
<tr><td>Type of Loan:</td><td>Real Estate Financing</td></tr>
<tr><td>Purpose:</td><td>Re-amortize</td></tr>
<tr><td>Current Advances:</td><td><table>
<tr><th>Product type</th><th>Account #</th><th>Current Balance</th><th>Payment Amount</th><th>Payment Type</th><th>Payment Frequency</th><th>Interest Rate</th><th>Maturity Date</th></tr>
<tr><td>Fixed Rate Term Loan</td><td>0014-6987-020</td><td>$2,861,805.23</td><td>$19,559.24</td><td>Blended Payment</td><td>Monthly</td><td>3.08%</td><td>30-NOV-2021</td></tr>
</table></td></tr>
<tr><td>Maximum Amortization:</td><td>240 months</td></tr>
<tr><td>Advance Options(each a "Loan" and collectively the "Loans")</td><td>Additional Details</td></tr>
<tr><td>Demand Loan Non Revolving</td><td>Interest Rate: Prime Rate plus 1.25%. Interest is calculated monthly in arrears, and payable monthly. The Prime Rate in effect as of December 21, 2021 is 2.45%.

Repayment Terms: Repayable on demand, provided that until demand is made by BMO:

Blended monthly payments comprising principal and interest to be paid in arrears, on the last day of each month. The amount of the payment will be initially determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance. Subject to review at BMO's sole discretion.

OR

Equal monthly principal payments and monthly interest, to be collected separately on the last day of each month. The amount of the payments will be determined based on the Loan amount, amortization and the interest rate in effect at the time of the Advance, as applicable.

Prepayments of principal in whole or in part are permitted, without penalty</td></tr>
</table>

	Other:
Fixed Rate Term Loan	**Type of Loan:** Closed Term Loan **Interest Rate:** To be determined at time of Advance. By way of reference only, the rate in effect as of December 21, 2021 for a 5 year term is 3.69% per annum; and the rate is valid for 14 days, and thereafter subject to change at BMO's sole discretion from time to time. Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest at the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Prime Rate, determined and accrued daily and compounded monthly, not in Advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full. **Repayment Terms:** Blended monthly payments comprising principal and interest to be paid monthly in arrears, on the last day of each month. The amount of the payment will be determined based on the Loan amount, term, amortization and the interest rate in effect at the time of the Advance. The balance of the Loan then outstanding, together with all accrued and unpaid interest, shall be due and payable at the end of the term of the Loan. **Prepayment Terms:** *Closed Term Loan Only* Prepayment not permitted in whole or in part, prior to the maturity date. **Maximum Term:** 5 years **Maturity Date:** The last day of the month determined based on the term selected and the date of Advance. **Other:**

The aggregate of all outstanding Advances under this Facility shall at no time exceed the Facility Authorization for this Facility.

Each Loan under this Facility shall be a separate Loan, shall be non-revolving and shall be permanently reduced by any repayments or payments by the Borrower.

The Borrower shall give to BMO 5 Business Days notice with respect to any request for a Loan under this Facility.

Conditions Precedent to Advances:

BMO will not be required to make any Advance to the Borrower unless and until each of the following conditions and each of the additional conditions precedent set out in Schedule C have been met to the entire satisfaction of BMO (at its sole discretion):

Conditions Precedent to be Obtained:

1. Final quote for HVAC working confirming $95M, should the quote be less, loan advance will be adjusted downwards.
2. Payout statement of the high interest loan, funds disbursed by bank counsel and release of charges
3. Bank counsel to control CRA payout and no balance owing after
4. Bank Counsel to control pay-out of private loan to Noreen Skaley
5. Corporate and personal 2020 NOA to confirm no material tax are past due.
6. Evidence of repayment of all indebtedness not otherwise permitted under this Agreement, as applicable.
7. Receipt of all notices, certificates, directions, forms or other Documentation required in connection with an Advance.
8. Confirmation that all real property Taxes have been paid to date.
9. Satisfactory review (site visit) of the Lands, and the condition of the improvements thereon.

Security:

Each of the following documents, instruments, agreements and other assurances (collectively, the "**Security**") shall be delivered to BMO prior to any Advance of funds, in form and substance acceptable to BMO and its solicitors, acting reasonably:

Security Held:

1. Insurance on a "Fire and Extended Coverage" or "All Risks" basis must be arranged (with satisfactory evidence thereof delivered to BMO) satisfactory to BMO for the full insurable or replacement value with loss payable to BMO. The policy is to contain the Standard Mortgage Clause. A copy of the policy is to be provided
2. Delivery of an Up to Date or Existing survey/certificate of location of Mortgaged Property(ies) and all buildings located on the Mortgaged Property(ies), prepared by a surveyor licensed in the jurisdiction in which the property(ies) is/are located,which: - bears the name, address and signature of the surveyor, his official seal and licence number (any, or both), the date of a survey,and - includes a Surveyor's Certificate in the form and content required by the jurisdiction(s) in which the property is located OR - Title insurance from an Approved Title Insurance Provider in respect of Lot: 7 Block: 2 Plan: 772-2579 EXCEPTING THEREOUT ALL MINES AND MINERALS naming BMO as beneficiary
3. Registered first-ranking Collateral Mortgage in the amount of $3,700,000.00 registered over Lot: 7 Block: 2 Plan: 772-2579 EXCEPTING THEREOUT ALL MINES AND MINERALS with the municipal address of 10103 175 St NW, Edmonton, AB, T5S1L9 (the "Mortgaged Property") with appropriate enabling resolutions and Documentation
   Assignment of Rents over 10103 175 St NW, Edmonton, AB, T5S1L9
4. Registered General Security Agreement ("GSA")/Moveable Hypothec ("Hypothec") providing BMO with a security interest/hypothec over all present and after-acquired personal/movable property of the Borrower with a First ranking
5. $3,500,000.00 Personal guarantee from ALAN DOBISH,

Any other documents, instruments or agreements as may be required by BMO, acting reasonably

Covenants

As long as any Advance remains outstanding under or in connection with this Letter of Agreement, or so long as any commitment under this Letter of Agreement remains in effect, the Borrower and any Guarantor will perform and comply with the covenants set out in Schedule A.

Financial Covenants:

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following financial covenants, based on financial statements of the Borrower or applicable Guarantor:

Additional Covenants:

In addition, the Borrower and each Guarantor, as applicable, will perform and comply with the following covenants:

1. The Borrower will not, without BMO's prior written consent, participate in any retrofit project or energy or water efficiency project affecting the Mortgaged Property which would have the effect of creating a lien, hypothec or other interest (including, but without limitation, a local improvement charge or similar interest) in the Mortgaged Property ranking, or potentially ranking, in priority to or *pari passu* with the interest of BMO in the Mortgaged Property, whether or not such project is sponsored or endorsed by a municipal or other government, governmental organization or utility.
2. Breach fees $1,000 per breach
3. Negative Covenants - DSC covenant should be greater than or equal to 1.25:1
4. Covenant to be tested as per Actual Net operating income from the property divide by principal and interest payments for the loan

Reporting Requirements:

Annual	Annual Accountant Prepared Notice to Reader financial statements within 90 days of fiscal year end for 1194038 Alberta Ltdwith Corporate Notice of Assessment NOA and T2. Al Dobish Personal Financial Statements with confirmation of all assets and Personal Notice of Assessment Copy of insurance policy yearly with financial statements Confirmation of all property taxes has been paid on property yearly

A $150 per month fee will be applied for non compliance with reporting requirements. The application of this fee does not waive the Default condition.

Prompt notification of management letters, Default notices, Litigation, and any other material events

Satisfactory evidence that all Taxes (including, without limitation, GST, HST, sales tax, withholdings, etc.) have been paid to date

Representations and Warranties:

The Borrower and each Guarantor, as applicable, makes the representations and warranties set out in Schedule B. All representations and warranties of the Borrower and any Guarantor, in addition to any representation or warranty provided in any document executed in connection with a Facility or any Security, shall be true and correct on the date of this Letter of Agreement and on the date of any Advance under a Facility.

Noteless Advances:

The Borrower acknowledges that the actual recording of the amount of any Advance or repayment thereof under the Facilities, and interest, fees and other amounts due in connection with the Facilities, in an account of the Borrower maintained by BMO, shall constitute *prima facie* evidence of the Borrower's indebtedness and liability from time to time under the Facilities;

provided that the obligation of the Borrower to pay or repay any indebtedness and liability in accordance with the terms and conditions of the Facilities set out in this Letter of Agreement shall not be affected by the failure of BMO to make such recording. The Borrower also hereby acknowledges being indebted to BMO for principal amounts shown as outstanding from time to time in BMO's account records, and all accrued and unpaid interest in respect thereto, which principal and interest the Borrower hereby undertakes to pay to BMO in accordance with the terms and conditions applicable to the Facilities as set out in this Letter of Agreement.

Fees:

All costs and expense incurred by BMO in connection with this Letter of Agreement and the Facilities (including without limitation all legal, appraisal, consulting, and registration fees), and the enforcement of the Security are for the account of the Borrower.

A one-time fee ("Fee") of $2500 is payable by the Borrower to BMO upon acceptance of this Letter of Agreement. This fee is deemed to be earned by BMO upon acceptance of this Letter of Agreement, to compensate for time, effort and expense incurred by BMO in authorizing these Facilities.

Credit renewal fees will be payable as advised by BMO annually; at the date of this letter such fees are estimated to be 10 basis points. All fees payable under this Letter of Agreement shall be paid to BMO on the dates due, in immediately available funds. Fees paid shall not be refundable except in the case of manifest error in the calculation of any fee payment.

Banking Services:

The Borrower shall maintain its Bank Accounts, solely with the BMO. Borrower acknowledges that the pricing (including interest, fees and charges) contained in this Letter of Agreement is contingent on the Borrower maintaining all of its operating accounts with BMO. In the event the Borrower does not do so, BMO may, at any time, in its sole discretion and without any requirement to obtain the agreement of, or provide prior notice to the Borrower, increase such pricing.

Treasury & Payment Solutions:

BMO will provide Non-Credit and treasury & payment solutions to the Borrower. A Treasury & Payment Specialist will contact the Borrower to implement BMO's On-Line Banking for Business platform (OLBB) and discuss additional treasury & payment features such as Electronic Funds Transfer (EFT), Wire Payments, BMO DepositEdge® and Moneris® Payment Processing Solutions. BMO's objective is to provide a package of services that are tailored to meet both the current and future needs of the Borrower in a cost efficient operating environment.

Commercial Loan Insurance Plan:

You understand that unless you submit an Application for Commercial Loan Insurance Plan ("Application"), and it has been approved by Canada Life as the insurer, you will not be covered under the Commercial Loan Insurance Plan for any facilities under this Letter of Agreement and would be ineligible to submit a claim should you undergo an insurable event.

Counterparts; Electronic Transmissions:

This agreement may be executed in any number of counterparts with the same effect as if all parties hereto had all signed the same document. Any counterpart of this Agreement may be executed and circulated by facsimile, PDF or other electronic means and any counterpart executed and circulated in such a manner shall be deemed to be an original counterpart of this Agreement. All counterparts shall be construed together and shall constitute one and the same original agreement.

Governing Law:

Alberta and the federal Laws of Canada applicable therein.

Schedules:

The following Schedules are attached to and form part of this letter of agreement:
Schedule A – Covenants
Schedule B – Representations and Warranties

Schedule C – Conditions Precedent to Advances

BMO's Legal Counsel: Carscallen

Agreement and Consent

This Letter of Agreement amends and restates, without novation, the Prior Letter, as of September 28th, 2016, without prejudice to the effect of the terms of the Prior Letter or to any actions taken under or pursuant to the Prior Letter prior to such date. The entry into effect of this Letter of Agreement shall not be deemed to waive or limit any of BMO's rights in respect of any Event of Default then existing under the Prior Letter or any Event of Default under this Letter of Agreement which exists because of matters occurring prior to such effective date, whether or not known to BMO.

In accepting this agreement you acknowledge that if, in the opinion of BMO, a material adverse change in risk occurs including, without limitation, any material adverse change in the financial condition, business, property or prospects of the Borrower or any Guarantor, the rights and remedies of BMO, or the ability of the Borrower or any Guarantor to perform its Obligations to BMO, any obligation to Advance some or all of the above Facilities may be withdrawn or cancelled.

Please indicate your acceptance of the terms and conditions hereof by signing and returning one copy of this Letter of Agreement (and making payment of the above noted fee, if applicable) to BMO no later than January 15th, 2022. If your acceptance of this Letter of Agreement is not received by BMO by that date, BMO shall have no obligation to proceed with any of the Facilities.

Yours truly,
BANK OF MONTREAL

E-SIGNED by Jaye Hubbard
By: on 2021-12-21 23:53:04 GMT
Name: JAYE HUBBARD
Title: Director, Income Property Finance

Agreement and Consent

Accepted and agreed to this 21st **day of** December, **20**21
(Day) (Month) (Year)

BORROWER

1194038 ALBERTA LTD.

Signature: E-SIGNED by Al Dobish on 2021-12-21 23:49:17 GMT

Name: Al Dobish

Title: Authorized Signatory

GUARANTOR

ALAN DOBISH

Signature: E-SIGNED by Al Dobish on 2021-12-21 23:49:21 GMT

Name: Alan Dobish

Witness Signature: E-SIGNED by Jaye Hubbard on 2021-12-21 23:53:08 GMT

Witness Name: Jaye Hubbard

SCHEDULE A

COVENANTS

1. Payment of all indebtedness due to BMO in connection with this Letter of Agreement or any Facility.
2. Maintenance of corporate existence and status, if applicable.
3. Payment of all Taxes when due (including, without limitation, corporate, GST, HST, sales tax and withholding).
4. Compliance with all material Laws, regulations and applicable permits or Approvals (including health, safety and employment standards, labour codes and environmental Laws).
5. Compliance with all material agreements.
6. Use of proceeds to be consistent with the approved purpose.
7. Notices of death of Borrower or Guarantor, Default, material Litigation, and regulatory proceedings to be provided to BMO on a timely basis.
8. Access by BMO to books and records; BMO to have right to inspect property to which its security applies.
9. No assumption of additional indebtedness or guarantee Obligations by Borrower without prior written consent of BMO.
10. No liens or encumbrances on any assets except with the prior written consent of BMO.
11. No change of control or ownership of the Borrower without the prior written consent of BMO.
12. No disposition of property or assets (except in the ordinary course of business) without the prior written consent of BMO.
13. No material acquisitions, hostile takeovers, mergers or amalgamations without BMO's prior written approval.
14. [For multiple currencies]:

If, for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Letter of Agreement, it becomes necessary to convert into a particular currency (the "Judgment Currency") any amount due under this Letter of Agreement in any currency other than the Judgment Currency (the "Currency Due"), then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose "rate of exchange" means the rate at which BMO is able, on the relevant date, to purchase the Currency Due with the Judgment Currency in accordance with its normal practice at its principal office in Toronto, Ontario. In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which the judgment is given and the date of receipt by BMO of the amount due, the Borrower will, on the date of receipt by BMO, pay such additional amounts, if any, or be entitled to receive reimbursement of such amount, if any, as may be necessary to ensure that the amount received by BMO on such date is the amount in the Judgment Currency which when converted at the rate of exchange prevailing on the date of receipt by BMO is the amount then due under this Letter of Agreement in the Currency Due. If the amount of the Currency Due which BMO is so able to purchase is less than the amount of the Currency Due originally due to it, the Borrower and each Guarantor jointly and severally (solidarily) agree to indemnify BMO from and against any and all loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other Obligations contained in this Letter of Agreement, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by BMO from time to time and shall continue in full force and effect notwithstanding any judgment or order in respect of an amount due under this Letter of Agreement or under any judgment or order.

SCHEDULE B

REPRESENTATIONS AND WARRANTIES

1. It has the corporate status, power and authority to enter into this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party, and to perform its Obligations hereunder and thereunder.
2. It is in compliance with all applicable Laws (including environmental Laws) and its existing agreements.
3. Except as otherwise disclosed to BMO in writing, no consent or approval of, registration or filing with, or any other action by, any governmental authority is required in connection with the execution, delivery and performance by it of this Letter of Agreement and any agreement executed in connection with a Facility or any Security to which it is a party.
4. All factual information that has been provided to BMO for purposes of or in connection with this Letter of Agreement or any transaction contemplated herein is true and complete in all material respects on the date as of which such information is dated or certified.
5. No event, development or circumstance has occurred that has had or could reasonably be expected to have a Material Adverse Effect on the business, assets, operations or condition, financial or otherwise, of the Borrower or any Guarantor.
6. There is no material Litigation pending against it or, to its knowledge, threatened against or affecting it.
7. It has timely filed or caused to be filed all required tax returns and reports and has paid or caused to be paid all required Taxes.
8. It has good and marketable title to its properties and assets including ownership of and/or sufficient rights in any material intellectual property.
9. It has complied with all Obligations in connection with any pension plan which it has sponsored, administered or contributed to, or is required to contribute to including, without limitation, registration in accordance with applicable Laws, timely payment of all required contributions or premiums, and performance of all fiduciary and administration Obligations.
10. It maintains insurance policies and coverage that provides sufficient insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons in the same or a similar business.
11. It is not in Default nor has any event or circumstance occurred which, but for the passage of time or the giving of notice, or both, would constitute a Default under any loan, credit or security agreement, or under any material instrument or agreement, to which it is a party.

SCHEDULE C

ADDITIONAL CONDITIONS PRECEDENT TO ADVANCES

1. Delivery and review of the articles or other constating documents, by-laws, certified resolutions, shareholder agreements (if any) and good standing or equivalent certificates of each Credit Party demonstrating corporate or organisational status, due capacity and sufficient authority.
2. Delivery of a duly executed copy of the Documentation.
3. Review of all necessary Approvals.
4. Review of all Material Contracts.
5. Review of all information necessary for BMO to comply with all legal and internal requirements in respect of anti-money laundering and proceeds of crime legislation and "know your customer" requirements.
6. Review (as to covered risks, amounts, periods, renewals, issuer(s), named insured(s), beneficiaries, loss payees, caps, standard mortgage and similar clauses, conditions, exclusions and otherwise) by BMO (or its agents) of all insurance policies issued to the Credit Parties.
7. Completion of all due diligence required by BMO in respect of the Credit Parties and their respective business, operations, assets, property and undertaking (including lien, Litigation and solvency searches, as well as real property, insurance, tax, pension and environmental diligence, in each case where and as applicable).
8. Confirmation that all representations, warranties and other declarations made by the Credit Parties under each of the Documentation are true, complete and accurate at the time made or deemed made (including at the time of any Advance).
9. Confirmation that, since the most recent financial statements provided to BMO, no event or series of events has occurred or failed to occur which would reasonably be expected to have, either singly or in the aggregate, a Material Adverse Effect.
10. Confirmation that no Default shall have occurred or be continuing.
11. Payment of all fees, costs, charges, expenses and other amounts then owing under the Documentation.
12. Any other document or action that BMO may reasonably require.

SCHEDULE D

DEFINITIONS

"**Advance**" means an advance, continuation or conversion (where applicable) of any loan or credit extended under this Agreement.

"**Approvals**" means, collectively, all material governmental, regulatory, third party or other approvals, authorizations, consents, rights, titles, interests, franchises, licenses, permits, privileges, qualifications and the like, and orders, registrations, declarations, publications, recordings, filings, notices and such other actions which, in each case, are necessary or desirable (i) for the ownership, lease, operation and normal conduct of the business, property, undertaking and assets of any Credit Party, or (ii) under or in connection with the Facilities and the Documentation (including the execution, delivery, performance, validity, enforceability and perfection (opposability) thereof).

"**Credit Parties**" means, collectively, the Borrower(s) and the Guarantor(s).

"**Default**" means a breach or default or event which, with the giving of notice or the passage of time or both, would constitute a breach or a default (whether as to the performance or fulfilment of any representations, warranties, covenants, obligations or other provisions thereunder) under the applicable documentation (including the Documentation).

"**Documentation**" means, collectively, this Agreement, the Guarantee and Security (set forth below) and all other agreements and documents required to be delivered in connection with the Facilities or the transactions contemplated hereby.

"**including**" means including but without limitation.

"**Laws**" means all laws, statutes, regulations, rules, codes, orders, ordinances, treaties, conventions, judgements, awards, determinations, directives, orders and decrees applicable to a Credit Party, its business or its property, undertaking and assets, including, without limitation, environmental laws and pension plan and other employee plan matters.

"**Litigation**" means any judgment, writ of execution, order, notice of deficiency, injunction or directive rendered, and any notice of infraction, action, suit, proceeding or investigation pending or threatened, in each case against a Credit Party or any of its property or assets.

"**Material Contracts**" means any contract or agreement entered into by any Credit Party in respect of which any material breach or default or any termination or non-renewal would reasonably be expected to have a Material Adverse Effect under clause (i) or (ii) of the definition thereof, as such contracts or agreements may be amended, supplemented, restated, replaced or otherwise modified from time to time to the extent permitted under the Documentation.

"**Material Adverse Effect**" means a material adverse effect on (i) the business, assets, results of operations, prospects or condition (financial or otherwise) of any Credit Party, (ii) the ability of each Credit Party to perform its obligations under the Documentation, or (iii) the legality, validity, binding nature or enforceability of the rights, remedies or recourses of BMO under any of the Documentation.

"**Obligations**" means all debts, liabilities and obligations owed to BMO under or in connection with the Facilities, this Letter of Agreement or any other Documentation (in principal, interest, fees, premiums, penalties, costs, losses, expenses and other charges).

"**Prime Rate**" means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on Canadian dollar loans made to its customers in Canada and designated as its prime rate.

"**Taxes**" means all taxes, duties, assessments, imposts, levies and similar charges and claims imposed upon a Credit Party, its income or profits, or upon any properties belonging to it (including, without limitation, corporate, GST, HST, sales tax, real property taxes and other withholdings, deductions and related liabilities).

"**US Base Rate**" means the rate of interest announced from time to time by BMO as its reference rate then in effect for determining rates of interest charged on U.S. Dollar loans made to its customers in Canada and designated as its U.S. base rate.

This is **Exhibit "F"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

Advice of Loan Terms

BMO Bank of Montreal

Further to our conversation, we are pleased to confirm your instructions for the following term loan renewal of the credit facility as outlined in our Letter of Agreement:

Date: January 28, 2022

Borrower Name: 1194038 ALBERTA LTD.

Loan Type: Fixed Rate Term Loan

Loan Advance Amount: $2,869,293.05

Requested Date of Advance: January 28, 2022

Funds to be Credited to: 0014-6987-020

Interest Rate: 3.51% per annum

Selected Term: 36 months

Amortization: 240 months

Payment Frequency: Monthly

Payment Type: Blended

Payment Amount: $16,655.49

First Payment Due: February 28, 2022

Maturity Date: January 31, 2025

Thank you for your business, and I look forward to continuing to work with you to meet your financial goals.

Accepted and agreed to this __28__ day of January, 2022

E-SIGNED by Jaye Hubbard
on 2022-01-28 16:16:14 GMT

Name: **Jaye Hubbard**
Title: Relationship Manager

For renewals: 1194038 ALBERTA LTD.

Signature: E-SIGNED by Al Dobish
on 2022-01-28 17:52:28 GMT

Name: Alan Dobish

Title: Director

This is **Exhibit "G"** referred to in
the Affidavit of Michelle
Madrigga Sworn before me this
7 day of February, 2023.

A Commissioner for Oaths in
and for the Province of Alberta

James W. Reid
Barrister & Solicitor

Bank of Montreal

September 27, 2016 $3,500,000.00

Branch
10199-101 Street
Edmonton, Alberta
T5J 3Y4

On demand I promise to pay to the order of Bank of Montreal the sum of Three Million Five Hundred Thousand ($3,500,000.00) Dollars and to pay interest monthly at a rate of one percent (1.00%) per cent per annum above the Bank of Montreal's prime interest rate per annum in effect from time to time, up to and after maturity, compounded monthly from the due date of such interest until actual payment at the above mentioned branch of the Bank of Montreal. At the date of this note such prime interest rate per annum is Two and Seven Tenths (2.70%) per cent. Value received.

FOR INTERNAL BANK USE ONLY

Credit Deposit Account No.	Loan Account No.	Initials
0014 1481-789	0014-6987-186	CL

1194038 Alberta Ltd.

Per: Alan Dobish, President

377248

This is **Exhibit "H"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

BMO Bank of Montreal

Fixed Rate Term Loan Agreement

This **LOAN AGREEMENT** is made as of the 7 day of December, 2016, between BANK OF MONTREAL (the "Bank")

AND 1194038 Alberta Ltd (the "Borrower")

For good and valuable consideration, the receipt and adequacy of which are acknowledged, the Bank establishes in favour of the Borrower a Fixed Rate Term Loan allowing the Borrower to borrow from the Bank the principal amount of $3,480,234.83, upon the following terms and conditions:

1. In this Agreement:

   (a) "Agreement" means this loan agreement, as it may be amended, supplemented, restated, replaced or otherwise modified from time to time;

   (b) "Business Day" means any day that is not a Saturday, Sunday or other day on which the Bank is authorized or required by applicable law in the jurisdiction listed in Section 15 of this Agreement to remain closed;

   (c) "Change in Control" means the occurrence of one or more sales, transfers or other dispositions of the beneficial ownership of the Borrower existing on the date of this Agreement in the aggregate of:

      (i) shares, other securities or other equity interests issued by the Borrower which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by the Borrower; or

      (ii) shares, other securities or equity interests issued by any Controlling Entity which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by such Controlling Entity;

   (d) "Controlling Entity" means any corporation or other entity which on the date of this Agreement beneficially owned, directly or indirectly, shares, other securities or other equity interests issued by the Borrower which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by the Borrower;

   (e) "Fixed Rate" has the meaning set out in clause 3 of this Agreement;

   (f) "Loan" means the total principal amount advanced and outstanding at any time under this Agreement, together with accrued and unpaid interest thereon, if any;

   (g) "Maturity Date" means the last day of November, 2021; and

   (h) "Prime Rate" means, on any day, the annual rate of interest established by the Bank and in effect on such day as the reference rate it will use to determine the rate of interest charged on Canadian dollar loans to customers in Canada, and designated by the Bank as its "Prime Rate".

Delete 2. if (i) the Borrower is an individual, (ii) the loan is not secured by a real property mortgage and (iii) the loan amount is for $100,000 or less. Borrower to initial change.

2. ~~Prepayment of the Loan in whole or in part is not permitted prior to the Maturity Date.~~
10% repayment per year on orginal amount, non-cumulative repayment not allowed

3. The Loan shall bear interest, from and including the date of this Agreement, at the rate of 3.080% per annum, determined and accrued daily and compounded monthly, not in advance, on the outstanding balance of the Loan (the "Fixed Rate").

Check either (a) or (b), as appropriate.

4.

☐ (a) **Principal Payment Plus Interest:**

(i) The Loan principal shall be repaid by installments as follows:
$ on the day of ______________, 20 and thereafter $ on the l of each and every period until the Maturity Date, on which date the balance of

the Loan then outstanding and all accrued and unpaid interest shall become due and payable.

(ii) Interest shall be paid at the Fixed Rate on the last day of each and every month from the date of this Agreement on the balance of the Loan from time to time remaining unpaid up to and after the Maturity Date.

☒ (b) **Blended Payments:** The Loan shall be repaid by installments comprising principal and interest at the Fixed Rate as follows: December
$19,559.24 on the last day of ~~November~~, 2016 and thereafter $19,559.24 on the last day of each and every month until the Maturity Date, on which date the balance of the Loan then outstanding and all accrued and unpaid interest shall become due and payable.

(c) Any installments to be paid on a non-Business Day may, at the Bank's discretion, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon.

(d) Notwithstanding the foregoing and unless otherwise prohibited by law, if the Loan is not paid in full with interest on the Maturity Date, the Loan shall bear interest at a rate per annum equal to the sum of 3% plus the Bank's Prime Rate, determined and accrued daily and compounded monthly, not in advance, on the outstanding balance, from the Maturity Date and both before and after demand and both before and after judgment until actual payment in full.

5. Fees:

(a) The Borrower agrees to pay on the ____ day of ____________________, 20 , a booking fee of ____ % of the principal amount of the Loan.

(b) The Borrower agrees to pay on the ____ day of ____________________, 20 , an application fee in the amount of $ ____.

(c) At the request of the Borrower, the Fixed Rate may be fixed up to 45 days before the first advance. If requested, the Borrower shall pay on the ____ day of ____________________, 20 , a refundable rate reservation fee of 1% of the principal amount of the Loan, which fee will be refunded to the Borrower on the day the Loan is advanced. In the event that the Loan is cancelled by the Borrower, such fee will not be refunded to the Borrower.

6. The Bank shall be under no obligation to make any advance until the Bank shall be satisfied that it has received:

(a) a duly executed copy of this Agreement;
(b) security for the amount of the Loan, duly registered and in form and substance satisfactory to the Bank and duly executed by the Borrower;
(c) payment in full of all fees and other amounts due and payable on or prior thereto; and
(d) any additional documents which the Bank may reasonably require.

7. The Borrower represents and warrants that:

(a) it has been duly incorporated, organized and is properly constituted, exists in good standing and is entitled to conduct its business in all jurisdictions in which it carries on business or has assets or, if the Borrower is an individual, the Borrower has the requisite legal capacity to enter into and perform its obligations under this Agreement;

(b) the entering into of this Agreement and the incurring of liability and indebtedness by the Borrower hereunder do not and will not contravene or breach,

(i) any law, regulation or judicial order applicable to the Borrower or (if applicable) the charter, by-laws or other organizational documents of the Borrower; or

(ii) any provision contained in any other loan or credit agreement, debenture, trust deed or other borrowing instrument or contract to which the Borrower is party;

(c) this Agreement, when duly executed and delivered by the Borrower to the Bank, will constitute a valid and binding obligation of the Borrower, enforceable in accordance with its terms;

(d) the Borrower's assets are legally and beneficially owned by the Borrower and, except as previously disclosed to the Bank in writing, all of the Borrower's assets pledged to secure the Loan are free and clear of all hypothecs, mortgages, claims, security interests, liens, charges or other encumbrances or rights in favour of third parties, whether perfected or otherwise, which are not in favour of the Bank; and

(e) all necessary authorizations, approvals, consents or other orders from any authority, governmental or otherwise, have been obtained with respect to the obtaining of the Loan and the execution and delivery of this Agreement.

8. The Borrower covenants that it:

(a) will deliver to the Bank:

(i) as soon as available and in any event within 90 days of the end of each fiscal year, copies of its financial statements (audited, where available) and, if applicable, the report of its auditor thereon; and

(ii) at any time and from time to time such other information as the Bank may reasonably request;

(b) unconditionally promises to pay to the Bank on the Maturity Date the then unpaid principal amount of the Loan, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder;

(c) will insure against all risks relevant to its business operations for amounts commensurate thereto, and assign the policies to the Bank and assign, hypothecate or otherwise ensure all amounts payable thereunder are payable to the Bank, all as required by and satisfactory to the Bank;

(d) will furnish the Bank with additional security from time to time as the Bank may request;

(e) will limit capital expenditures to a maximum of $0.00 in any fiscal year;

(f) authorizes the Bank to record, file or register, at the Borrower's expense, any registrations or filings, including without limitation any financing statements, that are necessary or desirable to protect, perfect and maintain the protection and perfection of any hypothecs, mortgages, claims, security interests, liens, charges or other encumbrances or rights in favour of the Bank, and to obtain evidence satisfactory to the Bank of the rank and priority of such hypothecs, mortgages, claims, security interests, liens, charges or other encumbrances or rights;

(g) will notify the Bank in writing immediately (i) upon receipt or notice of any law suits, claims, demands, governmental investigation or requirements to pay addressed to the Borrower or in which the Borrower is named as a party, and (ii) if any guarantor of all or any part of the Loan dies or terminates its guarantee;

(h) will use the proceeds of the Loan solely for the purpose of:

<u>Payout BMO Loan # 0014 6987186</u>

______________;

(i) will, to the extent not in conflict or inconsistent with the provisions of this Agreement, comply with all of the provisions, covenants and agreements contained in any term sheet, commitment letter or similar document, as such document may be amended, supplemented, restated, replaced or otherwise modified from time to time, given by the Borrower to the Bank which relates to the Loan hereunder, and such provisions, covenants and agreements are incorporated herein as if restated in their entirety; and

(j) will not, without the prior written consent of the Bank:

(i) materially change the nature of its business from that now carried on;
(ii) create, incur, assume or permit to exist any hypothec, mortgage, claim, security interest, lien, charge or other encumbrance or right, whether perfected or otherwise, in favour of a third party ranking ahead of or equally with any security given to or agreed to be given to the Bank;
(iii) create, incur, assume or permit to exist any additional debt other than in the ordinary course of business;
(iv) sell, lease, license, transfer, assign or otherwise dispose of any assets except in the ordinary course of business; or
(v) change the ownership of the business.

9. If one or more of the following events shall occur:

(a) If:

(i) the Borrower fails to pay any amount owing to the Bank pursuant to this Agreement or any other document given to the Bank, including without limitation the Loan, on the date same becomes due;

(ii) the Borrower leases, licenses, transfers, assigns or otherwise disposes of any or all of the assets which the Bank holds as security for the Loan, other than in the ordinary course of business;

(iii) the Borrower shall be in default in respect of any obligation to pay money whether or not it is in respect of the Loan;

(iv) the Borrower shall fail to observe and comply with any term, condition or provision of this Agreement or in any other document given to the Bank, other than a default in the payment of money, and such default cannot be cured;

(v) the Borrower shall fail to observe and comply with any term, condition or provision of this Agreement or in any other document given to the Bank, other than a default in the payment of money, and such default can be cured and the Borrower shall fail to do so within 30 days after the earlier of the Borrower acquiring knowledge of such default or receiving written notice thereof from the Bank;

(vi) any of the Borrower's representations and warranties in this Agreement or in any other document given to the Bank shall prove to have been incorrect when made or deemed to be made;

(vii) the holder (including the Bank) of any claim, hypothec, mortgage, security interest, lien, charge or other encumbrance or right on any of the Borrower's assets and undertaking does anything to enforce or realize on such claim, hypothec, mortgage, security interest, lien, charge or other encumbrance or right;

(viii) the Bank determines that there has been a materially adverse change in the business, assets, operations, prospects or condition, financial or otherwise, of the Borrower;

(ix) a guarantor of all or any part of the Loan dies or if a guarantee for the Loan terminates or ceases to be in full force and effect and a legally valid, binding and enforceable obligation of a guarantor;

(x) the Borrower is not an individual and a Change in Control occurs without the prior written consent of the Bank;

(xi) the Borrower is not an individual and the Borrower merges, consolidates or amalgamates with any other person or business; or

(b) If an application for a bankruptcy order, notice of intention to make a proposal or proposal is filed, application made or other proceeding instituted against or in respect of the Borrower, or assignment of all the property of the Borrower is made under the terms of the *Bankruptcy and Insolvency Act*, the *Companies' Creditors Arrangement Act*, the *Winding-Up and Restructuring Act*, any applicable corporations legislation or any other bankruptcy, insolvency or analogous laws, or if a receiver, receiver manager, custodian, trustee, liquidator, sequestrator or other similar official is appointed to take possession over any substantial portion of the assets of the Borrower, or if the Borrower permits any of its assets to be seized (including by way of execution, attachment, garnishment, levy or distraint) or if the Borrower makes an assignment for the benefit of its creditors or is adjudicated insolvent or bankrupt or applies to any tribunal for any receiver, receiver manager, custodian, trustee, liquidator, sequestrator or other similar official of or for the Borrower or the Borrower's assets, or any other proceeding is commenced in relation to any of the foregoing in respect of the Borrower,

then the Borrower shall be in default hereunder and the Bank may, at its option upon written notice to the Borrower, declare that the entire balance of the Loan, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall immediately become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower.

10. (a) Any request, notice, or demand made or given in connection with this Agreement may be made or given by mail by prepaid post or by delivery to the party for which it is intended and addressed as follows:

BORROWER:
1194038 Alberta Ltd
10103-175 Street
Edmonton, Alberta

BANK OF MONTREAL:
10199 – 101 Street
Edmonton, Alberta
T5J 2J2

provided however that any party may change its address for purposes of receipt of such communication by giving 10 calendar days prior written notice of such change to the other party in the manner prescribed herein.

(b) Any such request, notice, or demand shall be conclusively deemed to have been received by the party to which it is addressed on the third Business Day following the day of such mailing, if mailed, or on the day of delivery, if delivered.

11. All out-of-pocket expenses incurred by the Bank, including reasonable legal costs and all applicable taxes, in the preparation, administration or enforcement of this Agreement or any security or other documentation required hereunder or in connection herewith shall be for the account of the Borrower.

12. The Borrower acknowledges that the actual recording of the amount of any advance or repayment under the Loan and interest, fees and other amounts due in connection with the Loan in the accounts of the Borrower maintained by the Bank, shall constitute prima facie evidence of the Borrower's indebtedness and liability from time to time under this Agreement; provided that the obligation of the Borrower to pay or repay any indebtedness and liability in accordance with this Agreement shall not be affected by the failure of the Bank to make such recording.

13. The Bank may from time to time and at any time waive in whole or in part:

(a) the rights accruing to it by reason of any of the provisions of any clause of this Agreement; or

(b) any default under any clause in this Agreement which is to its benefit;

but any such waiver by the Bank of any such right or of any such default on any occasion shall be deemed not to be a waiver of the provisions of any such clause thereafter or of any other clause or of any subsequent default, as the case may be.

14. If the Borrower comprises more than one person, all covenants and liabilities entered into, by or imposed upon the Borrower shall be joint and several (solidary in the Province of Quebec). Each Borrower, if more than one, is responsible both individually and together with the other Borrower(s) for all obligations of the Borrower to the Bank pursuant to this Agreement.

15. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable in that province.

16. This Agreement shall be binding upon and enure to the benefit of the parties hereto, their successors, heirs, liquidators, administrators and assigns, except that the Borrower may not assign any of its rights or obligations hereunder without the Bank's prior written consent.

17. Any clause or part thereof which may be null or unenforceable shall not invalidate, affect or impair the remaining provisions of this Agreement.

18. Any schedules attached to this Agreement are incorporated herein in their entirety and form an integral part of this Agreement.

This clause applies only in the Province of Quebec

19. It is the express wish of the parties that this Agreement and any related documents be drawn up and executed in English.
Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

IN WITNESS WHEREOF this Agreement has been executed by the Borrower and the Bank as of the date set forth above.

BANK OF MONTREAL

By:
Name: Christopher S Cameron
Title: Commercial Account Manager

1194038 Alberta Ltd

By:
Name:
Title:

SCHEDULE A

ADDITIONAL TERMS AND CONDITIONS

Check 1. if Debt Service covenant is required. Borrower to initial.

☒ 1. The Borrower covenants that it will at all times maintain a debt service coverage ratio of not less than 1.25, and it will upon request by the Bank from time to time deliver to the Bank all such financial statements and records as are required by the Bank to determine the debt service coverage ratio; for the purpose of this Agreement, the term "debt service coverage ratio" at any date means the ratio of:

(i) the amount of the net revenue of the Borrower for the period from the commencement of the then current fiscal year to such date, plus the amounts of depreciation and amortization expense of the Borrower for such period, all as determined by the Bank from financial statements and records provided by the Borrower, to

(ii) the aggregate amount of all payments required to be made by the Borrower during such period on account of (i) principal and interest on any indebtedness of the Borrower for borrowed money (from the Bank or otherwise) and (ii) rents or other amounts payable on leases treated by the Borrower as capital leases for accounting purposes.

Check 2. if the Borrower is a municipality. Borrower to initial.

☐ 2. In the event that the Borrower is a municipality, the provisions of Section 8 of the Agreement shall be deleted in its entirety and replaced with the following:

"8. The Borrower covenants that it:

(a) will deliver to the Bank:
   (i) as soon as available and in any event within 90 days of the end of each fiscal year, copies of its financial statements (audited, where available) and, if applicable, the report of its auditor thereon; and
   (ii) at any time and from time to time such other information as the Bank may reasonably request;

(b) unconditionally promises to pay to the Bank on the Maturity Date the then unpaid principal amount of the Loan, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder

(c) will insure against all risks relevant to its operations for amounts commensurate thereto and satisfactory to the Bank;

(d) will furnish the Bank with additional security from time to time as the Bank may deem fit at the request of the Bank;

(e) authorizes the Bank to record, file or register, at the Borrower's expense, any registrations or filings, including without limitation any financing statements, that are necessary or desirable to protect, perfect and maintain the protection and perfection of any hypothecs, mortgages, claims, security interests, liens, charges or other encumbrances or rights in favour of the Bank, and to obtain evidence satisfactory to the Bank of the rank and priority of such hypothecs, mortgages, claims, security interests, liens, charges or other encumbrances or rights;

(f) will use the proceeds of the Loan for the purpose of:

____

____

____; and

(g) will, to the extent not in conflict or inconsistent with the provisions of this Agreement, comply with all of the provisions, covenants and agreements contained in any term sheet, commitment letter or similar document, as such document may be amended, supplemented, restated, replaced or otherwise modified from time to time, given by the Borrower to the Bank which relates to the Loan hereunder, and such provisions, covenants and agreements are incorporated herein as if restated in their entirety."

This is **Exhibit "I"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

To BANK OF MONTREAL:

IN CONSIDERATION of Bank of Montreal (the "Bank") dealing with **1194038 Alberta Ltd.** ("the Customer"), the undersigned hereby jointly and severally (solidarily in the Province of Québec) guarantees payment to the Bank of all present and future debts and liabilities in any currency, direct, indirect, contingent or otherwise, matured or not, including interest thereon, now or at any time, due or owing to the Bank from or by the Customer or by any successor of the Customer, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatever a creditor of the Customer, wherever incurred and whether incurred by the Customer as principal or surety, alone or jointly with any other person, or otherwise howsoever. The liability of the undersigned (or each undersigned, if more than one), under this Guarantee, is limited to the aggregate amount of **Three Million Five Hundred Thousand Dollars ($3,500,000.00)** plus interest thereon at a rate of **Three(3%) per cent** per annum above the Bank's prime interest rate in effect from time to time, from and including the date of demand until payment, and legal or other costs, charges and expenses. The liability of the undersigned to make payment under this Guarantee shall arise immediately after demand for payment under this Guarantee has been made in writing by the Bank on the undersigned or any one of them, if more than one. The term "prime interest rate" means the floating annual rate of interest established from time to time by the Bank as the base rate it uses to determine rates of interest on Canadian dollar loans to customers in Canada and designated as Prime Rate.

IT IS AGREED that no change in the name, objects, capital stock, ownership, control or constitution of the Customer shall in any way affect the liability of the undersigned with respect to transactions occurring either before or after any such change. If the Customer amalgamates with one or more other corporations this Guarantee shall continue and apply to all debts and liabilities owing to the Bank by the corporation continuing from the amalgamation. The Bank shall not be required to inquire into or confirm the powers of the Customer or any of its directors or other agents acting or purporting to act on its behalf, and all amounts, liabilities, advances, renewals and credits in fact incurred, borrowed or obtained from the Bank shall be deemed to form part of the debts and liabilities hereby guaranteed, notwithstanding whether incurring such debts or liabilities exceeded the powers of the Customer or of its directors or agents, or was in any way irregular, defective or improper.

IT IS FURTHER AGREED that the undersigned shall be liable to the Bank in respect of all debts and liabilities, subject to the limitation, if any, set forth in the first paragraph of this Guarantee, stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, notwithstanding whether any such agreement or any provision thereof is invalid, void, illegal, or unenforceable and notwithstanding whether such agreement was properly completed, entered into or authorized. Subject to the limitation, if any, set forth in the first paragraph of this Guarantee, the undersigned shall indemnify and save the Bank harmless from any losses which may arise by virtue of any debts and liabilities stated to be owing to the Bank by the Customer under any agreement entered into by the Customer with respect to such debts and liabilities, or any other agreement relating to any of the foregoing, being or becoming for any reason whatsoever in whole or in part (a) void, voidable, null, *ultra vires*, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law (all of the foregoing being an "Indemnifiable Circumstance"). For greater certainty, the losses shall include the amount of all debts and liabilities owing to the Bank by the Customer which would have been payable by the Customer but for the Indemnifiable Circumstance. Nothing set out herein shall be interpreted as requiring any debts or liabilities which are hereby guaranteed to be documented by written agreement between the Bank and the Customer.

IT IS FURTHER AGREED that the Bank, without the consent of the undersigned and without exonerating in whole or in part the undersigned, may grant time, renewals, extensions, indulgences, releases and discharges to, may abstain from taking, perfecting or realizing upon security from, may release security to, may accept compositions from, and may otherwise change the terms of any of the debts and liabilities hereby guaranteed and otherwise deal with, the Customer and all other persons (including any other undersigned and any other guarantor) and security, as the Bank may see fit. No loss or diminution of any security received by the Bank from the Customer or others, whether the loss or diminution is due to the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee. All dividends, compositions, and amounts received by the Bank from the Customer or from any other person or estate capable of being applied by the Bank in reduction of the debts and liabilities hereby guaranteed, shall be regarded for all purposes as payments in gross, and the Bank shall be entitled to prove against the estate of the Customer upon any insolvency or winding-up in respect of the whole of said debts and liabilities, and the undersigned shall have no right to be subrogated to the Bank in respect of any such proof until the Bank has received from such estate payment in full of its claim with interest.

AND IT IS FURTHER AGREED that this shall be a continuing guarantee, and shall guarantee any ultimate balance owing to the Bank, including all costs, charges and expenses which the Bank may incur in enforcing or obtaining payment of amounts due to the Bank from the Customer either alone or in conjunction with any other person or otherwise howsoever, or attempting to do so. The Bank shall not be obliged to seek recourse against the Customer or any other person or realize upon any security it may hold before being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed. The undersigned hereby renounces the benefits of discussion and division. The undersigned renounces claiming or setting up against the Bank any right which such undersigned may have to be subrogated in any of the rights, hypothecs, privileges and other security held from time to time by the Bank. The undersigned may terminate the further liability of such terminating party under this continuing Guarantee by providing ninety days' prior written notice to be given to the Bank. The liability of such terminating party shall continue under this Guarantee during such 90-day period, notwithstanding the death or insanity of such terminating party. After the expiry of such 90-day period, the terminating party shall be released from this Guarantee with respect to debts and liabilities arising after the expiry of such 90-day period but shall remain liable under this Guarantee in respect of all debts and liabilities owing to the Bank prior to the expiry of such 90-day period and also in respect of any contingent or future liabilities incurred to or by the Bank on or before such date which mature thereafter. Termination by the undersigned or the executors, liquidators, administrators or legal representatives of such undersigned shall not terminate the liability hereunder of any other undersigned. If after such termination any payment from the Customer must be returned to the Customer, or any successor or representative of the Customer, for any reason (including the designation of such payment as a mistake or as a preference following the bankruptcy of the Customer), then this Guarantee shall continue after the termination as if such payment had not been made. A written statement from any manager or acting manager of the Bank purporting to show the amount at any particular time due and payable to the Bank, and guaranteed by this Guarantee, shall be conclusive evidence as against the undersigned that such amount is at such time so due and payable to the Bank and is guaranteed hereby. Each of the executors, liquidators, administrators and legal representatives of the undersigned shall immediately give notice in writing to the Bank of the death of such undersigned.

THIS CONTRACT shall be construed in accordance with the laws of the Province of Alberta and for the purpose of legal proceedings this contract shall be deemed to have been made in the said province and to be performed there, and the courts of that province shall have non-exclusive jurisdiction over all disputes which may arise under this contract, provided always that nothing herein contained shall prevent the Bank from proceeding at its election against the undersigned in the courts of any other province or country.

IF ANY PROVISION of this Guarantee is determined to be unenforceable, prohibited, invalid or illegal, it shall be severed from this Guarantee solely to the extent of such unenforceability, prohibition, invalidity or illegality and the remainder of such provision and the remainder of this Guarantee shall be unaffected thereby. The liability of the undersigned under this Guarantee shall not be terminated if this Guarantee is held to be unenforceable against any other undersigned.

ALL DEBTS AND LIABILITIES present and future of the Customer to the undersigned are hereby assigned (to the extent permitted by applicable law) to the Bank and postponed to the debts and liabilities of the Customer to the Bank and all such amounts paid to the undersigned or its assigns shall be received on behalf of and in trust for the Bank and shall immediately be paid over to the Bank. Any request by the undersigned to the Bank for useful information respecting the content and the terms and conditions of the debts and liabilities of the Customers hereby guaranteed or the progress made in their performance, shall be made in writing by such undersigned to the Bank.

THE UNDERSIGNED acknowledges that this Guarantee has been delivered free of any conditions and that no representations have been made to the undersigned affecting the liability of the undersigned under this Guarantee save as may be specifically embodied herein and agrees that this Guarantee is in addition to and not in substitution for any other guarantees now or subsequently held by the Bank.

THE UNDERSIGNED represents and warrants that (i) it fully understands the provisions of this Guarantee and its obligations hereunder; (ii) it has been afforded the opportunity to engage independent legal counsel, at its own expense, to explain the provisions of this Guarantee and its obligations hereunder; and (iii) it has either engaged legal counsel in connection with its execution of this Guarantee or has decided, at its sole discretion, not to do so.

THE UNDERSIGNED agrees, without limitation of the rights of the Bank under applicable law, that the Bank may apply any amounts owing to, or sum standing to the credit of, the undersigned with any office, branch, subsidiary or affiliate of the Bank to the payment when due of any amount owing by the undersigned hereunder. For this purpose, the Bank may convert any such amount or sum into the currency of the amount owing hereunder at a rate of exchange at which the Bank could purchase the relevant currency on the relevant date acting in good faith.

THIS GUARANTEE shall remain in effect notwithstanding any change in the circumstances having led the undersigned to execute this Guarantee and notwithstanding the termination of or a change in the office or duties of such undersigned or in any relationship between such undersigned and the Customer.

THE UNDERSIGNED acknowledges and agrees that the Bank may make a claim or demand payment hereunder notwithstanding any limitation period regarding such claim or demand set forth in the *Limitations Act, 2002* (Ontario) or under any other applicable law with similar effect and, to the maximum extent permitted by applicable law, any limitations periods set forth in such act or applicable law are hereby explicitly excluded or, if excluding such limitations periods is not permitted by such act or applicable law, are hereby extended to the maximum limitation period permitted by such act or applicable law. For greater certainty, the undersigned acknowledges and agrees that this Guarantee is a "business agreement" as defined under Section 22 of the *Limitations Act, 2002* (Ontario).

IN THIS GUARANTEE, unless the context otherwise requires, references to the undersigned shall be interpreted as referring to each of the undersigned if there is more than one undersigned.

It is the express wish of the parties hereto that this agreement and any related documents be drawn up and executed in English. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en anglais.

Dated: September 27, 2016, at Edmonton, Alberta.

Allan Dobish

Allan Dobish

CERTIFICATE

(FOR USE IN THE PROVINCE OF ALBERTA ONLY)

I hereby certify that:

1. **ALLAN DOBISH** of the City of Edmonton, in the Province of Alberta, the guarantor in the guarantee dated September 27, 2016 made between ALLAN DOBISH and BANK OF MONTREAL, which this certificate is attached to or noted on, appeared in person before me and acknowledged that he had executed the guarantee.

2. I satisfied myself by examination of the guarantor that he is aware of the contents of the guarantee and understands it.

CERTIFIED by Christopher Tasker, Barrister and Solicitor at the City of Edmonton, in the Province of Alberta, on September 27, 2016.

Signature of Barrister and Solicitor

STATEMENT OF GUARANTOR

I am the person named in this certificate.

Allan Dobish

This is **Exhibit "J"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

Bank of Montreal

MORTGAGE OF LAND
LAND TITLES ACT (ALBERTA)

Mortgagor:

Name: **1194038 ALBERTA LTD.**

Address: 1304 Welbourn Lane
Edmonton, Alberta
T6M 2M2

	Joint Tenant	Tenant in Common	Life Estate
x	Fee Simple	Leasehold	

Mortgagee: BANK OF MONTREAL ("BMO")

Address: 5th Floor
10199 - 101 Street
Edmonton, Alberta
T5J 3Y4

Mortgaged Land Description:

Plan 772 2579
Block 2
Lot 7

EXCEPTING THEREOUT ALL MINES AND MINERALS

Principal Amount Secured: $3,700,000.00

Interest Rate: Mortgagee's Prime Rate plus 5% per annum calculated and payable monthly not in advance, both before and after demand, both before and after default and both before and after judgment with interest calculated and payable on overdue interest.

Term of Mortgage / Payment Provision: Payable in full on demand.

Standard Mortgage Terms: The Mortgagor acknowledges that:

a) This Mortgage of Land consists of the terms contained herein and is subject to the terms contained in the Standard Form Mortgage that was filed with the Registrar of Land Titles under the ***Land Titles Act*** **as Filing Number:** 161 070 428;

b) The following clauses of the Standard Form Mortgage are specifically deleted (none are deleted unless specified here):

c) The following clauses are specifically added to and included in the Standard Form Mortgage (see attached schedule __ if no schedule is attached, no clauses are added):

d) The Mortgagor acknowledges that it understands the nature of the statements made in (a), (b) and (c) above;

e) The Mortgagor acknowledges receipt of a copy of the Standard Form Mortgage referred to in (a) above containing the mortgage terms;

f) The Mortgagor is the registered owner of the land being mortgaged;

g) By signing this Mortgage, the Mortgagor mortgages all of the Mortgagor's estate and interest in the land described herein to Bank of Montreal ("BMO") for the purposes of securing payment of the principal sum secured, interest and all other amounts or sums secured by this Mortgage;

h) If the Mortgagor is a Guarantor, for valuable consideration the Mortgagor delivers this Mortgage as security for the payment of all Indebtedness including Indebtedness pursuant to a Guarantee.

Dated: September 27, 2016, at Edmonton, Alberta.

Witnesses:

Name

1194038 ALBERTA LTD.

By:

Name: Allan Dobish

Title:

AFFIDAVIT OF EXECUTION

Christopher Taskey
Barrister & Solicitor
16404 - 100 Avenue
Edmonton, AB T5P 4Y2
PH 780-424-3558 FAX 780-423-5515

CANADA)
) I, ______________________
PROVINCE OF ALBERTA) of Edmonton, Alberta, MAKE OATH AND SAY:
)

1. I was personally present and did see Allan Dobish, personally known to me to be the person named therein, duly sign and execute the same for the purposes named therein.

2. The same was executed at Edmonton, Alberta, and that I am the subscribing witness thereto.

3. I know Allan Dobish and he is in my belief of the full age of eighteen years.

SWORN BEFORE ME at Edmonton, Alberta, on)
)
September 27, 2016)
)

A Commissioner for Oaths in and for Alberta

Lois Ann Johnston
A Commissioner for Oaths
in and for the Province of Alberta
My Commission Expires Aug. 10, 2019.

AFFIDAVIT VERIFYING
CORPORATE SIGNING AUTHORITY

CANADA	)	I, Allan Dobish
	)	of the City of Edmonton, in the Province of
PROVINCE OF ALBERTA	)	Alberta, MAKE OATH AND SAY:
	)	

1. I am a Director of 1194038 Alberta Ltd. named in the within or annexed instrument.

2. I am authorized by the corporation to execute the instrument without affixing a corporate seal.

SWORN BEFORE ME at Edmonton, Alberta, on

September 27, 2016

A Commissioner for Oaths in and for Alberta

Allan Dobish

Christopher Taskey
Barrister & Solicitor
16404 - 100 Avenue
Edmonton, AB T5P 4Y2
PH 780-424-3558 FAX 780-423-5515

This is **Exhibit "K"** referred to in
the Affidavit of Michelle
Madrigga Sworn before me this
7 day of February, 2023.

A Commissioner for Oaths in
and for the Province of Alberta

James W. Reid
Barrister & Solicitor

BANK OF MONTREAL
ALBERTA
STANDARD FORM MORTGAGE
ALL INDEBTEDNESS MORTGAGE
(COMMERCIAL/FARM)

Filing Number **161070428**

The following standard form mortgage (together with the schedule attached hereto, the "**Standard Form Mortgage**") shall be deemed to be included in each mortgage or charge in which it is referred to by its filing number except to the extent that the provisions of the Standard Form Mortgage are excluded or varied by such mortgage or charge.

A. TABLE OF CONTENTS

B. DEFINITIONS

In this Standard Form Mortgage and in each Mortgage, the following terms shall have the following meanings:

1. "**Applicable Rate**" means:

   (a) the applicable interest rate specified by the applicable note or agreement delivered by the Mortgagor to the Mortgagee or between the Mortgagor and the Mortgagee; or

   (b) if the interest rate referred to in subsection (a) is not so specified, the applicable interest rate specified by the Mortgage.

2. "**Controlling Entity**" means any corporation or other entity which on the date of the Mortgage beneficially owned, directly or indirectly, shares, other securities or other equity interests issued by the Mortgagor or a Guarantor which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by the Mortgagor or such Guarantor.

3. "**Default**" means a default referred to in section I.

4. "**Guarantor**" means a person who guaranteed payment of all or any Indebtedness.

5. "**Indebtedness**" means all present and future indebtedness and liability now or hereafter owing by the Mortgagor to the Mortgagee whether direct or indirect, absolute or contingent, or revolving or non-revolving, whether incurred by the Mortgagor alone or together with any other debtor or debtors and whether incurred pursuant to the provisions of the Mortgage or otherwise including all principal, interest, guarantee liabilities, letter of credit indemnity liabilities, bankers acceptance indemnity liabilities, fees and expenses now or hereafter owing by the Mortgagor to the Mortgagee.

6. **"Insolvency Proceeding"** means a proceeding commenced under the *Companies' Creditors Arrangement Act*, the *Bankruptcy and Insolvency Act* or any other similar statute.

7. "**Lease**" means a lease, offer to lease or other similar agreement of or with respect to the Mortgaged Land in favour of, or held by the Mortgagor as tenant and referred to in the Mortgage, as such lease, offer to lease or other similar agreement is amended or replaced from time to time.

8. "**Mortgage**" means the applicable registered mortgage or charge (as amended from time to time) in which this Standard Form Mortgage is incorporated by reference to its filing number (including all Schedules thereto), includes any such mortgage or charge registered electronically or otherwise and includes such mortgage or charge whether or not any provision of the Standard Form Mortgage is excluded or varied.

9. "**Mortgaged Land**" means the real property described in the Mortgage, all appurtenances thereto and all estates and interests therein, and includes all buildings, plant, machinery, crops, erections and improvements, fixed or otherwise, present or future, built, grown, placed or put thereon including all fences, heating equipment, plumbing equipment, antennae, radiators, mirrors, air-conditioning equipment, ventilating equipment, fire alarm and protective systems, lighting and lighting fixtures, hay racks, barn fixtures, milking machine equipment, water tanks, pumps and windmills, water bowls and pipes, feed boxes, litter carriers and tracks, mobile homes affixed to the real property, furnaces, boilers, oil burners, stokers, water heating equipment, cooking and refrigeration equipment, window blinds, floor coverings, storm windows, storm doors, window screens, door screens, shutters and awnings, all apparatus and equipment appurtenant thereto, and all other fixtures and accessions of any kind or nature.

10. "**Mortgagee**" means the mortgagee or chargee referred to in the Mortgage and its successors and assigns.

11. "**Mortgagee's Prime Rate**" means the fluctuating annual rate of interest determined by Bank of Montreal from time to time as the reference rate it will use to determine rates of interest payable by borrowers from Bank of Montreal of Canadian dollar loans made in Canada and designated by Bank of Montreal as its prime rate.

12. “**Mortgagor**” means the person or persons identified as the mortgagor or chargor in the Mortgage and his, her, its or their respective heirs, executors, administrators, personal representatives, successors and assigns.

13. “**Other Encumbrances**” means all statutory liens, construction liens, mechanics’ liens, builders’ liens, other liens, executions, mortgages, charges, and other encumbrances which charge or otherwise affect or could affect the Mortgaged Land but excludes the Mortgage.

14. “**Permitted Prior Mortgage**” means a mortgage or charge of the Mortgaged Land which ranks in priority to the Mortgage and which the Mortgagee has approved in writing.

15. “**Receiver**” means a receiver, receiver and manager or other similar person.

16. “**Schedule**” means a schedule to the Mortgage.

17. “**Taxes**” means all taxes, rates and assessments, municipal, provincial, federal or otherwise, with respect to the Mortgaged Land.

C. OPERATION OF THE MORTGAGE

1. *Charge of Mortgaged Land.* In consideration of other valuable consideration and a loan advance made or other credit extended by the Mortgagee to the Mortgagor (the receipt and sufficiency of which are acknowledged by the Mortgagor), the Mortgagor hereby mortgages and charges the Mortgaged Land to and in favour of the Mortgagee as security for payment to the Mortgagee of all Indebtedness and as security for the observance and performance by the Mortgagor of all other obligations of the Mortgagor pursuant to or in respect of the Mortgage or the Standard Form Mortgage. Subject to the provisions of the Mortgage, the Mortgagor releases to the Mortgagee, all the Mortgagor's claims upon the Mortgaged Land.

2. *Repayment of Principal on Demand.* The Mortgagor shall pay all Indebtedness to the Mortgagee on demand by the Mortgagee for payment.

3. *Restriction on Voluntary Prepayments.* The Mortgagor shall not be entitled to prepay voluntarily any principal amount (including any principal amount owing with respect to a revolving line of credit or a demand loan) except to the extent agreed to by the Mortgagee in writing.

4. *Calculation and Payment of Interest.* The Mortgagor shall pay to the Mortgagee when due interest payable by the Mortgagor on each part of the Indebtedness (including interest on overdue interest) at the Applicable Rate which applies to such part of the Indebtedness. Interest shall accrue on each part of the Indebtedness from the date such part is incurred to the date such part is paid to the Mortgagee in full. Interest shall, both before and after Default, be calculated and payable monthly not in advance on the first day of each month unless otherwise agreed by the Mortgagor and the Mortgagee in writing. Whenever there is more than one Applicable Rate, the Applicable Rate referred to in sections D, E, G, J and K shall, unless otherwise agreed by the Mortgagee in writing, be the higher or highest of such Applicable Rates.

5. *Continuing Security.* The Mortgage shall be continuing security in favour of the Mortgagee for the payment of all Indebtedness, notwithstanding at any time and from time to time there is:

(a) any change in the nature, state or form of any account between the Mortgagor and the Mortgagee;

(b) any new advance by the Mortgagee to the Mortgagor, whether by way of loan, discount, the drawing of a cheque against an account of the Mortgagor or otherwise;

(c) any discount or acceptance by the Mortgagee from or for the Mortgagor of any note, bill of exchange or other negotiable instrument or commercial paper;

(d) any credit of any amount to any account of the Mortgagor by reason of deposit of moneys or otherwise; or

(e) any renewal, replacement, substitution or alteration of any note, bill of exchange or other negotiable instrument or other commercial paper from time to time held by the Mortgagee or any reduction, satisfaction, payment, release or discharge thereof or of any other security therefor.

Nothing herein shall prejudice any of the Mortgagee's rights pursuant to or in respect of any note, bill of exchange, other agreement or other security now or hereafter held by the Mortgagee.

6. *Divided Parts of Mortgaged Land.* Every part of the Mortgaged Land into which the Mortgaged Land may hereafter be divided by a plan of subdivision or otherwise shall continue to be charged with payment of all Indebtedness but the Mortgagee may discharge any part or parts of the Mortgaged Land with or without sufficient consideration and without releasing the Mortgagor from the Mortgage and no person shall have any right to require the Indebtedness to be apportioned between or among such parts.

7. *Application of Amounts Paid.* Any and all amounts received by the Mortgagee with respect to Indebtedness before a Default shall, unless otherwise specified by the Mortgagee in writing, be applied firstly to reduce compound interest, secondly to reduce interest (other than compound interest), thirdly to reduce principal and fourthly to reduce any other Indebtedness. Any and all amounts received by the Mortgagee after a Default (including any and all amounts received from any security held by the Mortgagee) shall be applied by the Mortgagee in the manner determined by the Mortgagee in its sole discretion.

8. *Discharge of Mortgage.* If the Mortgagor shall duly pay to the Mortgagee all Indebtedness and the Mortgagee is not then obligated to extend any credit to the Mortgagor, the Mortgagor may request from the Mortgagee a discharge of the Mortgage and, upon delivery by the Mortgagee to the Mortgagor of a discharge of the Mortgage, the Mortgage shall terminate and cease to operate; provided that the Mortgage shall not terminate or cease to operate while any Indebtedness remains unpaid or while the Mortgagee is obligated to extend any credit to the Mortgagor only because, at any prior time or times, all Indebtedness had been paid in full. The Mortgagee shall not be obligated to deliver any partial discharge of the Mortgage.

9. *Consolidation of Mortgages.* To the extent permitted by law, the doctrine of consolidation shall apply with respect to *inter alia* the Mortgage.

D. COVENANTS, REPRESENTATIONS AND WARRANTIES OF MORTGAGOR

1. *Payment of Principal and Interest.* The Mortgagor shall pay to the Mortgagee when due all Indebtedness without deduction or set-off of any kind. The Mortgagor expressly agrees not to fail to pay any Indebtedness when due and not to reduce the amount of any due payment of any Indebtedness as a result, or in respect of any existing or future claim by the Mortgagor against the Mortgagee or against any other person whether such claim relates to any or all Indebtedness, the Mortgage, any other agreement between the Mortgagor and the Mortgagee, any other transaction or any other agreement or matter whatsoever.

2. *Observance and Performance of Other Obligations.* The Mortgagor shall duly and punctually observe and perform all the Mortgagor's existing and future obligations pursuant to the Mortgage and all the Mortgagor's existing and future obligations pursuant to any and all other existing and future agreements delivered by the Mortgagor to the Mortgagee or between the Mortgagor and the Mortgagee.

3. *Payment of Taxes.* The Mortgagor shall promptly pay all Taxes as they become due and, within one month after the date fixed for the payment of the last installment of Taxes in each year, shall deliver to the Mortgagee a receipted tax bill showing payment in full of all such Taxes payable during such year. If the Mortgagor fails to pay any Taxes as they become due, the Mortgagee may, at its option, pay the whole or any part of such Taxes. The amounts so paid by the Mortgagee shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage.

4. *Good Title and Free From Encumbrances.* The Mortgagor represents and warrants to the Mortgagee that the Mortgagor is the legal and beneficial owner of, and has good, absolute and

indefeasible title and estate in fee simple to the Mortgaged Land (or the leasehold interest therein if section E applies), free of any Other Encumbrances except any Permitted Prior Mortgage, statutory liens that secure payment of amounts not in arrears, public utilities easements or minor easements or restrictive covenants that do not impair the value, marketability or use of the Mortgaged Land or other encumbrances consented to by the Mortgagee in writing, and free of any reservations, limitations, provisos or conditions whatsoever except those contained in the original grant thereof, if any, from the Crown; the Mortgagor has good right, full power and lawful and absolute authority to mortgage and charge the Mortgaged Land (or, if section E applies, its leasehold interest therein) to the Mortgagee in accordance with the provisions of the Mortgage.

5. *Insurance.* The Mortgagor shall maintain, in form, substance and amount and with insurers satisfactory to the Mortgagee, all insurance required by the Mortgagee from time to time with respect to the Mortgaged Land (including boiler, property, public liability, rental, environmental and business interruption insurance and insurance covering all crops grown on the Mortgaged Land insuring such crops against damage by hail and against perils covered by all-risk crop insurance). The Mortgagor shall deliver to the Mortgagee, from time to time at the Mortgagee’s request, certificates of insurance and certified copies of such insurance policies showing all loss payable to the Mortgagee as first mortgagee (subject to the interests of the holder of any Permitted Prior Mortgage) and loss payee and containing a mortgage clause satisfactory to the Mortgagee. As additional and separate security for payment of all Indebtedness, the Mortgagor hereby assigns to the Mortgagee all the Mortgagor’s present and future interests in and to all such present and future insurance policies and all proceeds therefrom. The Mortgagor shall not repair any damage using proceeds of any insurance without the Mortgagee's prior written consent and the Mortgagee may, at its discretion, apply any and all insurance proceeds to reduce Indebtedness. If the Mortgagor fails to maintain insurance required by the Mortgagee, the Mortgagee may arrange insurance with respect to the Mortgaged Land, the Mortgagor shall pay to the Mortgagee, on demand by the Mortgagee, all amounts paid by the Mortgagee to effect such insurance and the Mortgagor shall pay interest thereon at the Applicable Rate; and all such amounts owing by the Mortgagor shall be part of the Indebtedness and secured by the Mortgage. The Mortgagor shall, forthwith on the occurrence of any loss or damage, furnish at the Mortgagor’s own expense all necessary proofs and do all necessary acts to enable the Mortgagee to obtain payment of the insurance monies. Any insurance monies received may, at the option of the Mortgagee, to the extent permitted by law, be applied to rebuild or repair the premises on the Mortgaged Land or be paid to the Mortgagor or any other person appearing by the registered title to be or to have been the owner of the Mortgaged Land, or be applied to pay Indebtedness whether or not then due, despite any law, equity or statute to the contrary. The Mortgagor, to the extent permitted by law, hereby waives any statutory or other right it may have (including any right under the *Insurance Act* (Alberta) or the *Fire Prevention (Metropolis) Act* (Alberta)) to require any insurance proceeds to be applied in any particular manner.

6. *Payment of Other Encumbrances.* The Mortgagor shall promptly pay when due all amounts now or hereafter owing pursuant to or with respect to any Other Encumbrances and shall deliver to the Mortgagee, at the Mortgagee’s request, evidence showing payment in full of all such amounts. If the Mortgagor fails to pay any Other Encumbrances when due, the Mortgagee may, at its option, pay the whole or any part of any present or future Other Encumbrances. The amounts so paid shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage. In the event the Mortgagee pays any Other Encumbrance, it shall be entitled to all the equities, rights and securities of the person or persons so paid and to obtain an assignment of such Other Encumbrance so paid and of any right to payment and is hereby authorized to retain any discharge thereof without registration for so long as it may think fit to do so.

7. *Payment of Expenses.* The Mortgagor shall pay to the Mortgagee, on demand by the Mortgagee, all costs, charges, expenses (including legal fees as between a solicitor and his or her own client), commissions and fees which may be incurred by the Mortgagee in negotiating any credit or credits secured by the Mortgage, investigating the title to the Mortgaged Land, preparing and registering the Mortgage and other documents, administering any credit or credits extended by the Mortgagee to the Mortgagor, inspecting the Mortgaged Land, collecting any Indebtedness, taking any proceeding in connection with or to collect any Indebtedness, taking and maintaining possession of the Mortgaged Land, maintaining and repairing the Mortgaged Land, and taking any other enforcement proceedings. The Mortgagor shall deliver to the Mortgagee, at the Mortgagee’s request, evidence showing payment in full of all such amounts. If

the Mortgagor fails to pay any such amounts as they become due, the Mortgagee may, at its option, pay any such amounts and the amounts so paid by the Mortgagee shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage.

8. *Compliance with Laws.* The Mortgagor represents and warrants to the Mortgagee that, as at the date of the Mortgage, the Mortgagor has complied with, and the Mortgagor agrees that it shall comply with all laws, by-laws and regulations affecting the Mortgaged Land and all orders and decisions of any governmental authority, governmental agency or court having jurisdiction affecting the Mortgaged Land (including all such laws, by-laws, regulations, orders and decisions relating to the environment or to residential or other property, including those relating to the amount of rent charged by the Mortgagor with respect to any part of the Mortgaged Land). The Mortgagor shall, at the Mortgagor's expense, promptly and in good and workmanlike manner make all improvements, alterations, clean-ups and repairs and effect any change in use that may be required from time to time to so comply.

9. *Maintain in Good Repair and Avoid Waste.* The Mortgagor represents and warrants to the Mortgagee that, as at the date of the Mortgage, all buildings, erections, equipment, machinery and improvements on the Mortgaged Land are in good condition and repair and that all noxious weeds have been eradicated from the Mortgaged Land. The Mortgagor shall maintain all buildings, erections, equipment, machinery and improvements on the Mortgaged Land in good condition and repair to the satisfaction of the Mortgagee, shall eradicate all noxious weeds from the Mortgaged Land and shall not permit waste to be committed or suffered on the Mortgaged Land or any part thereof. The Mortgagee or its agent shall be entitled, from time to time, to enter on the Mortgaged Land to inspect the Mortgaged Land and to undertake any tests (including intrusive environmental tests) required by the Mortgagee. If the Mortgagor neglects to keep the Mortgaged Land or any buildings, erections, equipment, machinery or improvements on the Mortgaged Land in good condition and repair, fails to eradicate noxious weeds from the Mortgaged Land or commits or permits any act of waste on the Mortgaged Land (as to which the Mortgagee shall be the sole judge), or fails to comply with section D.8., the Mortgagee or its agent may enter upon the Mortgaged Land and make such repairs and undertake such work and take such action as the Mortgagee deems necessary. All costs of such inspection, testing, repairs, work and action shall be payable forthwith by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage.

10. *Environmental Representation and Indemnity.* The Mortgagor represents and warrants to the Mortgagee that there has not occurred, after the date the Mortgagor acquired an interest in the Mortgaged Land, any spill, leak, contamination or other material environmental problem affecting the Mortgaged Land or any part thereof (other than any such spill, leak, contamination or other environmental problem which has been remedied). The Mortgagor shall indemnify and save harmless the Mortgagee and any Receiver of the Mortgaged Land from any and all expenses and damages incurred or suffered by the Mortgagee or such Receiver as a result, or in respect of any spill, leak, contamination or other environmental problem affecting the Mortgaged Land or any part thereof. This indemnity shall survive the payment of all Indebtedness and the satisfaction, discharge or enforcement of the Mortgage or any other security.

11. *No Alterations or Change in Use.* The Mortgagor shall not, without the prior written consent of the Mortgagee, make, or permit to be made, any alterations or additions to the Mortgaged Land or any building thereon or change the Mortgagor's use of the Mortgaged Land or any building thereon and the Mortgagor shall not allow the Mortgaged Land to be unoccupied or unused.

12. *No Unapproved Charge or Encumbrance by Mortgagor.* The Mortgagor shall not, without the Mortgagee's prior written consent, mortgage, charge, lien or encumber the Mortgaged Land or any part thereof or any interest therein or permit any Other Encumbrance to remain thereon except for any Permitted Prior Mortgage, statutory liens that secure payment of amounts not in arrears and public utilities easements or minor easements or restrictive covenants that do not impair the value, marketability or use of the Mortgaged Land.

13. *Change in Ownership or Spousal Status.* Upon any change or event affecting any of the following, namely:

(a) the spousal status of the Mortgagor, if the Mortgagor is an individual;

(b) the qualification of the Mortgaged Land as a matrimonial home; or

(c) the ownership of the Mortgaged Land,

the Mortgagor shall forthwith advise the Mortgagee accordingly in writing and furnish the Mortgagee with full particulars thereof, the intention being that the Mortgagee shall be kept fully informed of the names and addresses of the owner or owners of the Mortgaged Land and of any spouse who is not an owner but who may have a legal right of possession of or interest in the Mortgaged Land. The Mortgagor shall furnish the Mortgagee with such evidence in connection with any of subsections (a), (b) and (c) of this provision as the Mortgagee may from time to time request.

14. *Expropriation.* If the Mortgaged Land or any part thereof is condemned or expropriated to an extent which, in the Mortgagee's sole discretion, materially affects the Mortgagee's security, all Indebtedness shall, at the option of the Mortgagee, be deemed to have become due and payable on the day before such condemnation or expropriation, and interest shall continue to accrue thereon, at the Applicable Rate, until the Mortgagee has been paid all Indebtedness. The Mortgagor shall pay to the Mortgagee from any condemnation or expropriation proceeds the full amount thereof, to be applied by the Mortgagee to reduce Indebtedness. The Mortgagor acknowledges that it has been advised by its counsel as to the meaning of section 49 of the *Expropriation Act* (Alberta), and being fully aware that under the terms of the said Act the Mortgagee may be restricted to recovering the market value of the Mortgage at the date of any expropriation, the Mortgagor hereby waives the provisions of section 49 of the *Expropriation Act* (Alberta) and further waives any provisions which may be enacted and in force from time to time in replacement of, or in addition to, the provisions of section 49 of the *Expropriation Act* (Alberta).

15. *Power of Attorney*. The Mortgagor hereby irrevocably appoints the Mortgagee or any Receiver appointed by the Mortgagee under or pursuant to the Mortgage or by any order of a court of competent jurisdiction, as the Mortgagor's attorney for all purposes to take any and all action deemed appropriate by the Mortgagee or such Receiver after the occurrence of a Default. Such appointment shall, for the purposes of section 115(5) of the *Land Titles Act* (Alberta), constitute an irrevocable power of attorney granted by the Mortgagor. The Mortgagee shall have full power of substitution and may provide any Receiver with the power to exercise such rights as attorney hereunder, and may at any time revoke any such substitution.

16. *Further Assurances.* The Mortgagor shall (and shall cause each person having or claiming to have an estate, right, title or interest in or to the Mortgaged Land to) at any time and from time to time, at the Mortgagee's request, do, execute and deliver or cause to be made, executed and delivered to the Mortgagee such further and other reasonable acts, deeds, conveyances, charges and assurances as may be required by the Mortgagee to fully and effectually carry out the intention and meaning of the Mortgage and the provisions included in the Mortgage and the reasonable cost of such further assurances shall be part of the Indebtedness and secured by the Mortgage.

17. *Business Purposes Only.* The Mortgagor shall use only for business purposes any amounts loaned by the Mortgagee to the Mortgagor and secured by the Mortgage.

18. *No Registration of Condominiums or Strata Title Developments.* The Mortgagor shall not, without the Mortgagee's prior written consent, register any condominium or strata title development with respect to all or part of the Mortgaged Land or any declaration or description with respect thereto and the Mortgagee shall not have any obligation to provide such consent.

19. *Delivery of Information.* The Mortgagor shall deliver to the Mortgagee, promptly at the Mortgagee's request, all financial statements and other information as the Mortgagee may request from time to time with respect to the Mortgagor, a Guarantor or the Mortgaged Land.

20. *No Litigation or Other Proceedings.* The Mortgagor represents and warrants that, as at the date of the Mortgage, there is no application, litigation, proceeding or investigation outstanding or, to the Mortgagor's knowledge, pending or threatened, against the Mortgagor or any Guarantor or with respect to the Mortgaged Land or any part thereof including any application,

litigation, proceeding or investigation in respect of residential or other property by-laws or regulations. The Mortgagor shall notify the Mortgagee in writing of any such application, litigation, proceeding or investigation commenced after the date of the Mortgage, promptly after such commencement.

21. *Mortgagor a Canadian Resident.* The Mortgagor represents and warrants that, as at the date of the Mortgage, it is not a non-resident of Canada for purposes of the Income Tax Act and agrees that the Mortgagor shall not, without the Mortgagee's prior written consent, become a non-resident of Canada.

22. *Good Management of Mortgaged Land.* The Mortgagor shall at all times cause the Mortgaged Land to be managed in a commercially reasonable manner by the Mortgagor or by a property manager satisfactory to the Mortgagee, acting reasonably.

E. MORTGAGE OF LEASEHOLD INTEREST

If the Mortgagor is not the owner of the Mortgaged Land in fee simple but is the owner of a leasehold interest in the Mortgaged Land as tenant, or as an assignee or successor of a tenant, pursuant to a Lease, the following provisions shall apply:

1. *Representations and Warranties.* The Mortgagor represents and warrants to the Mortgagee that, as at the date of the Mortgage:

(a) the Lease is a good, valid and subsisting lease and has not been surrendered, forfeited or terminated or, except as specified in the Mortgage, amended, and the rents, covenants and provisions therein reserved and contained have been duly paid, performed and observed by the Mortgagor up to the date of the Mortgage; and

(b) the Mortgagor has good right and full, lawful and absolute authority to charge, mortgage, demise and sublet the Mortgaged Land in accordance with the Mortgage and any consent thereto required of the applicable landlord has been obtained.

2. *Covenants Relating to Lease.* The Mortgagor agrees with the Mortgagee as follows:

(a) The Mortgagor shall at all times fully perform and comply with all the obligations of the Mortgagor under or with respect to the Lease, or imposed on, assumed by or agreed to by the Mortgagor pursuant to any Other Encumbrances and, if the Mortgagor fails to do so, the Mortgagee may (but shall not be obliged to) take any action the Mortgagee deems necessary or desirable to prevent or to cure any default by the Mortgagor in the performance of or compliance with any such obligations. The Mortgagor shall promptly provide to the Mortgagee a copy of any notice the Mortgagor receives from the landlord, any prior mortgagee or encumbrancer, any claimant of any of the Other Encumbrances or any other person under or relating to the Lease of the Mortgaged Land. Upon receipt by the Mortgagee from the Mortgagor, the landlord, any prior mortgagee or encumbrancer, any claimant of any of the Other Encumbrances or any other person of any notice, including a notice of default, the Mortgagee may rely thereon and take any action with respect to such notice as may be required in the Mortgagee's sole discretion, including to cure a default even though the existence of such default or the nature thereof may be questioned or denied by or on behalf of the Mortgagor and the Mortgagee shall have the absolute and immediate right to enter in and upon the Mortgaged Land or any part thereof to such extent and as often as the Mortgagee, in its sole discretion deems necessary or desirable, in order to prevent or to cure any such default. The Mortgagee may pay and expend such amounts as the Mortgagee in its sole discretion deems necessary for any such purpose, and the amounts so paid shall be payable by the Mortgagor to the Mortgagee on demand by the Mortgagee with interest thereon at the Applicable Rate, and shall be a part of the Indebtedness and be secured by the Mortgage.

(b) If the Mortgage is outstanding at the expiration of the term of the Lease and the Mortgagor refuses or neglects to exercise the Mortgagor's right, if any, to renew or extend the term of the Lease or refuses to pay any fees, costs, charges or expenses payable upon any such renewal or extension, the Mortgagee may effect such renewal or extension in the name of the Mortgagor or otherwise, and every such renewed or extended Lease shall remain and be mortgaged and charged pursuant to the Mortgage in accordance with the Mortgage.

(c) From and after the execution and delivery of the Mortgage, the Mortgagor shall stand possessed of the Mortgaged Land for the remainder of the Lease in trust for the Mortgagee, and shall exercise any right to renew or extend the term of the Lease or to assign the Lease as the Mortgagee may direct, but subject to the Mortgagor's right of redemption under the Mortgage. The Mortgagor hereby irrevocably appoints the Mortgagee as the Mortgagor's attorney for and on behalf of the Mortgagor to exercise any such renewal or extension right and to assign the Lease and convey the leasehold interest in the Mortgaged Land and the reversion thereof as the Mortgagee shall at any time direct after the occurrence of a Default and, in particular, upon any sale made by the Mortgagee under any power of sale contained in the Mortgage or granted by statute to assign the Lease and convey the Mortgagor's leasehold interest in the Mortgaged Land and the reversion to a purchaser. The Mortgagee may at any time remove the Mortgagor or any other person from being a trustee of the Lease under the above declaration of trust and appoint a new trustee or trustees.

(d) The Mortgagor shall not surrender, terminate, amend or modify the Lease or agree to do so without the prior written consent of the Mortgagee, which the Mortgagee may withhold in its absolute discretion. No release or forbearance of any of the Mortgagor's obligations under the Lease or under any Other Encumbrance shall release the Mortgagor from any of the Mortgagor's obligations under the Mortgage.

(e) Unless the Mortgagee expressly consents in writing, the title in fee simple to the Mortgaged Land and the leasehold estate shall not merge but shall always remain separate and distinct, notwithstanding the union of said estates by purchase or otherwise.

3. *Last Day of Term Excepted.* Despite any other provision of the Mortgage, the last day of the term of the Lease and of any renewal or extension thereof and of any agreement therefor now held or hereafter acquired by the Mortgagor shall be excepted out of the mortgage, charge and demise contained in the Mortgage.

4. *Charge by way of Sublease.* Despite section C.1. and any other provision of the Mortgage (except section E.3.), the Mortgagor mortgages and charges, by way of sublease, the Mortgagor's leasehold interest in the Mortgaged Land pursuant to the Lease, the mortgages and charges contained in the Mortgage shall be by way of sublease and the Mortgagee shall not have any obligation or liability to the landlord or any other person pursuant to or in respect of the Lease.

5. *Leasehold Interests.* Wherever any reference is made in the Mortgage to any right of the Mortgagee to sell, transfer, assign, lease, sublease, alienate or otherwise deal with the Mortgaged Land, such reference shall be deemed, subject to section E.3., to relate to the existing and future rights and interests of the Mortgagor in the Mortgaged Land pursuant to the Lease.

F. ASSIGNMENT OF LEASES AND RENTS

If the Mortgagor or any predecessor of the Mortgagor grants or has granted any lease, offer to lease, tenancy agreement or other similar agreement of all or any part of the Mortgaged Land as landlord, the following provisions shall apply:

1. *Assignment.* As additional and separate security for payment of all Indebtedness, the Mortgagor hereby assigns, transfers and sets over to the Mortgagee, all the Mortgagor's rights and interests as landlord in all existing and future leases, tenancy agreements, offers to lease and other similar agreements with respect to all or part of the Mortgaged Land, and all rents, incomes, profits and other amounts now or hereafter arising from or out of all or part of the Mortgaged Land or any building, improvement, fixture or part thereof forming part of the Mortgaged Land.

2. *Separate Assignments.* The assignment of each of the foregoing and of each of the rents, incomes, profits and other amounts by the Mortgagor to the Mortgagee pursuant to section F.1. shall be deemed to be a separate assignment so that the Mortgagee in its discretion may exercise its rights in respect of any or all of such leases, offers to lease, tenancy agreements or other similar agreements or the rents, incomes, profits or other amounts paid or payable thereunder.

3. *Collection by Mortgagor before Default.* Until there occurs a Default, the Mortgagor may collect, retain and apply all rents, incomes, profits and other amounts and deal with all leases, offers to lease, tenancy agreements and other similar agreements from time to time in accordance with sound business practice.

4. *No Liability of Mortgagee and Indemnity by Mortgagor.* Nothing herein shall obligate the Mortgagee to assume or perform (and nothing herein shall impose on the Mortgagee) any liability or obligation of the Mortgagor to any tenant or other person pursuant to or in respect of any lease, offer to lease, tenancy agreement, other similar agreement or otherwise and the Mortgagor hereby indemnifies and saves harmless the Mortgagee from any and all claims with respect thereto, provided that the Mortgagee may, at its sole option, assume or perform any such obligations as it considers necessary or desirable.

5. *Re-assignment.* The Mortgagee may, at any time without further request or agreement by the Mortgagor, reassign to the Mortgagor, or the Mortgagor's heirs, administrators, successors or assigns, any or all of the collateral referred to in section F.1.

6. *Application by Mortgagee.* The Mortgagee's obligations with respect to any amount collected by the Mortgagee shall be discharged by the application of such amount to reduce Indebtedness.

7. *Not Mortgagee in Possession.* Nothing contained herein shall have the effect of making the Mortgagee a mortgagee in possession of the Mortgaged Land.

G. CONDOMINIUM OR STRATA TITLE DEVELOPMENT PROVISIONS

If the Mortgaged Land is or includes one or more condominium units or strata title units, the following provisions shall apply:

1. *Compliance with Requirements.* The Mortgagor shall observe and perform each of the covenants and provisions required to be observed and performed pursuant to the Mortgage, all applicable statutes governing or affecting condominiums or strata title developments, and the declaration, description, by-laws and rules, as amended from time to time, of the applicable condominium corporation or strata corporation.

2. *Common Expense Payments.* The Mortgagor shall pay promptly when due any and all unpaid condominium or strata development fees, common expenses, common element expenses, assessments, levies, instalments, payments or any other amounts due to the applicable condominium corporation or strata corporation or any agent thereof by the Mortgagor and, at the Mortgagee's request, deliver to the Mortgagee evidence of the payment thereof.

3. *Right of Mortgagee to Pay.* If the Mortgagor does not pay when due any condominium or strata development fees, common expenses or other amounts referred to in section G.2., the Mortgagee may (but shall not be obliged to) pay such amounts, the Mortgagor shall forthwith pay such amounts to the Mortgagee with interest thereon at the Applicable Rate, and all such amounts owing by the Mortgagor to the Mortgagee shall be a part of the Indebtedness and secured by the Mortgage.

4. *Voting by Mortgagee.* The Mortgagor hereby irrevocably authorizes the Mortgagee to exercise the rights of the Mortgagor as an owner of the Mortgaged Land to vote or to consent in all matters relating to the affairs of the condominium corporation or strata corporation or arising under applicable law or the declaration or by-laws of the condominium or strata corporation, provided that:

(a) in any case where the Mortgagee is entitled to receive and does receive notice of a meeting of owners, the Mortgagee may notify the condominium or strata corporation and the Mortgagor of its intention to exercise the right of the owner to vote or to consent at such meeting at least two days before the date specified in the notice for the meeting, failing which the Mortgagor may exercise such right to vote or consent at such meeting;

(b) the Mortgagee shall not, by virtue of the giving to the Mortgagee of the right to vote or consent, be under any obligation to vote or consent or to protect the interests of the Mortgagor, and the Mortgagee shall not be responsible for any exercise or failure to exercise the right to vote or consent; and

(c) nothing herein contained, including the exercise by the Mortgagee of the right to vote or consent, shall constitute the Mortgagee a mortgagee in possession.

H. MORTGAGE AS SECURITY FOR A GUARANTEE

If the Mortgagor has delivered to the Mortgagee or now or hereafter delivers to the Mortgagee a guarantee or guarantees of payment to the Mortgagee of indebtedness or liability of another or others, the Indebtedness shall include all indebtedness and liability now or hereafter owing by the Mortgagor to the Mortgagee pursuant to such guarantee or guarantees, whether direct or indirect, absolute or contingent, and the Mortgage shall secure payment of all such indebtedness and liability of the Mortgagor pursuant to such guarantee or guarantees in addition to all other Indebtedness. If any such guarantee is increased or otherwise amended, the Mortgage shall also secure payment of all indebtedness and liability now or hereafter owing by the Mortgagor to the Mortgagee pursuant to such guarantee as increased or otherwise amended.

I. DEFAULT

The Mortgagor shall be in default of the Mortgage and a Default shall occur pursuant to the Mortgage if:

1. the Mortgagor fails to pay any Indebtedness when due;

2. the Mortgagor or a Guarantor fails to comply with any obligation of the Mortgagor or the Guarantor pursuant to or in respect of the Mortgage or any existing or future note, instrument or agreement delivered by the Mortgagor and the Guarantors (or any of them) to the Mortgagee or between the Mortgagor and the Guarantors (or any of them) and the Mortgagee;

3. the Mortgagor fails to comply with any obligation of the Mortgagor pursuant to or in respect of any Permitted Prior Mortgage or any Other Encumbrance;

4. any representation or warranty made by the Mortgagor or a Guarantor in the Mortgage, any agreement between the Mortgagor and the Guarantors (or any of them) and the Mortgagee, or any loan or credit application made in connection with any Indebtedness was untrue when made;

5. a Receiver is appointed of any asset of the Mortgagor or of a Guarantor;

6. any construction lien, mechanics' lien or builders' lien is registered against all or any part of the Mortgaged Land and is not discharged within seven days after a request by the Mortgagee that such lien be discharged;

7. all or any part of the Mortgaged Land is condemned or expropriated;

8. the Mortgagor or a Guarantor becomes bankrupt or insolvent;

9. a petition in bankruptcy is filed against the Mortgagor or a Guarantor;

10. the Mortgagor or a Guarantor makes a proposal in bankruptcy or files a notice of intention to make a proposal in bankruptcy;

11. the Mortgagor or a Guarantor makes an application as a debtor in any Insolvency Proceeding or any other person makes an application against the Mortgagor or a Guarantor in any Insolvency Proceeding;

12. the Mortgagor sells, transfers or disposes of in any other manner the Mortgaged Land, any part thereof or any interest therein (unless the Mortgagee has approved in writing such sale, transfer or other disposition);

13. an execution, judgment or order of execution is filed or made against the Mortgaged Land or any part thereof and remains unsatisfied for a period of ten days;

14. the Mortgagor fails to pay when due any amount owing by the Mortgagor to the applicable condominium corporation or strata corporation or any agent thereof referred to in section G.2.; or

15. the Mortgagor or a Guarantor is not an individual and a change in control of the Mortgagor or such Guarantor occurs without the prior written consent of the Mortgagee; for the purposes hereof, a change in control of the Mortgagor or a Guarantor shall be deemed to occur if there occurs one or more sales, transfers or other dispositions of the beneficial ownership existing on the date of the Mortgage in the aggregate of:

    (a) shares, other securities or other equity interests issued by the Mortgagor or such Guarantor which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by the Mortgagor or such Guarantor; or

    (b) shares, other securities or equity interests issued by any Controlling Entity which have more than 50% of the total ordinary voting power of all shares, other securities and other equity interests issued by such Controlling Entity.

J. <u>REMEDIES OF MORTGAGEE</u>

1. *Acceleration and Termination of Obligation to Extend Credit.* Without prejudice to any right of the Mortgagee to demand at any time payment by the Mortgagor of any and all Indebtedness, upon the occurrence of a Default all Indebtedness (or any part thereof determined by the Mortgagee) shall, at the Mortgagee's option, forthwith become due and payable, the Mortgage shall become enforceable and the Mortgagee shall not be obligated to extend any further credit to the Mortgagor.

2. *Right of Entry.* Upon the occurrence of a Default, the Mortgagee may, at any time or times without the concurrence of any person, enter upon, take and maintain possession of the Mortgaged Land, inspect, complete the construction of, repair or maintain any buildings or other improvements thereon, lease, collect the rents, profits and other amounts derived from the Mortgaged Land and manage the Mortgaged Land as the Mortgagee may deem fit without hindrance or interruption by the Mortgagor or any other person, and all reasonable costs, charges and expenses, including legal fees on a solicitor and his or her own client basis, and disbursements, commissions and allowances for the time and services of any employees of the Mortgagee or any agent of the Mortgagee or other persons appointed for any such purpose shall be forthwith payable by the Mortgagor to the Mortgagee with interest thereon at the Applicable Rate, shall be a part of the Indebtedness and shall be secured by the Mortgage. Upon the occurrence of a Default, the Mortgagee may also enforce its security against all crops growing on the Mortgaged Land, the Mortgagee may, at any time or times without the concurrence of any person, enter upon the Mortgaged Land for the purpose of cutting, harvesting and removing such crops and for otherwise farming and working the Mortgaged Land, the Mortgagee may bring on the Mortgaged Land all machines, equipment and instruments necessary for such purposes, and the Mortgagee may use all yards, barns, granaries, grain bins or all other improvements and equipment located on the Mortgaged Land to carry out any of such activities.

3. *Sale or Lease.* Upon Default, the Mortgagee may without notice sell the whole or any part or parts of the Mortgaged Land by public auction or private contract, or partly one and partly the other, on such terms as to credit or otherwise as to the Mortgagee shall appear most advantageous and for such prices as can reasonably be obtained therefor. Sales may be made from time to time of portions of the Mortgaged Land to satisfy interest or parts of the principal, interest or other monies due, leaving the balance thereof to accrue interest, payable as aforesaid. The Mortgagee may make any stipulations as to title, or evidence of commencement of title, or otherwise, as the Mortgagee shall deem proper. The Mortgagee may buy in at any sale of, or rescind or vary any contract for sale of, any of the Mortgaged Land and resell, without being

answerable for loss occasioned thereby. In case of a lease of any of the Mortgaged Land or a sale on credit, the Mortgagee shall only be bound to apply to payment of Indebtedness such monies as have been actually received from the lessee or purchaser. For any of such purposes the Mortgagee may make and execute all agreements and assurances as the Mortgagee deems fit. To enable the Mortgagee to exercise the powers granted to it hereunder, the Mortgagor hereby irrevocably appoints the Mortgagee as its attorney and on its behalf to effect any sale, lease or other disposition of the Mortgaged Land, and to execute all instruments and deeds, and do all acts, matters and things that may be necessary or advisable in the name of or on behalf of the Mortgagor or otherwise. Any deed, lease, agreement or other instrument required to be signed under seal and signed by the Mortgagee under its seal pursuant hereto shall have the same effect as if it were signed under the corporate seal of the Mortgagor.

4. *Additional Sale or Lease Provisions.* The following shall apply with respect to any sale or lease by the Mortgagee, its agent or any Receiver of all or part of the Mortgaged Land after the occurrence of a Default:

(a) no purchaser or lessee shall be bound to enquire into the legality, regularity or propriety of any sale or lease or be affected by notice of any irregularity or impropriety and no lack of default or lack of notice or other requirement or any irregularity or impropriety of any kind shall invalidate any sale or lease;

(b) the Mortgagee may sell or lease all or part of the Mortgaged Land without entering into actual possession of the Mortgaged Land and, when it desires to take possession, it may break locks and bolts and while in possession shall only be accountable for moneys actually received by it;

(c) the Mortgagor hereby appoints the Mortgagee as the Mortgagor's true and lawful attorney and agent to make application under any statute for consent to sever, sell or lease part or parts of the Mortgaged Land and to do all things and execute all documents to effectually complete any such severance, sale or lease;

(d) the Mortgagee may lease or take sale proceedings notwithstanding that other mortgage proceedings have been taken or are then pending;

(e) the Mortgagee shall not be responsible for any loss which may arise by reason of any such leasing or sale of the Mortgaged Land unless such loss is caused by the Mortgagee's willful misconduct; and

(f) no sale, leasing or other dealing by the Mortgagee with the Mortgaged Land or any part thereof shall in any way change the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person liable for payment of any Indebtedness.

5. *Attornment.* To the extent the Mortgaged Land or any part thereof is not a residential premises so as to be subject to the provisions of the applicable statute governing residential tenancies and to the extent permitted by law, the Mortgagor hereby attorns to and becomes a tenant of such Mortgaged Land to the Mortgagee from year to year from the date of the execution of the Mortgage until the Mortgage is discharged at a rental equivalent to and applicable in satisfaction of the interest payments forming part of the Indebtedness, the legal relation of landlord and tenant being hereby constituted between the Mortgagee and the Mortgagor in regard to the Mortgaged Land. The Mortgagor agrees that neither the existence of this provision nor anything done by virtue hereof shall impose any obligation on the Mortgagee or render the Mortgagee a mortgagee in possession or accountable for any moneys except moneys actually received by the Mortgagee and the Mortgagee may, upon the occurrence of any Default, enter on the Mortgaged Land and terminate the tenancy hereby created without notice.

6. *Right to Distrain.* Upon the occurrence of a Default, to the extent permitted by law, the Mortgagee may distrain for payment of any and all Indebtedness upon the Mortgaged Land or any part thereof and all chattels situated thereon and by distress warrant recover, by way of rent reserved from the Mortgaged Land, such moneys as shall from time to time be or remain in arrears and all costs, charges and expenses incurred by or on behalf of the Mortgagee with respect to or in connection therewith as in like cases of distress for rent. The Mortgagor waives

the right to claim exceptions and agrees that the Mortgagee shall not be limited in the amount for which it may distrain.

7. *Judgments and Non-Merger.* The taking of a judgment or judgments with respect to any of the covenants contained herein, in the Mortgage or otherwise shall not operate as a merger of any such covenants or affect the Mortgagee's right to receive interest under the Mortgage and each such judgment may provide, at the option of the Mortgagee, that interest thereon shall be computed and payable until such judgment has been fully paid and satisfied.

8. *Separate Remedies.* All remedies of the Mortgagee may be exercised from time to time separately or in combination and are in addition to and not in substitution for any other rights of the Mortgagee however created.

9. *Application of Proceeds and Mortgagor's Liability for Deficiency.* All amounts received by the Mortgagee or any Receiver pursuant to any enforcement of the Mortgage may be held by the Mortgagee as security for the Indebtedness or applied to reduce Indebtedness in such manner as may be determined by the Mortgagee and the Mortgagee may at any time apply or change any such appropriation of such payments to such part or parts of the Indebtedness as the Mortgagee may determine in its sole discretion. The Mortgagor shall be and remain liable to the Mortgagee for any deficiency. Any surplus amounts realized after payment of all Indebtedness shall be paid in accordance with applicable law.

10. *Mortgagor's Insolvency* Proceedings. The Mortgagor acknowledges that the Mortgaged Land is of such a unique nature that, if the Mortgagor seeks to reorganize or restructure its affairs pursuant to any Insolvency Proceeding, the Mortgagee would not have a sufficient commonality of interest with any other creditor or creditors of the Mortgagor such that the Mortgagee would be required to vote on any plan, reorganization, arrangement, compromise or other transaction in a class with any other creditor or creditors of the Mortgagor and, in that regard, the Mortgagor agrees that the Mortgagee shall be placed in its own exclusive class of creditors for voting purposes. The Mortgagor further agrees that:

(a) it will give the Mortgagee not less than 10 days written notice prior to the commencement of any Insolvency Proceeding with respect to the Mortgagor;

(b) in no circumstance will the Mortgagor seek an order which stays any right of the Mortgagee or, to the extent permitted by law, permit any right of the Mortgagee to be stayed, in any Insolvency Proceeding and, if any court-ordered or automatic stay is imposed on the Mortgagee, the Mortgagor hereby consents to an order lifting such stay as against the Mortgagee;

(c) if an Insolvency Proceeding is commenced with respect to the Mortgagor, the Mortgagor will consent to an order directing that all rents or other revenues generated or received from or in respect of the Mortgaged Land be deposited to a segregated trust account under the sole control of the Mortgagee and that same shall not result in the Mortgagee's being a mortgagee in possession of, or in control or management of the Mortgaged Land or result in the acceleration of payment of any Indebtedness unless such acceleration is required by the Mortgagee in writing; and

(d) it shall not, without the Mortgagee's prior written consent, propose or permit the sale or transfer of the Mortgaged Land or any part thereof, in or as part of any Insolvency Proceeding, for a net sale price less than the amount required to pay in full all Indebtedness outstanding as at the date of payment of such net sale proceeds to the Mortgagee.

K. APPOINTMENT OF A RECEIVER

1. *Appointment.* Upon the occurrence of a Default, in addition to any other remedies available to the Mortgagee, the Mortgagee may by instrument in writing appoint a Receiver of all or any part of the Mortgaged Land and all rents, incomes, profits and other amounts now or hereafter arising therefrom. The Mortgagee may also apply to any court of competent jurisdiction for the appointment of a Receiver.

2. *Powers of Receiver.* Any Receiver appointed by the Mortgagee shall, to the extent permitted by law, have the following powers:

(a) to enter upon, take possession of, use, and occupy the Mortgaged Land or any part thereof;

(b) to collect all rents, incomes, profits and other amounts in respect of the Mortgaged Land and to carry on the business of the Mortgagor on the Mortgaged Land;

(c) to borrow money required for the maintenance, preservation or protection of the Mortgaged Land or for carrying on the business of the Mortgagor and, in the discretion of the Receiver, to charge the Mortgaged Land in priority to the Mortgage as security for the principal amounts so borrowed, interest thereon and costs related thereto;

(d) to sell, lease, or otherwise dispose of the Mortgaged Land or any part thereof on such terms and conditions and in such manner as the Receiver shall determine in its sole discretion, and to effect such sale by conveying in the name and on behalf of the Mortgagor or otherwise;

(e) to demand, commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession of the Mortgaged Land, and to give valid and effectual receipts and discharges therefor and to compromise or give time for the payment or performance of all or any part of the rents, accounts receivable or any other obligation of any person to the Mortgagor;

(f) to exercise any rights or remedies which could have been exercised by the Mortgagee against the Mortgagor or the Mortgaged Land or with respect thereto; and

(g) to execute all documents required to effect any of the foregoing.

3. *Identity of Receiver and Removal.* Any Receiver so appointed by the Mortgagee may be any person or persons satisfactory to the Mortgagee, and the Mortgagee may remove any Receiver so appointed and appoint another or others instead.

4. *Receiver as Agent of Mortgagor*. Any Receiver appointed by the Mortgagee shall be deemed to be agent of the Mortgagor unless the Mortgagee expressly specifies in writing that the Receiver shall be agent of the Mortgagee. The Mortgagor agrees to ratify and confirm all actions of the Receiver acting as agent for the Mortgagor and to release and indemnify the Receiver in respect of all such actions.

5. *Receivership Expenses.* The Mortgagor shall pay to the Receiver, forthwith on demand by the Mortgagee or the Receiver, the amount of all reasonable fees, disbursements and other expenses incurred by the Receiver in the exercise of its powers hereunder, with interest thereon at the Applicable Rate from the date on which such sums are incurred. All such sums, together with interest thereon at the Applicable Rate, shall be part of the Indebtedness and secured by the Mortgage.

6. *No Enquiries Required.* No persons dealing with the Receiver or its agents, upon any sale or other dealing with the Mortgaged Land, shall be concerned to inquire as to their powers or as to the application of any money paid to them, such sale or dealing shall be deemed as regards such person to be within the powers hereby conferred and to be valid and effectual.

L. MISCELLANEOUS

1. *Records of Mortgagee.* The records of the Mortgagee disclosing the amount of an extension of credit by the Mortgagee to the Mortgagor, the repayment of any principal amount of Indebtedness, the amount of accrued and unpaid interest owing by the Mortgagor and the amount of other Indebtedness (or any part thereof) at any time outstanding, shall constitute conclusive evidence thereof in the absence of mathematical error.

2. *Revolving Line of Credit.* The Mortgagee may wish to make loan advances and re-advances or otherwise extend credit to the Mortgagor from time to time up to a total outstanding principal amount not exceeding the principal amount referred to in the Mortgage. Accordingly, the Mortgage shall be deemed to be a revolving line of credit mortgage within the meaning of, and shall take priority in accordance with, the provisions dealing with same in the *Land Titles Act* (Alberta). The Mortgage is and shall be continuing security to the Mortgagee for the payment of all Indebtedness. Any portion of the Indebtedness may be advanced or re-advanced by the Mortgagee or other credit may be extended by the Mortgagee in one or more sums at any future time or times and the amount of all such advances, re-advances or other credits when so made or extended shall be secured by the Mortgage and be payable by the Mortgagor with interest thereon at the Applicable Rate and the Mortgage shall be deemed to be taken as security for the ultimate balance of the monies hereby secured, provided that none of the execution or registration of the Mortgage or the advance in part of any monies or extension of any other credit by the Mortgagee shall obligate the Mortgagee to advance any unadvanced portion thereof or to extend any other credit. The Mortgage shall not be void or cease to operate because the Indebtedness secured hereby has at any time or times been paid in full.

3. *Assignment and Syndication.* The Mortgagee shall be entitled from time to time, both before and after a Default, without notice to, or the consent of the Mortgagor or any Guarantor:

(a) to sell or assign all or part of the Indebtedness and the Mortgagee's interests in the Mortgage and any other security and agreements held by the Mortgagee; and

(b) to syndicate all or part of the Indebtedness, the Mortgage and any other security and agreements held by the Mortgagee and to grant participations therein.

To facilitate the foregoing, the Mortgagee may provide each prospective purchaser, assignee, syndicated lender or participant and their respective advisers with financial and other information concerning the Indebtedness, the Mortgagor, the Mortgaged Land, any Guarantor, any other collateral or any other matter.

4. *General Indemnity by Mortgagor.* The Mortgagor hereby agrees, on demand by the Mortgagee, to indemnify and hold harmless the Mortgagee and its officers, directors, employees and agents from and against any and all claims, expenses, liabilities, losses and damages that may be asserted against or incurred by any of such indemnified persons arising out of, or in connection with the Mortgage, any Indebtedness or any claim, investigation, proceeding or litigation relating to any of the foregoing, regardless of whether any such indemnified person is a party thereto (including any and all breakage costs reasonably incurred by the Mortgagee in respect of any breach by the Mortgagor of any of its obligations under the Mortgage) and to reimburse each such indemnified person, on demand by the Mortgagee, for any and all reasonable legal and other expenses incurred in investigating, pursuing or defending any of the foregoing or otherwise in connection with any of the foregoing; provided that the foregoing indemnity shall not, as to any indemnified person, apply to any claim, expense, liability, loss or damage or related expense to the extent they are found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the wilful misconduct or gross negligence of such indemnified person.

5. *Effect of Sale.* No sale, conveyance, transfer or other dealing by the Mortgagor with the Mortgaged Land or any part thereof or any approval of the Mortgagee relating thereto shall in any way change or affect the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person or persons liable for payment of the Indebtedness or any part thereof.

6. *Dealings with the Mortgagor and Others.* The Mortgagee may grant time, renewals, extensions, indulgences, releases and discharges to, may take security from and give the same

and any and all existing security up to, may abstain from taking security from or from perfecting security of, may accept compositions from, may amend the Mortgage, and may otherwise deal with the Mortgagor and all other persons (including any principal debtor, any Guarantor or any owner of the Mortgaged Land) and security as the Mortgagee may see fit without prejudicing any rights of the Mortgagee under the Mortgage.

7. *Amendments to Mortgage.* The Mortgagor and the Mortgagee may from time to time amend the Mortgage (including to increase the interest rate specified by the Mortgage) by an amendment agreement between the Mortgagor and the Mortgagee, whether or not such amendment agreement (or notice thereof) is registered. This provision shall constitute notice of such amendments and the Mortgage shall secure payment of all Indebtedness (including all interest and other Indebtedness arising or resulting from such amendments) and retain its priority with respect thereto over any mortgage, charge or other instrument registered subsequent to the Mortgage.

8. *Waiver.* No waiver, condonation or excusing by the Mortgagee of any default, breach or other non-performance by the Mortgagor at any time or times in respect of any provision of the Mortgage (including any Default) shall operate as a waiver by the Mortgagee of any subsequent or other default, breach or non-performance or prejudice or affect in any way the rights of the Mortgagee in respect of any such subsequent or other default, breach or non-performance.

9. *Discharge or Assignment.* The Mortgagee shall be entitled to prepare or have its counsel prepare a discharge or assignment of the Mortgage and any other documents necessary to discharge or assign any other security held by the Mortgagee and shall have a reasonable time after payment of the Indebtedness in full within which to prepare, execute and deliver such instruments. All reasonable costs, fees and disbursements of the Mortgagee and the Mortgagee's counsel in connection with the preparation, review, execution and delivery of the discharge, assignment or any other documents necessary to discharge or assign the Mortgage or any other security shall, to the extent permitted by law, be paid by the Mortgagor to the Mortgagee and be secured by the Mortgage.

10. *No Obligation to Advance.* Nothing herein and nothing contained in the Mortgage shall obligate the Mortgagee to loan any amount to the Mortgagor or to extend any other credit to the Mortgagor.

11. *Appointment of Attorney Irrevocable.* Each appointment by the Mortgagor of an attorney in the Mortgage or the Standard Form Mortgage is coupled with an interest and may not be revoked.

12. *Other Security.* The Mortgage is in addition to and not in substitution for any other security at any time held by the Mortgagee as security for payment of all or any part of the Indebtedness, and the Mortgagee may, at its option, pursue its remedies thereunder or under the Mortgage concurrently or successively. Any judgment or recovery under the Mortgage or under any other security held by the Mortgagee as security for payment of Indebtedness shall not affect the right of the Mortgagee to enforce or realize on the Mortgage or any other such security.

13. *Financing Statement.* To the extent permitted by law, the Mortgagor hereby waives its right to receive from the Mortgagee a copy of any financing statement, financing change statement, verification statement or other similar statement filed by or received by the Mortgagee or any agent of the Mortgagee.

14. *Notice.* Except as otherwise herein provided, any notice, demand or other communication to the Mortgagor referred to herein or in the Mortgage may be forwarded to the Mortgagor by personal delivery or mailed by prepaid ordinary or registered mail to the Mortgagor at the Mortgagor's last known address as shown on the Mortgagee's records. The Mortgagor shall be deemed to have received the same on the date of delivery, if personally delivered, or on the fourth day after the same is mailed by prepaid ordinary mail or registered mail, if mailed, even if the Mortgagor does not actually receive it.

15. *Different Currencies.* The payment of any part of the Indebtedness shall be made by the Mortgagor in the same currency as the currency in which such part of the Indebtedness is then denominated and all interest and fees shall be paid by the Mortgagor in the same currency as the currency in which that part of the Indebtedness to which they relate is denominated.

16. *Judgment Currency.* If in the recovery by the Mortgagee of any Indebtedness in any currency, judgment can only be obtained in another currency and, because of changes in the exchange rate of such currencies between the date of judgment and payment in full of the amount of such judgment, the recovery under the judgment differs from the receipt by the Mortgagee of the full amount of such Indebtedness, the Mortgagor shall pay any such deficiency to the Mortgagee, such deficiency may be claimed by the Mortgagee against the Mortgagor as an alternative or additional cause of action and any surplus received by the Mortgagee shall be repaid to the Mortgagor.

17. *Foreign Exchange Rate Determinations.* Whenever any provision of the Mortgage requires or permits the determination of the rate of exchange between any currencies, such rate of exchange shall be determined by the Mortgagee based on its normal practice as at the date of such determination.

18. *Governing Law.* This Standard Form Mortgage and the Mortgage shall be governed by the law of the jurisdiction in which the Mortgaged Land is located.

19. *Time of Essence.* Time shall be of the essence of the Mortgage.

20. *Severability.* If any provision of the Mortgage is found by a court of competent jurisdiction to be illegal, invalid or unenforceable, such provision shall not apply and the Mortgage shall remain in full force and effect without such provision.

21. *Interpretation.* Whenever the context so requires, words in the singular shall include the plural, words in the plural shall include the singular and words importing any gender shall include the other genders. Whenever used in the Standard Form Mortgage, the Mortgage or any Schedule, the words “including” and “includes” shall mean “including, without limitation” and “includes, without limitation”, respectively, and the word “person” shall include an individual, corporation, partnership, government, government agency and any other entity.

22. *Titles.* Titles used in the Standard Form Mortgage, the Mortgage or any Schedule are inserted for convenience of reference only and shall not affect or modify the interpretation or construction of any provision of the Standard Form Mortgage, the Mortgage or any Schedule.

23. *Joint and Several Obligations.* If there is more than one Mortgagor, all Mortgagors shall be jointly and severally liable for all obligations of the Mortgagors pursuant to the Mortgage.

24. *Schedule.* Schedule “A” shall form part of the Standard Form Mortgage.

25. *Equivalent Rate Information.* Schedule “A” is a summary of various annual rates of interest calculated half-yearly not in advance equivalent to the corresponding annual rates calculated monthly not in advance or calculated quarter-annually not in advance. The rate of interest chargeable, calculated half-yearly not in advance, equivalent to each Applicable Rate, is shown by Schedule “A”.

26. *Successors and Assigns.* All rights and powers of the Mortgagee shall enure to the benefit of and be exercisable by the Mortgagee and the Mortgagee’s successors and assigns. All covenants, obligations and liabilities entered into or imposed on the Mortgagor shall be binding on the Mortgagor and the Mortgagor’s heirs, executors, administrators, personal representatives, successors and assigns.

SCHEDULE "A"

The interest rates set out in Column C are the annual interest rates calculated half-yearly not in advance which are equivalent to the corresponding annual interest rates calculated monthly not in advance set out in Column A and quarter-annually not in advance set out in Column B.

COLUMN A **Interest rate calculated monthly not in advance**	COLUMN B **Interest rate calculated quarter-annually not in advance**	COLUMN C **Interest rate calculated half-yearly not in advance**	COLUMN A **Interest rate calculated monthly not in advance**	COLUMN B **Interest rate calculated quarter-annually not in advance**	COLUMN C **Interest rate calculated half-yearly not in advance**
3.0000%	3.0075%	3.0188%	11.6250%	11.7380%	11.9102%
3.1250%	3.1331%	3.1454%	11.7500%	11.8654%	12.0414%
3.2500%	3.2588%	3.2721%	11.8750%	11.9929%	12.1727%
3.3750%	3.3845%	3.3988%	12.0000%	12.1204%	12.3040%
3.5000%	3.5102%	3.5256%	12.1250%	12.2479%	12.4354%
3.6250%	3.6360%	3.6525%	12.2500%	12.3755%	12.5669%
3.7500%	3.7617%	3.7794%	12.3750%	12.5031%	12.6985%
3.8750%	3.8875%	3.9064%	12.5000%	12.6307%	12.8301%
4.0000%	4.0133%	4.0335%	12.6250%	12.7583%	12.9618%
4.1250%	4.1392%	4.1606%	12.7500%	12.8859%	13.0935%
4.2500%	4.2651%	4.2878%	12.8750%	13.0136%	13.2253%
4.3750%	4.3910%	4.4151%	13.0000%	13.1413%	13.3572%
4.5000%	4.5169%	4.5424%	13.1250%	13.2691%	13.4892%
4.6250%	4.6428%	4.6698%	13.2500%	13.3968%	13.6212%
4.7500%	4.7688%	4.7973%	13.3750%	13.5246%	13.7533%
4.8750%	4.8948%	4.9248%	13.5000%	13.6524%	13.8854%
5.0000%	5.0209%	5.0524%	13.6250%	13.7803%	14.0177%
5.1250%	5.1469%	5.1800%	13.7500%	13.9082%	14.1499%
5.2500%	5.2730%	5.3078%	13.8750%	14.0360%	14.2823%
5.3750%	5.3991%	5.4355%	14.0000%	14.1640%	14.4147%
5.5000%	5.5252%	5.5634%	14.1250%	14.2919%	14.5472%
5.6250%	5.6514%	5.6913%	14.2500%	14.4199%	14.6798%
5.7500%	5.7776%	5.8193%	14.3750%	14.5479%	14.8124%
5.8750%	5.9038%	5.9474%	14.5000%	14.6759%	14.9451%
6.0000%	6.0300%	6.0755%	14.6250%	14.8040%	15.0779%
6.1250%	6.1563%	6.2037%	14.7500%	14.9320%	15.2108%
6.2500%	6.2826%	6.3319%	14.8750%	15.0601%	15.3437%
6.3750%	6.4089%	6.4603%	15.0000%	15.1883%	15.4766%
6.5000%	6.5353%	6.5887%	15.1250%	15.3164%	15.6097%
6.6250%	6.6616%	6.7171%	15.2500%	15.4446%	15.7428%
6.7500%	6.7880%	6.8456%	15.3750%	15.5728%	15.8760%
6.8750%	6.9145%	6.9742%	15.5000%	15.7011%	16.0092%
7.0000%	7.0409%	7.1029%	15.6250%	15.8293%	16.1425%
7.1250%	7.1674%	7.2316%	15.7500%	15.9576%	16.2759%
7.2500%	7.2939%	7.3604%	15.8750%	16.0859%	16.4094%
7.3750%	7.4204%	7.4892%	16.0000%	16.2143%	16.5429%
7.5000%	7.5470%	7.6182%	16.1250%	16.3427%	16.6765%
7.6250%	7.6736%	7.7472%	16.2500%	16.4710%	16.8102%
7.7500%	7.8002%	7.8762%	16.3750%	16.5995%	16.9439%
7.8750%	7.9268%	8.0053%	16.5000%	16.7279%	17.0777%
8.0000%	8.0535%	8.1345%	16.6250%	16.8564%	17.2116%
8.1250%	8.1801%	8.2638%	16.7500%	16.9849%	17.3455%
8.2500%	8.3068%	8.3931%	16.8750%	17.1134%	17.4795%
8.3750%	8.4336%	8.5225%	17.0000%	17.2420%	17.6136%
8.5000%	8.5604%	8.6519%	17.1250%	17.3706%	17.7477%
8.6250%	8.6871%	8.7815%	17.2500%	17.4992%	17.8819%
8.7500%	8.8140%	8.9111%	17.3750%	17.6278%	18.0162%
8.8750%	8.9408%	9.0407%	17.5000%	17.7564%	18.1506%
9.0000%	9.0677%	9.1704%	17.6250%	17.8851%	18.2850%
9.1250%	9.1946%	9.3002%	17.7500%	18.0138%	18.4195%
9.2500%	9.3215%	9.4301%	17.8750%	18.1426%	18.5540%
9.3750%	9.4484%	9.5600%	18.0000%	18.2713%	18.6887%
9.5000%	9.5754%	9.6900%	18.1250%	18.4001%	18.8233%
9.6250%	9.7024%	9.8201%	18.2500%	18.5290%	18.9581%
9.7500%	9.8294%	9.9502%	18.3750%	18.6578%	19.0929%
9.8750%	9.9565%	10.0804%	18.5000%	18.7867%	19.2278%
10.0000%	10.0836%	10.2107%	18.6250%	18.9156%	19.3628%
10.1250%	10.2107%	10.3410%	18.7500%	19.0445%	19.4979%
10.2500%	10.3378%	10.4714%	18.8750%	19.1734%	19.6330%
10.3750%	10.4650%	10.6019%	19.0000%	19.3024%	19.7682%
10.5000%	10.5921%	10.7324%	19.1250%	19.4314%	19.9034%
10.6250%	10.7194%	10.8630%	19.2500%	19.5605%	20.0387%
10.7500%	10.8466%	10.9937%	19.3750%	19.6895%	20.1741%
10.8750%	10.9739%	11.1244%	19.5000%	19.8186%	20.3096%
11.0000%	11.1011%	11.2552%	19.6250%	19.9477%	20.4451%
11.1250%	11.2285%	11.3861%	19.7500%	20.0768%	20.5807%
11.2500%	11.3558%	11.5170%	19.8750%	20.2060%	20.7163%
11.3750%	11.4832%	11.6480%	20.0000%	20.3352%	20.8521%
11.5000%	11.6106%	11.7791%			

This is **Exhibit "L"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

GENERAL ASSIGNMENT OF RENTS AND LEASES

THIS GENERAL ASSIGNMENT OF RENTS AND LEASES is made as of September 27, 2016.

BETWEEN:

1194038 ALBERTA LTD.

(the "Assignor")

- and -

BANK OF MONTREAL

(the "Bank")

WHEREAS:

A. The Assignor is or will be the registered owner of the lands and premises described in Schedule "A" hereto (hereinafter called the "Property");

B. The Bank has pursuant to a Commitment Letter, agreed to provide credit facilities to 1194038 Alberta Ltd. The Assignor has executed and delivered a Land Titles Act Mortgage collateral thereto (the "Security") to the Bank as evidence of and security for the said loan;

C. It was agreed as a condition of the making of the loan to 1194038 Alberta Ltd. that the Assignor would assign to the Bank, its successors and assigns:

(i) all leases, subleases, licenses, offers and agreements to lease, options to lease, rights of renewal or other agreements by which the Assignor granted or will grant the right to use or occupy all or part of the Property (whether presently existing or which may exist in the future), including all rights and benefits of any guarantees thereof, ("the Leases") and;

(ii) all rents, issues and profits now due or to become due under and derived from the Leases and/or the Property ("the Rents") as additional security for the payment of the moneys owing under the Security and for the performance of the covenants and provisos contained in any Commitment Letter or Loan Agreement.

NOW THEREFORE, in consideration of the sum of Five Dollars ($5.00) and other good and valuable consideration paid to the Assignor by the Bank, (the receipt and sufficiency of which is hereby acknowledged) the parties hereto covenant and agree as follows:

1 The Assignor does hereby sell, assign, transfer and set over unto the Bank, all of the Assignor's right, title and interest, both at law and in equity, in and to the Rents and the Leases.

2. So long as no default as defined in the Security will have occurred and be continuing and so long as the Bank will not have elected to exercise its rights under Paragraph 6. hereof:

(a) the Assignor may, subject to the terms hereof, continue to exercise its rights under the Leases and collect the Rents; and

(b) the Bank will not exercise its rights hereunder or under the Leases. It is further understood and agreed that the Assignor may continue to exercise such rights only so long as no default continues to exist under the Security and the Bank expressly reserves the right to waive default under the Security.

3 In the event that the Property or any part thereof is sold or transferred, then the principal sum and all other amounts secured to the Bank will, at the option of the Bank, become immediately due and payable.

4. In the event that the Assignor is in default in the observance or performance of any of the terms and conditions of the Security, this Agreement or any collateral security then, at the option of the Bank the principal sum and all other monies secured under the Security will immediately become due and payable, and in default of payment, the Bank will be entitled to exercise such remedies to realize its security under the Security as it may by law be entitled to do.

5. Upon the occurrence of default under the Security, the Assignor will deliver to the Bank original or certified true copies of all Leases and all amendments thereto.

6. The Bank may, after the occurrence of a default as above provided, from time to time appoint and dismiss such agent or employees as will be necessary for the collection of the Rents, and for the proper administration and operation of the Property, and the Assignor hereby grants to such agents or employees so appointed full and irrevocable authority to manage the Property and to do all acts relating to such management including among others, the making of new Leases, the alteration or amendment of existing Leases, the authorization of repairs or replacements or work to maintain and/or complete the building or buildings situate upon the Property in good and tenantable condition and the making of such alterations or improvements as, in the judgment of the Bank, may be necessary to maintain or increase the income from the Property. The Bank will have the sole control of such agents or employees whose remuneration will be paid out of the Rents as herein provided.

7. The Assignor agrees that nothing in this Agreement will be construed to limit or restrict in any way the rights and powers granted in the Security or other security instruments related thereto to the Bank. The collection and application of the Rents to the indebtedness under the Security otherwise provided herein will not constitute a waiver of any default which might at the time of application or thereafter exist under the Security or other security instruments related thereto, and the payment of the indebtedness secured by such

instruments may be accelerated in accordance with their terms, notwithstanding such application.

8. It is expressly agreed that nothing herein contained will be deemed to have the effect of making the Bank, its successors or assigns, responsible for the collection of the Rents or any part thereof, or the performance of any covenants, terms or conditions contained in the Leases to be observed and performed by the Assignor or by the tenants thereof. The Bank, will not by virtue of these presents, be deemed to be a mortgagee in possession of the Property or to have received on account of the indebtedness provided for in the Security any monies other than the amounts of the Rents actually received by it from time to time, less all costs and expenses of collection and out-of-pocket deductions specified herein. The Bank will be under no obligation to take any action or proceeding or exercise any remedy for the collection or recovery of the Rents or any part thereof or otherwise to see to or enforce the performance by the tenants, their successors or assigns, of their obligations.

9. All sums collected and received by the Bank out of the Rents, will first be applied by it to the payment of:

   (a) the costs of their collection;

   (b) the costs of completion, management, repairs and upkeep of the Property;

   (c) all taxes, assessments, premiums for public liability insurance and insurance premiums payable by the Assignor as provided in the Security and any taxes imposed upon or collectible from the Bank under any federal or provincial law or any law or ordinance enacted by any political subdivision thereof, or any supplements or amendments thereto, provided, however, that such taxes will be based upon the employment by the Bank of persons necessary to the completion and operation of the Property under this Assignment; and

   (d) the balance, if any, which will be known as "the net income", will be applied toward the reduction of the indebtedness provided for in the Security and interest accrued thereon.

10. It is understood and agreed that no credit will be given by the Bank for any sum or sums received from the Rents until the money collected is actually received by the Bank at the address provided herein, and no credits will be given for any uncollected rents or other collection amounts or bills, nor will credit on the indebtedness provided for the Security be given for any Rents, after the Bank will obtain ownership of the Property under Court order or by operation of law.

11. The Assignor will not, without the consent of the Bank, such consent not to be unreasonably withheld;

   (a) modify, amend, or accept a surrender, or cancel any Lease, release the obligations of the tenants thereunder, accept any surrender of such Leases, accept any prepayments of rents thereunder, save as specifically provided in the Leases, or consent to any subletting or assigning by the tenants under the Leases;

(b) further assign, mortgage, pledge, hypothecate or otherwise deal with the Leases, except any such dealings which are subordinated to the security given under the Security and this Assignment; and

(c) enter into any offer or agreement to lease or lease of space for the whole or any part of the Property.

12. Save for deposits for the first and the last months' rentals, the Assignor covenants with the Bank that it will not accept Rents from the Property more than four (4) months in advance of the dates when such Rents fall due without the prior written approval of the Bank which approval will not be unreasonably withheld.

13. The Assignor will indemnify and save harmless the Bank from all actions, suits, costs, losses, charges, damages and expenses arising as a result of the default of any landlord under the Leases prior to the date hereof.

14. The Assignor covenants that it has full right, power and authority to assign the Rents and Leases, and that it will at all times hereafter at the request of the Bank, execute such further documents in regard to this Assignment as the Bank may reasonably require.

15. It is understood and agreed that a full and complete release of the Security will operate as a full and complete release of all of the Bank's rights and interests hereunder, and that after the Security has been fully released this Assignment will be void and of no further effect.

16. All notices to be given hereunder will be in writing and may be given by personal delivery or by transmittal by telefax addressed as follows:

To the Assignor:

1194038 Alberta Ltd.
1304 Welbourn Lane
Edmonton, Alberta
T6M 2M2

To the Bank:

Bank of Montreal
5th Floor
10199 - 101 Street
Edmonton, Alberta
T5J 3Y4

or such other address or telefax number as the Assignor and the Bank may respectively from time to time designate in writing, by notice delivered or transmitted as provided above. Any such notice given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof, or, if given by telefax, on the first business day following the transmittal thereof.

17. The provisions of this Assignment will be construed and interpreted in accordance with the laws of the Province of Alberta.

18. In the event of a conflict between any of the terms and conditions contained herein and the provisions of the Security or any deficiency herein, the provisions of the Security will govern.

19. This Assignment will enure to the benefit of the Bank and its successors and assigns and will be binding on the Assignor and its successors and assigns.

IN WITNESS WHEREOF the Assignor has executed these presents on September 27, 2016.

Witnesses:	**1194038 ALBERTA LTD.**
Name	By:
	Name: Allan Dobish
	Title: President

SCHEDULE "A"
(the "Property")

Plan 772 2579
Block 2
Lot 7

EXCEPTING THEREOUT ALL MINES AND MINERALS

4 ~

CAVEAT

TO THE REGISTRAR OF THE NORTH ALBERTA LAND REGISTRATION DISTRICT:

TAKE NOTICE that the BANK OF MONTREAL of Edmonton, Alberta claims an interest in the following described lands as Assignee under and by virtue of a General Assignment of Rents and Leases to be made in writing on September 27, 2016, between 1194038 Alberta Ltd. as Assignor and the Bank of Montreal as Assignee, and it claims an interest in:

Plan 772 2579
Block 2
Lot 7

EXCEPTING THEREOUT ALL MINES AND MINERALS

standing in the register in the name of 1194038 Alberta Ltd. and the Caveator forbids the registration of any person as transferee or owner of, or of any instrument affecting the said estate or interest, unless the instrument or Certificate of Title, as the case may be, is expressed to be subject to this claim.

WE APPOINT Bank of Montreal of 5th Floor, 10199 - 101 Street, Edmonton, Alberta T5J 3Y4 as the place at which notices and proceedings relating hereto may be served.

DATED on September 23, 2016.

BANK OF MONTREAL
BY THEIR SOLICITORS AND AGENTS,
PROWSE CHOWNE LLP

Per: ______________________
John B. Williams

CANADA PROVINCE OF ALBERTA TO WIT:	))))	I, John B. Williams of the City of Edmonton, in the Province of Alberta,

MAKE OATH AND SAY AS FOLLOWS:

1. I am agent for the above-named Caveator.

2. I believe that the said Caveator has a good and valid claim upon the said land and I say that this Caveat is not being filed for the purpose of delaying or embarrassing any person interested in or proposing to deal therewith.

SWORN before me at the City of Edmonton, in the Province of Alberta, this 23 day of September, 2016	))))	John B. Williams

Jacqueline Williams

A Commissioner for Oaths in and for Alberta

Jacqueline Williams
My commission expires
February 4, 2018

This is **Exhibit "M"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

SECURITY AGREEMENT

The undersigned (hereinafter called the "Debtor") hereby enters into this Security Agreement with Bank of Montreal (hereinafter called the "Bank") for valuable consideration and as security for the repayment of all present and future indebtedness of the Debtor to the Bank and interest thereon and for the payment and discharge of all other present and future liabilities and obligations, direct or indirect, absolute or contingent, of the Debtor to the Bank (all such indebtedness, interest, liabilities and obligations being hereinafter collectively called the "Obligations"). This Security Agreement is entered into pursuant to and is governed by the Alberta Personal Property Security Act insofar as it affects personal property located in Alberta.

1. The Debtor hereby represents and warrants to the Bank that it has assets at the following locations in Alberta

   10103 - 175 Street N.W., Edmonton, Alberta T5S 1L9
   Lot 7, Block 2, Plan 772 2579

2. The Debtor hereby

   (a) mortgages and charges to the Bank as and by way of a fixed and specific mortgage and charge, and grants to the Bank a security interest in, all its present and future goods and any proceeds therefrom, including, without limiting the generality of the foregoing, all fixtures, building materials, leased goods, plant, machinery, tools and furniture now or hereafter owned or acquired, and any goods specifically listed or otherwise described in any Schedule hereto;

   (b) mortgages and charges to the Bank, and grants to the Bank a security interest in, all its present and future inventory and any proceeds therefrom, including, without limiting the generality of the foregoing, all raw materials, goods in process, work in progress, materials used or consumed in business, finished goods and packaging material and goods acquired or held for sale or lease or furnished under contracts of rental or service;

   (c) assigns, transfers and sets over to the Bank and grants to the Bank a security interest in, all its present and future intangibles, chattel paper, securities, documents of title, instruments and money, and any proceeds therefrom, including, without limiting the generality of the foregoing, all its present and future book debts and other accounts receivable, monetary obligations, contract rights and other choses in action of every kind or nature now due or hereafter to become due, including insurance rights arising from or out of the assets referred to in sub-clauses (a) and (b) above; and

   (d) charges in favour of the Bank as and by way of a floating charge its undertaking and all its property and assets, real and personal, moveable or immoveable, of whatsoever nature and kind, including without limitation client lists, client records and client files, both present and future (other than property and assets hereby validly assigned or subjected to a specific mortgage and charge and to the exceptions hereinafter contained). For the purposes of this Security Agreement, the goods, inventory, intangibles, chattel paper, securities, documents of title, instruments, money, undertaking and all other property and assets of the Debtor referred to in this clause 2 are hereinafter sometimes collectively called the "Collateral".

3. The Collateral is on the date hereof primarily situate or located at the location(s) set out in clause 1 hereof but may from time to time be located at other premises of the Debtor. ~~The Collateral may also be located at other places while in transit to and from such locations and premises, and the Collateral may from time to time be situated or located at any other place when on lease or consignment to any lessee or consignee from the Debtor.~~ The Collateral shall not be removed from the Province of Alberta without the prior written consent of the Bank.

4. It is hereby declared that the last day of any term of years reserved by any lease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Debtor, is hereby or shall be excepted out of the mortgages, charges and security interests hereby created, but the Debtor shall stand possessed of the reversion of one day remaining in the Debtor in respect of any such term of years, for the time being demised, as aforesaid upon trust to assign and dispose of the same as any purchaser of such term of years shall direct. There shall also be excluded from the security created by clause 2 (d) after-acquired consumer goods of the Debtor other than when subject to purchase money security interests in favour of the Bank, and other than accessions.

5. The Debtor

(a) shall not without the prior written consent of the Bank sell or dispose of any of the Collateral other than that described in sub-clause (b) of clause 2 above which may be sold only in the ordinary course of business and for the purpose of carrying on the same; and if the amounts of any of the Collateral of the type referred to in sub-clause (c) of clause 2 above or any proceeds arising from the Collateral of the type described in sub-clauses (a) and (b) of clause 2 above shall be paid to the Debtor, the Debtor shall receive the same as Trustee for the Bank and forthwith pay over the same to the Bank. The Debtor shall not without the prior written consent of the Bank create any liens upon or assign or transfer as security or pledge or hypothecate as security or create a security interest in the Collateral except to the Bank. The Debtor agrees that the Bank may at any time before or after default require any account debtor of the Debtor to make payment to the Bank and the Bank may take control of any proceeds referred to in sub-clauses (a), (b) and (c) of clause 2 hereof and may hold all amounts received from any account debtors and any proceeds as cash collateral as part of the Collateral and as security for the Obligations of the Debtor to the Bank.

(b) covenants not to substitute or modify any of the Debtor's rights under any Collateral of the type listed in sub-clause (c) of clause 2 above without the written consent of the Bank, and any substitution or modification not consented to may at the option of the Bank be treated as an act of default hereunder.

6. The Debtor shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all and singular every such further acts, deeds, transfers, assignments, security agreements and assurances as the Bank may reasonably require for the better granting, transferring, assigning, charging, setting over, assuring and confirming unto the Bank the property and assets hereby mortgaged and charged or subjected to security interests or intended so to be or which the Debtor may hereafter become

bound to mortgage, charge, transfer, assign or subject to a security interest in favour of the Bank and for the better accomplishing and effectuating of this Security Agreement.

7. The Debtor shall at all times have and maintain insurance over the Collateral against risks of fire (including so-called extended coverage), theft, and also against such other risks as the Bank may reasonably require in writing, containing such terms, in such form, for such periods and written by such companies as may be reasonably satisfactory to the Bank. The Debtor shall duly and seasonably pay all premiums and other sums payable for maintaining such insurance and shall cause the insurance money thereunder to be payable to the Bank as its interest hereunder may appear and shall, if required, furnish the Bank with certificates or other evidence satisfactory to the Bank of compliance with the foregoing insurance provisions.

8. The Debtor shall keep proper books of account and shall at all times upon request by the Bank furnish the Bank with such information concerning the Collateral and the Debtor's affairs and business as the Bank may reasonably request, including financial statements, lists of inventory and equipment and lists of accounts receivable showing the amounts owing upon each account and securities therefor and copies of all financial statements, books and accounts, invoices, letters, papers and other documents in any way evidencing or relating to the account. The Debtor shall permit the Bank at all reasonable times to enter onto its premises to inspect and copy its books, and to inspect the Collateral.

9. The Debtor shall be in default under this Security Agreement upon the occurrence of any one of the following events:

(a) the Debtor shall default under any of the Obligations;

(b) the Debtor shall default in the due observance or performance of any covenant, undertaking or agreement heretofore or hereafter given to the Bank, whether contained herein or not and including any covenant or undertaking set out in any Schedule to this Security Agreement;

(c) an execution of any other process of any court shall become enforceable against the Debtor or a distress of any analogous process shall be levied upon the property of the Debtor or any part thereof, or a receiver shall be appointed for the Debtor.

(d) the Debtor shall become insolvent or commit an act of bankruptcy, or make an assignment in bankruptcy or a bulk sale of its assets or a bankruptcy petition shall be filed or presented against the Debtor and not be bona fide opposed by the Debtor;

(e) the Debtor shall cease to carry on business, or shall fail to keep the Collateral in repair and in good working order, or shall fail to promptly pay when due all taxes, licence fees and assessments levied on the Debtor;

(f) the Bank in good faith and on commercially reasonable grounds deems itself insecure or decides that the due discharge of the Obligations, the Collateral or the security is in jeopardy;

(g) the Debtor shall, without the prior written consent of the Bank, pay any dividend or bonus to shareholders or otherwise distribute or reduce its capital, or make capital expenditures in excess of $n/a in any year, or make any capital expenditure or payment while in default of the Obligations, or become guarantor, surety or endorser of the obligations of any other person other than in favour of the Bank, or lend money other than in the ordinary course of its business.

10. Upon any default under this Security Agreement, the Bank may declare any or all of the Obligations to be immediately due and payable and may proceed to realize the security hereby constituted and to enforce its rights by any method not prohibited by law, including by the appointment by instrument in writing of a receiver or receivers of the subject matter of such security or any part thereof and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Bank or not, and the Bank may remove any receiver or receivers so appointed and appoint another or others in his or their stead; or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers, or by sale of the Collateral or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Debtor. Any such receiver or receivers so appointed shall have power to take possession of the Collateral or any part thereof and if appointed a receiver-manager the power to carry on the business of the Debtor, and to borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor, and to further charge the Collateral in priority to the security constituted by this Security Agreement as security for money so borrowed, and to sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as he shall determine. In exercising any powers any such receiver or receivers shall act as agent or agents for the Debtor and the Bank shall not be responsible for his or their actions.

In addition, the Bank may enter upon and lease or sell the whole or any part or parts of the Collateral.

Any such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Bank in its discretion may seem advantageous and such sale may take place whether or not the Bank has taken possession of such property and assets.

No remedy for the realization of the security hereof or for the enforcement of the rights of the Bank shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination and the Bank may exercise any one or more of such remedies in respect of all or any portion of the Collateral as the Bank deems fit. The term "receiver" as used in this Security Agreement includes a receiver and manager.

11. The Bank shall not be responsible for any loss or damage to the Collateral, whether caused by the negligence or fault of the Bank, its servants or agents, or a sheriff or receiver, and the Bank shall not be obliged to preserve rights against other persons, keep the Collateral identifiable or repair, process or prepare the Collateral for disposition, and shall only be liable to account for funds (net of costs of collection, realization and sale, including solicitor and his own client legal costs), actually received by the Bank.

12. Any receiver-manager appointed by the Bank may carry on the business of the Debtor, and in addition to any powers or rights granted by law, a receiver or receiver-manager may, but shall be under no obligation to:

(a) exercise any power or right granted to the Bank hereunder;

(b) enter upon any premises under the control of the Debtor and take possession of the Collateral by any method not prohibited by law;

(c) borrow money by charge against the Collateral for the preservation, processing, maintenance or preparation for sale of the Collateral, or for any other purpose;

(d) realize on and dispose of the Collateral by any method not prohibited by law, and on any terms, whether to the highest bidder or not and whether in the ordinary course of the Debtor's business or not;

(e) execute deeds, enter contracts and otherwise act as the attorney of the Debtor in dealing with the Collateral;

(f) institute, defend, compromise, settle or continue any proceedings relating to the Collateral;

(g) generally, to do any act necessary or convenient to the realization of the Collateral that the Debtor itself could have done.

13. Any and all payments made in respect of the Obligations from time to time and moneys realized from any securities held therefor (including moneys realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Bank may see fit, and the Bank shall at all times and from time to time have the right to change any appropriation as the Bank may see fit.

14. The Debtor agrees to pay all reasonable expenses, including solicitor's fees as between a solicitor and his own client and disbursements and the remuneration of any receiver appointed hereunder, incurred by the Bank in the preparation, perfection and enforcement of this Security Agreement or the Obligations, or in the holding, repairing, processing or preparing for disposition and disposing of the Collateral, with interest at the rate provided in the obligations, and the payment of such expenses shall be secured hereby.

15. The Bank may waive any default herein referred to; provided always that no act or omission by the Bank in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent default or the rights resulting therefrom.

16. The Debtor acknowledges that value has been given, that the Debtor has rights in the Collateral and that the parties have not agreed to postpone the time for attachment of any security interest in this Security Agreement.

17. The security hereof is in addition to and not in substitution for any other security now or hereafter held by the Bank and shall be general and continuing security notwithstanding that the Obligations of the Debtor shall at any time or from time to time be fully satisfied or paid.

18. Nothing herein shall obligate the Bank to make any advance or loan or further advance or loan or to renew any note or extend any time for payment of any indebtedness or liability of the Debtor to the Bank.

19. This Security Agreement shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the Debtor and the Bank.

20. This Security Agreement is a security agreement within the meaning of the Alberta Personal Property Security Act and does not constitute an acknowledgement of any particular indebtedness or liability of the Debtor to the Bank.

21. In construing this Security Agreement, terms herein shall have the same meaning as defined in the Alberta Personal Property Security Act, unless the context otherwise requires. The word "Debtor", the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more individuals, corporations or partnerships and, if more than one, this Security Agreement shall apply and be binding upon each of them severally. The term "successors" shall include, without limiting its meaning, any corporation resulting from the amalgamation of a corporation with another corporation and, where the Debtor is a partnership, any new partnership resulting from the admission of new partners or any other change in the Debtor, including, without limiting the generality of the foregoing, the death of any or all of the partners.

22. The Debtor waives the right to receive any financing statement or financing change statement registered by the Bank and any confirmation of registration or verification statement issued.

23. The Debtor acknowledges receipt of a copy of this Security Agreement.

IN WITNESS WHEREOF this Security Agreement has been executed by the Debtor on September 27, 2016.

1194038 ALBERTA LTD.

Per: Allan Dobish

® Registered trade-marks of Bank of Montreal

CORPORATE AUTHORIZING RESOLUTION

"Whereas it is in the interests of the Company to enter into a security agreement with the Bank of Montreal as security for its present and future obligations to the Bank of Montreal and therein mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future property and assets;

NOW THEREFORE BE IT RESOLVED THAT:

1. the Company do enter into, execute and deliver to the Bank of Montreal a security agreement substantially in the form of the draft security agreement presented to the directors, subject to such alterations, amendments or additions to which the President or a Vice-President of the Company may agree;

2. the Company do mortgage, charge, assign and otherwise transfer and encumber and grant security interests in all its present and future goods, inventory, intangibles, undertaking and other property and assets as security for its present and future obligations to the Bank of Montreal, all as provided in the said draft security agreement;

3. the execution by the President or a Vice-President of the Company of the said security agreement shall be conclusive proof of his or her agreement to any amendments, alterations or additions incorporated therein;

4. the President and the Vice-President of the Company be and they are each alone hereby authorized to execute and deliver the security agreement aforesaid on behalf of the Company and each of the officers of the Company are hereby authorized to execute all such other documents and writings and to do such other acts and things as may be necessary for fulfilling the Company's obligations under the said security agreement."

CERTIFICATE

I am the Secretary of 1194038 ALBERTA LTD. and I hereby certify that:

1. the foregoing is a true copy of a resolution duly and properly passed or consented to by the board of directors of the said Company on September 27, 2016.

2. the attached Security Agreement is in the form of the draft security agreement referred to in the resolution and has been duly and properly executed by the proper officers of the Company under its corporate seal; and

3. the resolution was passed at a meeting duly called and held on the date aforesaid and at which a quorum of the directors was present throughout the meeting, all the directors having received proper notice of the meeting or waiving such notice in accordance with the by-laws of the Company

(or where applicable - the Company is subject to the Business Corporations Act of Alberta and the resolution was consented to by the signatures of all the directors of the Company on the date aforesaid in accordance with the Business Corporations Act.).

Secretary

This is **Exhibit "N"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

Government of Alberta ■

Personal Property Registry
Search Results Report

Search ID #: Z15628520

Transmitting Party

MILLER THOMSON LLP
Attention: Accounts Payable
2700, 10155 102 STREET
EDMONTON, AB T5J 4G8

Party Code: 50000066
Phone #: 780 429 1751
Reference #: 0255722.0003 MDS

Search ID #: Z15628520 **Date of Search:** 2022-Nov-24 **Time of Search:** 13:14:25

Business Debtor Search For:

1194038 ALBERTA LTD.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.

Business Debtor Search For:
1194038 ALBERTA LTD.
Search ID #: Z15628520 **Date of Search:** 2022-Nov-24 **Time of Search:** 13:14:25

Registration Number: 16092332924
Registration Date: 2016-Sep-23

Registration Type: SECURITY AGREEMENT
Registration Status: Current
Expiry Date: 2037-Sep-23 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block		Status
1	1194038 ALBERTA LTD. 10103 - 175 STREET N.W. EDMONTON, AB T5S 1L9	Current

Secured Party / Parties

Block		Status
1	BANK OF MONTREAL 10199 - 101 STREET EDMONTON, AB T5J 3Y4 Phone #: 780 408 0945 Fax #: 780 408 0430	Current

Collateral: General

Block	Description	Status
1	ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY; PROCEEDS	Current

Business Debtor Search For:

1194038 ALBERTA LTD.

Search ID #: Z15628520 **Date of Search:** 2022-Nov-24 **Time of Search:** 13:14:25

Registration Number: 17122918572 Registration Type: SECURITY AGREEMENT
Registration Date: 2017-Dec-29 Registration Status: Current
Expiry Date: 2022-Dec-29 23:59:59

Exact Match on: Debtor No: 2

Debtor(s)

Block		Status
1	TRESPASS MUSIC LTD. 1304 WELBOURN LANE, EDMONTON EDMONTON, AB T6M 2M2	Current

Block		Status
2	1194038 ALBERTA LTD. 1304 WELBOURN LANE, EDMONTON EDMONTON, AB T6M 2M2	Current

Secured Party / Parties

Block		Status
1	JAWANDA, GUGGENDEEP 16404 100 AVE EDMONTON, AB T5P 4Y2	Current

Collateral: General

Block	Description	Status
1	ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR AND ALL PROCEEDS THEREFORM	Current

Business Debtor Search For:

1194038 ALBERTA LTD.

Search ID #: Z15628520 **Date of Search:** 2022-Nov-24 **Time of Search:** 13:14:25

Registration Number: 19070406748 Registration Type: SECURITY AGREEMENT
Registration Date: 2019-Jul-04 Registration Status: Current
Expiry Date: 2024-Jul-04 23:59:59

Exact Match on: Debtor No: 1

Amendments to Registration

22091400141	Renewal	2022-Sep-14

Debtor(s)

Block			Status
1	1194038 ALBERTA LTD. 1304 WELBOURN LANE NW EDMONTON, AB T6M2M2		Current

Block			Status
2	OWEN, ANGELA, A 1304 WELBOURN LANE EDMONTON, AB T6M2M2	Birth Date: 1958-Mar-04	Current

Secured Party / Parties

Block		Status
1	HONDA CANADA FINANCE INC. 180 HONDA BLVD MARKHAM, ON L6C0H9	Current

Collateral: Serial Number Goods

Block	Serial Number	Year	Make and Model	Category	Status
1	5J8TC2H69KL808732	2019	ACURA RDX	MV - Motor Vehicle	Current

Business Debtor Search For:

1194038 ALBERTA LTD.

Search ID #: Z15628520 **Date of Search:** 2022-Nov-24 **Time of Search:** 13:14:25

Registration Number: 21100800458
Registration Date: 2021-Oct-08

Registration Type: SECURITY AGREEMENT
Registration Status: Current
Expiry Date: 2026-Oct-08 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block		Status
1	1194038 ALBERTA LTD. 1304 WELBOURN LANE NW EDMONTON, AB T6M2M2	Current

Secured Party / Parties

Block		Status
1	HONDA CANADA FINANCE INC. 180 HONDA BLVD MARKHAM, ON L6C0H9 Email: albertaprod@teranet.ca	Current

Collateral: Serial Number Goods

Block	Serial Number	Year	Make and Model	Category	Status
1	5J8YE1H89NL803627	2022	ACURA MDX	MV - Motor Vehicle	Current

Business Debtor Search For:

1194038 ALBERTA LTD.

Search ID #: Z15628520 **Date of Search:** 2022-Nov-24 **Time of Search:** 13:14:25

Registration Number: 22062131043 Registration Type: LAND CHARGE

Registration Date: 2022-Jun-21 Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor No: 1

Debtor(s)

Block		Status
1	1194038 ALBERTA LTD. 1304 WELBOURN LANE NW EDMONTON, AB T6M 2M2	Current

Secured Party / Parties

Block		Status
1	BANK OF MONTREAL 2700, 10155 102 STREET WINNIPEG, MB R3B 3K6 Phone #: 780 429 9477 Email: westernpprnotices@bmo.com	Current

Business Debtor Search For:

1194038 ALBERTA LTD.

Search ID #: Z15628520 **Date of Search:** 2022-Nov-24 **Time of Search:** 13:14:25

Registration Number: 22081303853
Registration Type: WRIT OF SEIZURE AND SALE (FEDERAL WRIT)
Registration Date: 2022-Aug-13
Registration Status: Current
Expiry Date: 2024-Aug-13 23:59:59

Issued in Federal Court Judicial Centre
Court File Number is ITA-1808-22
Judgment Date is 2022-May-25
This Writ was issued on 2022-May-25

Original Judgment Amount: $142,600.59
Costs Are: $30.00
Post Judgment Interest: $175.91
Current Amount Owing: $142,806.50

Exact Match on: Debtor No: 1

Solicitor / Agent

HER MAJESTY THE QUEEN IN THE RIGHT OF CANADA
EDMONTON TAX SERVICES,9700 JASPER AVENUE
EDMONTON, AB T5J 4C8

Phone #: 587 489 2631 Fax #: 780 495 6834

Email: 81crcldpug@cra-arc.gc.ca

Debtor(s)

Block		**Status**
1	1194038 ALBERTA LTD. 1304 WELBOURN LANE NORTH WEST EDMONTON, AB T6M2M2	Current

Creditor(s)

Block		**Status**
1	HER MAJESTY THE QUEEN IN THE RIGHT OF CANADA EDMONTON TAX SERVICES,9700 JASPER AVENUE EDMONTON, AB T5J 4C8	Current

Phone #: 587 489 2631 Fax #: 780 495 6834
Email: 81crcldpug@cra-arc.gc.ca

Business Debtor Search For:

1194038 ALBERTA LTD.

Search ID #: Z15628520 **Date of Search:** 2022-Nov-24 **Time of Search:** 13:14:25

Registration Number: 22081303864
Registration Type: WRIT OF SEIZURE AND SALE (FEDERAL WRIT)
Registration Date: 2022-Aug-13
Registration Status: Current
Expiry Date: 2024-Aug-13 23:59:59

Issued in Federal Court Judicial Centre
Court File Number is ETA-1083-22
Judgment Date is 2022-May-25
This Writ was issued on 2022-May-25

Original Judgment Amount: $73,313.59
Costs Are: $30.00
Post Judgment Interest: $90.44
Current Amount Owing: $73,434.03

Exact Match on: Debtor No: 1

Solicitor / Agent

HER MAJESTY THE QUEEN IN THE RIGHT OF CANADA
EDMONTON TAX SERVICES,9700 JASPER AVENUE
EDMONTON, AB T5J 4C8

Phone #: 587 489 2631 Fax #: 780 495 6834

Email: 81crcldpug@cra-arc.gc.ca

Debtor(s)

Block		Status
1	1194038 ALBERTA LTD. 1304 WELBORN LANE NORTHWEST EDMONTON, AB T6M2M2	Current

Creditor(s)

Block		Status
1	HER MAJESTY THE QUEEN IN THE RIGHT OF CANADA EDMONTON TAX SERVICES,9700 JASPER AVENUE EDMONTON, AB T5J 4C8	Current

Phone #: 587 489 2631 Fax #: 780 495 6834
Email: 81crcldpug@cra-arc.gc.ca

Result Complete

This is **Exhibit "O"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

BMO Bank of Montreal

BMO Bank of Montreal

FACSIMILE TRANSMITTAL SHEET

To: **IO Garnishment 221014111445343**

Fax: **18552360817**

From: **Communicator2**

Reference: Document ref No: 221014111445343

P.O. BOX 300, STATION 'M' . TORONTO ON M6S 4X2

Date and time of transmission:
Number of pages including this cover sheet:

- 006D6701.PDF

Requirement to Pay Money to the Government of Alberta

To: BANK OF MONTREAL
10185 101 ST NW
EDMONTON, AB T5J 0H4

Our Account: 2011940380
Date: August 17, 2022

The corporate debtor named below is liable to make payment pursuant to the *Alberta Corporate Tax Act* (the Act) in the amount of **$33839.50**, however payment has not been made. The Act allows the President of Treasury Board and Minister of Finance (the Provincial Minister) to require a third party to pay to the Government of Alberta those monies that otherwise would be payable to the corporate debtor. The money will be used to satisfy in whole or in part the debt owing by the corporate debtor for tax.

The legal authority for this requirement is set out in section 60 of the Act. The following is included in this section:
60(1) If the Provincial Minister has knowledge or suspects that a person is or will be, within one year, liable to make any payment to another person liable to make a payment under this Act (the "debtor"), the Provincial Minister may, by written notice, require the person to pay the money otherwise payable to the debtor in whole or in part to the Provincial Minister on account of the debtor's liability under the Act.

(1.1) Without limiting the generality of subsection (1), if the Provincial Minister has knowledge or suspects that within 90 days

(a) a bank, credit union, trust company or other similar persons (the "institution") will lend or advance money to, or make a payment on behalf of, or make a payment in respect of a negotiable instrument issued by, a debtor who is indebted to the institution and who has granted security in respect of the indebtedness, or

(b) a person, other than an institution, will lend or advance money to, or make a payment on behalf of, a debtor who the Provincial Minister knows or suspects

(i) is employed by, or is engaged in providing services or property to, that person or was or will be, within 90 days, so employed or engaged, or

(ii) if that person is a corporation, is not dealing at arm's length with that person,

the Provincial Minister may by written notice require the institution or person, as the case may be, to pay in whole or in part to the Provincial Minister on account of the debtor's liability under the Act the money that would otherwise be so lent, advanced or paid, and any money so paid to the Provincial Minister is deemed to have been lent, advanced or paid, as the case may be, to the debtor.

(1.2) If a person or institution that has been issued a notice under subsection (1) or (1.1) is liable to make a payment jointly to the debtor and one or more persons, for the purposes of this section it is deemed that

(a) the money payable is divided into as many equal portions as there are persons who are owed the money jointly, and

(b) the debtor is the unconditional and sole owner of one portion of the money.

(1.3) The Provincial Minister, the debtor and any person who is owed the money jointly with the debtor may, within 30 days of this notice issued under subsection (1) or (1.1) apply to the court

(a) for an order that the debtor is entitled to a smaller or greater portion of the money, and

(b) for appropriate relief.

(1.4) Notice of an application under subsection (1.3) must be served,

(a) if the applicant is the debtor or a person who is owed the money jointly with the debtor, on all the other persons who are owed the money jointly and the Provincial Minister, or

(b) if the applicant is the Provincial Minister, on all the persons who are owed the money jointly.

(2) The receipt of the Provincial Minister for money paid under this section is a good and sufficient discharge of the amount owing by the debtor to the extent of that payment.

(3) A person who, after receiving notice pursuant to subsection (1) has discharged any liability to a tax debtor without complying with a requirement under this section is liable to pay to her Majesty in right of Alberta an amount equal to the liability discharged or the amount that the person was required under this section to pay to the Provincial Minister, whichever is the lesser.

(3.1) Every institution or other person that fails to comply with a requirement under subsection (1.1) with respect to money to be lent, advanced or paid is liable to pay to the Provincial Minister an amount equal to the lesser of

(a) the total of money so lent, advanced or paid, and

(b) the amount that the institution or person was required under that subsection to pay to the Provincial Minister.

Please make your remittances payable to the **Government of Alberta**, identify the debtor in respect of whom the payment is made, and send it to Tax and Revenue Administration, 9811–109 Street, Edmonton, Alberta T5K 2L5.

Name and address of the corporate debtor:

Please see reverse for further instructions.

1194038 ALBERTA LTD.
1304 WELBOURN LANE NW
EDMONTON, AB T6M 2M2

Attention: Tom D.

Tom D.

Administration.

Returning this form does not relieve you of your obligation to comply with this Requirement to Pay.

1. When was the last time you made a payment to or on behalf of the tax debtor, or jointly to the tax debtor and one or more persons?
2. What was the amount of the payment?
3. What was the payment for?
4. When do you next expect to make a payment to or on behalf of the tax debtor, or jointly to the tax debtor and one or more persons?
5. What do you expect the amount of the payment will be?
6. What will the payment be for?
7. Are there any amounts payable by you to the tax debtor that are in dispute between you and the tax debtor?
8. Are there any contingent amounts owed by you to the tax debtor?

If the answer to 7 or 8 is 'yes', please provide details below:

____
____
____
____
____
____

Signature______________________________ Date__________________________

Position______________________________

Government of Alberta
Treasury Board and Finance
Tax and Revenue Administration
9811–109 Street
Edmonton, Alberta T5K 2L5
Telephone (780) 422-1782
If calling long distance within Alberta call toll-free at 310-0000, then enter (780) 422-1782

Fax (780) 644-4924

This is **Exhibit "P"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

Government of Alberta

Personal Property Registry
Search Results Report

Search ID #: Z15628524

Transmitting Party

MILLER THOMSON LLP
Attention: Accounts Payable
2700, 10155 102 STREET
EDMONTON, AB T5J 4G8

Party Code: 50000066
Phone #: 780 429 1751
Reference #: 0255722.0003 MDS

Search ID #: Z15628524 **Date of Search:** 2022-Nov-24 **Time of Search:** 13:14:59

Individual Debtor Search For:

DOBISH, ALAN

Both Exact and Inexact Result(s) Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.

Individual Debtor Search For:

DOBISH, ALAN

Search ID #: Z15628524 **Date of Search:** 2022-Nov-24 **Time of Search:** 13:14:59

Registration Number: 22031532431
Registration Type: WRIT OF SEIZURE AND SALE (FEDERAL WRIT)
Registration Date: 2022-Mar-15
Registration Status: Current
Expiry Date: 2024-Mar-15 23:59:59

Issued in FEDERAL COURT - OTTAWA, ON Judicial Centre
Court File Number is ITA-10888-18
Judgment Date is 2018-Jul-24
This Writ was issued on 2018-Jul-24

Original Judgment Amount: $99,569.12
Costs Are: $30.00
Post Judgment Interest: $22,068.79
Current Amount Owing: $121,667.97

Exact Match on: Debtor No: 1

Solicitor / Agent

HER MAJESTY THE QUEEN IN THE RIGHT OF CANADA
EDMONTON TAX SERVICES,9700 JASPER AVENUE
EDMONTON, AB T5J 4C8

Phone #: 587 489 2631 Fax #: 780 495 6834

Email: 81crcldpug@cra-arc.gc.ca

Debtor(s)

Block		Status
1	DOBISH, ALAN 1304 WELBOURN LANE NW EDMONTON, AB T6M 2M2 Gender: Male Birth Date: 1955-Mar-04	Current

Search ID #: Z15628524

Creditor(s)

Block | **Status**

1 HER MAJESTY THE QUEEN IN THE RIGHT OF CANADA
EDMONTON TAX SERVICES,9700 JASPER AVENUE
EDMONTON, AB T5J 4C8

Phone #: 587 489 2631 Fax #: 780 495 6834

Email: 81crcldpug@cra-arc.gc.ca

Current

Search ID #: Z15628524

Individual Debtor Search For:

DOBISH, ALAN

Search ID #: Z15628524 **Date of Search:** 2022-Nov-24 **Time of Search:** 13:14:59

Registration Number: 22062133315
Registration Date: 2022-Jun-21

Registration Type: SECURITY AGREEMENT
Registration Status: Current
Expiry Date: 2027-Jun-21 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block		Status
1	DOBISH, ALAN 1304 WELBOURN LANE NW EDMONTON, AB T6M 2M2	Current

Secured Party / Parties

Block		Status
1	BANK OF MONTREAL 2700, 10155 102 STREET WINNIPEG, MB R3B 3K6 Email: westernpprnotices@bmo.com	Current

Collateral: General

Block	Description	Status
1	ALL PRESENT AND FUTURE INDEBTEDNESS OF 1194038 ALBERTA LTD. OWING TO THE DEBTOR, WHETHER DIRECT OR INDIRECT, OR ABSOLUTE AND CONTINGENT, INCLUDING WITHOUT LIMITATION INDEBTEDNESS EVIDENCED BY ACCOUNTS, CHATTEL PAPER, INSTRUMENTS, DOCUMENTS OF TITLE, INVESTMENT PROPERTY, MONEY, INTANGIBLES AND DOCUMENTS OF TITLE AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT TOGETHER WITH ALL RECORDS OF THE DEBTOR IN CONNECTION THEREWITH.	Current
2	PROCEEDS: ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED GOODS, MOTOR VEHICLES, ACCOUNTS, MONEY, CHATTEL PAPER, DOCUMENTS OF TITLE, INVESTMENT PROPERTY, INSTRUMENTS AND INTANGIBLES AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT, INSURANCE PROCEEDS AND ALL OTHER SUBSTITUTIONS, RENEWALS, ALTERATIONS OR PROCEEDS OF EVERY DESCRIPTION AND OF ANY KIND WHATSOEVER DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH THE GENERAL COLLATERAL OR SERIAL NUMBER COLLATERAL (IF ANY) DESCRIBED ABOVE, OR PROCEEDS THEREFROM.	Current

Personal Property Registry
Search Results Report

Search ID #: Z15628524

Note:

The following is a list of matches closely approximating your Search Criteria, which is included for your convenience and protection.

Debtor Name / Address	Birth Date: 1957-Jan-24	**Reg.#**
DIABIASE, ANTONIO 216 12 AVE NE CALGARY, AB T2E1A2		13091918123

SECURITY AGREEMENT

Debtor Name / Address	Birth Date: 1939-Jun-11	**Reg.#**
DOBISH, ALICE, M PO BOX 572 SPIRIT RIVER, AB T0H3G0		18050843594

SECURITY AGREEMENT

Result Complete

Government of Alberta

Personal Property Registry
Search Results Report

Search ID #: Z15628527

Transmitting Party

MILLER THOMSON LLP
Attention: Accounts Payable
2700, 10155 102 STREET
EDMONTON, AB T5J 4G8

Party Code: 50000066
Phone #: 780 429 1751
Reference #: 0255722.0003 MDS

Search ID #: Z15628527 **Date of Search:** 2022-Nov-24 **Time of Search:** 13:15:33

Individual Debtor Search For:

DOBISH, ALLAN

Inexact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.

REGISTRAR OF PERSONAL PROPERTY

Personal Property Registry
Search Results Report

Search ID #: Z15628527

Note:

The following is a list of matches closely approximating your Search Criteria,
which is included for your convenience and protection.

Debtor Name / Address	Birth Date: 1957-Jan-24	**Reg.#**
DIABIASE, ANTONIO 216 12 AVE NE CALGARY, AB T2E1A2		13091918123

SECURITY AGREEMENT

Debtor Name / Address	Birth Date: 1955-Mar-04	**Reg.#**
DOBISH, ALAN 1304 WELBOURN LANE NW EDMONTON, AB T6M 2M2	Gender: Male	22031532431

WRIT OF SEIZURE AND SALE (FEDERAL WRIT)

Debtor Name / Address		**Reg.#**
DOBISH, ALAN 1304 WELBOURN LANE NW EDMONTON, AB T6M 2M2		22062133315

SECURITY AGREEMENT

Debtor Name / Address	Birth Date: 1939-Jun-11	**Reg.#**
DOBISH, ALICE, M PO BOX 572 SPIRIT RIVER, AB T0H3G0		18050843594

SECURITY AGREEMENT

Result Complete

This is **Exhibit "Q"** referred to in
the Affidavit of Michelle
Madrigga Sworn before me this
7 day of February, 2023.

A Commissioner for Oaths in
and for the Province of Alberta

James W. Reid
Barrister & Solicitor

COVERT INVESTIGATIONS INC.
Private Investigators
Suite 1599
5328 Calgary Trail South
Edmonton, Alberta
T6H 4J8

Office: (780) 448-9758
Fax: (780) 448-9788
e-mail: mark@covertinvestigations.ca
web: www.covertinvestigations.ca

STATUTORY DECLARATION

I, MARK A. GRUSCHYNSKI, of the City of Edmonton, in the Province of Alberta, Private Investigator, DO SOLEMNLY DECLARE AND SAY THAT:

1. I did on Friday the 12th day of August, 2022, at 1940 hrs., personally serve **ALAN DOBISH** with true copy of the original FORMAL DEMAND FOR PAYMENT, which is hereunto annexed and marked as Exhibit "**A**" to this my STATUTORY DECLARATION, by delivering the said copy to and leaving the same with **ALAN DOBISH** at Rock Shop, located at West Edmonton Mall, 8882-170 Street, Edmonton, Alberta.

2. At the time of such service **ALAN DOBISH** admitted to me that he was the Respondent named in this matter.

3. I did on Friday the 12th day of August, 2022, at 1940 hrs., serve **1194038 ALBERTA LTD.**, with true copy of the original FORMAL DEMAND FOR PAYMENT, which is hereunto annexed and marked as Exhibit "**B**" to this my STATUTORY DECLARATION, by delivering the said copy to and leaving the same with **ALAN DOBISH**, Director for **1194038 ALBERTA LTD.**, at Rock Shop, located at West Edmonton Mall, 8882-170 Street, Edmonton, Alberta.

4. I am an adult person and not a party to the litigation in this action.

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

DECLARED before me at the City of Edmonton, in the Province of Alberta, this 13th day of August, 2022	**MARK A. GRUSCHYNSKI** (Declarant)
A COMMISSIONER FOR OATH IN AND FOR THE PROVINCE OF ALBERTA	

SAM A. SAYED
A Commissioner for Oaths
in and for Alberta
My Commission Expires July 20, 2025

MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
COMMERCE PLACE
10155 - 102 STREET, SUITE 2700
EDMONTON, AB T5J 4G8
CANADA

T 780.429.1751
F 780.424.5866

MILLERTHOMSON.COM

This is Exhibit " A " Referred to in the Affidavit of
MARK A. GRUSCHYNSKI, P.I.
Sworn before me on
AUG 13 2022
SA
A Commissioner for Oaths in and for the Province of Alberta

SAM A. SAYED
A Commissioner for Oaths in and for Alberta
My Commission Expires July 20, 2025

August 11, 2022

Susy Trace
Direct Line: 780.429.9713
strace@millerthomson.com

File: 0255722.0003

DELIVERED BY PROCESS SERVER

Alan Dobish
1304 Welbourn Lane NW
Edmonton, AB, T6M 2M2

Dear Sir:

Re: Bank of Montreal ("BMO")
Loans to 1194038 Alberta Ltd. ("Borrower")
Guaranteed by Alan Dobish (the "Guarantor" or "You")
Formal Demand for Payment

Our office acts as legal counsel for BMO with respect to the above captioned matter.

As of August 10, 2022, the indebtedness owing to BMO by the Borrower totals the amount of $2,819,812.62, some particulars of which are:

Loan #	Principal	Interest	Payout Penalty	Total	*Per Diem*
Fixed Rate Term Loan - 0014-6987-020	$2,792,886.25	$2,418.79	$24,507.58	$2,819,812.62	$268.58

Total indebtedness: $2,819,812.62, plus further costs, charges, and expenses (including legal fees on a solicitor and own client full indemnity basis), plus interest presently accruing at the rate of $268.58 per day (the "**Indebtedness**").

You granted a Guarantee for Indebtedness of an Incorporated Company dated September 27, 2016, in favour of BMO, pursuant to which You guaranteed all indebtedness owing by the Borrower to BMO, up to the principal amount of $3,500.000.00, plus interest thereon at 3.00% per annum above BMO's prime interest rate in effect from time to time, accruing from and including the date of demand, plus any and all costs incurred by BMO, including without limitation, legal costs incurred by BMO on a solicitor and own client full indemnity basis (collectively, the "**Guarantee Liability**").

On behalf of BMO we hereby demand payment of the Guarantee Liability from the Guarantor, which is in the amount of $2,819,812.62 as of August 10, 2022, plus further accruing interest from and after August 10, 2022 at the current *per diem* rate of $268.58, plus all further costs incurred by BMO, including, without limitation, all professional fees and legal costs on a solicitor and own client full indemnity basis.

Unless payment of the Guarantee Liability, in full, is received by BMO **within 10 days from the date of this letter,** BMO will take whatever action it deems necessary to recover the amounts owing.

BMO reserves the right to accelerate the above demand period and to realize on any of the security it holds or otherwise take action prior to the date for payment in full specified above if BMO becomes aware of facts or circumstances which cause it to believe that the prospect for repayment of the above loans or its security position is in jeopardy.

Enclosed is the formal Notice of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act*.

Please contact your solicitor should You have any questions with this letter.

Sincerely,

MILLER THOMSON LLP

Per:

Susy Trace
Enclosures

FORM 86
NOTICE OF INTENTION TO ENFORCE A SECURITY
(Rule 124)

To: Alan Dobish, an insolvent person (the "**Insolvent Person**")

TAKE NOTICE THAT:

1. Bank of Montreal, a secured creditor, intends to enforce its security on the property of the Insolvent Person described below:

   (a) all indebtedness and liability, present or future owing to the Insolvent Person by 1194038 Alberta Ltd.

2. The security that is to be enforced is the following:

   (a) Guarantee for Indebtedness of an Incorporated Company dated September 27, 2016, granted by Alan Dobish, limited to $3,500,000.00 plus interest and costs.

3. The total amount of indebtedness secured by the security as at August 10, 2022 totals the principal sum of $2,819,812.62, plus further accruing interest, and legal costs on a solicitor and own client full indemnity basis.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the Insolvent Person consents to an earlier enforcement.

Dated at Edmonton, Alberta this 10th day of August, 2022.

BANK OF MONTREAL

Per:

By its authorized agent and legal counsel,
Susy Trace.
Barrister and Solicitor

63653570.1

MILLER THOMSON
AVOCATS | LAWYERS

MILLER THOMSON LLP
COMMERCE PLACE
10155 - 102 STREET, SUITE 2700
EDMONTON, AB T5J 4G8
CANADA

T 780.429.1751
F 780.424.5866

MILLERTHOMSON.COM

August 11, 2022

Susy Trace
Direct Line: 780.429.9713
strace@millerthomson.com

File: 0255722.0003

This is Exhibit " B " Referred to in the Affidavit of MARK A. GRUSCHYNSKI, P.I. Sworn before me on
AUG 13 2022
SA
A Commissioner for Oaths in and for the Province of Alberta
SAM A. SAYED
A Commissioner for Oaths
in and for Alberta
My Commission Expires July 20, 2025

DELIVERED BY PROCESS SERVER

1194038 Alberta Ltd.
c/o Alan Dobish, Director
1304 Welbourn Lane NW
Edmonton, AB, T6M 2M2

Attention: Alan Dobish

Dear Sir:

**Re: Bank of Montreal ("BMO")
Loans to 1194038 Alberta Ltd. ("Borrower")
Formal Demand for Payment**

Our office acts as legal counsel for BMO with respect to the above captioned matter.

As at August 10, 2022, the indebtedness owing to BMO by the Borrower totals $2,819,812.62, some particulars of which are:

Loan #	**Principal**	**Interest**	**Payout Penalty**	**Total**	***Per Diem***
Fixed Rate Term Loan - 0014-6987-020	$2,792,886.25	$2,418.79	$24,507.58	$2,819,812.62	$268.58

Total indebtedness: $2,819,812.62, plus further costs, charges, and expenses (including legal fees on a solicitor and own client full indemnity basis), plus interest presently accruing at the rate of $268.58 per day (the "**Indebtedness**").

The Indebtedness is payable upon demand.

On behalf of BMO, we hereby demand payment from the Borrower of the Indebtedness, totalling the sum of $2,819,812.62, together with interest which continues to accrue after August 10, 2022, plus any and all costs incurred by BMO, including, without limitation, all professional fees and legal costs on a solicitor and own client full indemnity basis.

Additionally, on or about September 27, 2016, the Borrower granted a Mortgage of Land (the "**Mortgage**") in favour of BMO in the principal amount of $3,700,000.00, plus interest, costs and expenses in accordance with the terms of the Mortgage. The Mortgage was registered with the Alberta Land Titles Office on October 17, 2016, under registration no. 162 289 182, against the lands legally described as Plan 7722579; Block 2; Lot.

On behalf of BMO, we hereby further demand payment from the Borrower of all amounts due under the Mortgage, which as of August 10, 2022 is in the amount of $2,819,812.62, plus further interest and any and all costs incurred by BMO, including, without limitation, all professional fees and legal costs on a solicitor and own client full indemnity basis .

The exact amount owing should be confirmed with BMO at the relevant time of payment.

Unless payment in full is received by BMO **within 10 days from the date of this letter**, BMO will take whatever action it deems necessary to recover the amounts owing. Such action may include realizing on any or all of the securities BMO holds in respect of the amounts owing.

BMO reserves the right to accelerate the above demand period and to realize on its security it holds or otherwise take action prior to the date for payment in full specified above if BMO becomes aware of facts or circumstances which cause it to believe that the prospect for repayment of the above loans or its security position is in jeopardy.

Enclosed is a formal Notice of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act*.

Please contact your solicitor if you have any questions.

Yours truly,

MILLER THOMSON LLP

Per:

Susy Trace

MDS/

Enclosure
c. Bank of Montreal, Attention: M. Madrigga (Via Email)

FORM 86
NOTICE OF INTENTION TO ENFORCE A SECURITY
(Rule 124)

To: 1194038 Alberta Ltd., an insolvent person (the "**Insolvent Person**")

TAKE NOTICE THAT:

1. Bank of Montreal, a secured creditor, intends to enforce its security on the property of the Insolvent Person described below:

   (a) all present and after-acquired assets and property, real and personal, of the Insolvent Person, plus proceeds;

   (b) the lands legally described as follows:

   PLAN 7722579
   BLOCK 2
   LOT 7
   EXCEPTING THEREOUT ALL MINES AND MINERALS

2. The security that is to be enforced is in the form of the security set out in Schedule "A" attached hereto.

3. The total amount of indebtedness secured by the security as at August 10, 2022, 2022 totals the principal sum of $2,819,812.62, plus further accruing interest, expenses, and legal costs on a solicitor and own client full indemnity basis.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the Insolvent Person consents to an earlier enforcement.

Dated at Edmonton, Alberta this 10th day of August, 2022.

BANK OF MONTREAL

Per:

By its authorized agent and legal counsel,
Susy Trace.
Barrister and Solicitor

SCHEDULE A – LIST OF SECURITY TO BE ENFORCED

1. Security Agreement dated September 27, 2016, granted by 1194038 Alberta Ltd., in favour of the Bank of Montreal.

2. Mortgage of Land granted by 1194038 Alberta Ltd., in favour of the Bank of Montreal, dated September 27, 2016, and registered at Alberta Land Titles Office on October 17, 2016, under registration no. 162 289 182, against the lands legally described as:

   PLAN 7722579
   BLOCK 2
   LOT 7
   EXCEPTING THEREOUT ALL MINES AND MINERALS
   (the "**Mortgaged Lands**")

3. General Assignment of Rents and Leases granted by 1194038 Alberta Ltd., in favour of the Bank of Montreal, dated September 27, 2016, and registered at Alberta Land Titles Office on October 17, 2016, under registration no. 162 289 183, against the Mortgaged Lands.

This is **Exhibit "R"** referred to in
the Affidavit of Michelle
Madrigga Sworn before me this
7 day of February, 2023.

A Commissioner for Oaths in
and for the Province of Alberta

James W. Reid
Barrister & Solicitor

CANADIAN TIRE REAL ESTATE LIMITED

Suite 200, 6715 – 8th Street NE
Calgary, Alberta T2E 7H7
Tel (403)216-4678 Fax (403)216-4667

LETTER OF TRANSMITTAL

TO: 1194038 Alberta Ltd.
1304 Welbourn Lane
Edmonton, AB T6M 2M2

Att: Al Dobish

Date: Sept. 16, 2016	Store No.: PS722
Project: PartSource Edmonton, AB	

WE ARE SENDING YOU: Lease Extension and Amending Agreements

VIA: Courier

NO.	DESCRIPTION
1	Fully executed Lease Extension Agreement

Dear Al,

Enclosed please find one (1) fully executed lease extension and amending agreement with respect to PartSource in Edmonton, AB for your records.

Should you have any questions, please do not hesitate to contact me.

Thank you,

From: Maryum Hoogervorst
Leasing & Development Coordinator
(403) 216-4657

cc:

LEASE EXTENSION AND AMENDING AGREEMENT

THIS INDENTURE dated **July 12, 2016.**

BETWEEN:

1194038 Alberta Limited
(hereinafter called the "**Landlord**")

OF THE FIRST PART

- and -

CANADIAN TIRE REAL ESTATE LIMITED
(hereinafter called the "**Tenant**")

OF THE SECOND PART

A. **WHEREAS** by a lease dated **June 1, 2008** (the "**Lease**"), made between the Landlord and the Tenant, the Landlord did demise and lease unto the Tenant certain premises comprising a Gross Leasable Area of approximately **twenty-thousand, three hundred and ninety-seven (20,397)** square feet (the "**Leased Premises**"), located in the shopping centre municipally located at **10103 – 175 Street,** in the City of **Edmonton**, in the Province of **Alberta** (the "**Shopping Centre**"), for and during a term of **ten (10)** years (the "**Term**"), commencing on **September 4, 2008** and expiring on **September 3, 2018**, subject to the terms and conditions contained therein;

B. **AND WHEREAS** the Landlord and Tenant have agreed to: (i) amend the expiry date of the Lease to expire on **September 3, 2016**; (ii) extend the Term of the Lease for a further period of **seven (7)** years, commencing on **September 4, 2016** and expiring on **September 3, 2023**; and (iii) amend certain terms of the Lease as more particularly set forth in this Agreement; all upon the terms and conditions hereinafter set forth.

NOW THEREFORE in consideration of the sum of one dollar ($1.00) of lawful money of Canada (the receipt of which is hereby acknowledged by the Landlord), the Landlord and Tenant agree to amend the Lease on the same terms and conditions as set forth in the Lease, save and except the following:

1. The above recitals are true in substance and in fact.

2. The Term of the Lease is hereby extended for a further period of **seven (7)** years (the "**Extended Term**") from **September 4, 2016** (the "**Effective Date**") to **September 3, 2023**, upon the same terms, covenants and conditions as are contained in the Lease, save and except for the following:

   (i) Minimum Rent shall be paid throughout the Extended Term as follows:

Year(s)	Per Square Foot	Per Annum	Per Month
1-7	**$16.25**	**$331,451.25**	**$27,620.94**

   (ii) It is understood and agreed that there are two (2) remaining options to extend the Term beyond the Extended Term for five (5) years each in accordance with Section 2.4 of the Lease.

Macintosh HD:Users:rarcher:Library:Containers:com.apple.mail:Data:Library:Mail Downloads:A85FB418-94E2-46E6-905D-8EE9CFF4BFB7:PS LEA 12Jul2016.doc

3. All capitalized terms used in this Agreement shall have the same meaning as set out in the Lease.

4. The parties confirm that in all other respects, the terms of the Lease will remain in full force and effect, unmodified, except to the extent set forth in this Agreement.

5. This Agreement shall enure to the benefit of, and be binding upon the parties and their respective heirs, representatives, executors, administrators, successors and assigns and shall be governed by the laws of the Province of Alberta.

6. This Agreement may be executed in any number of counterparts. A party may send a copy of its executed counterpart to each other party by facsimile or electronic transmission instead of delivering a signed original of that counterpart. Each executed counterpart (including each copy sent by facsimile or electronic transmission) shall be deemed to be an original. All executed counterparts taken together shall constitute one agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day first above written.

1194038 ALBERTA LIMITED
(Landlord)

Per: ______________________
Name:
Title:

Per: ______________________
Name:
Title:

I/We have authority to bind the Corporation.

CANADIAN TIRE REAL ESTATE LIMITED
(Tenant)

Per: ______________________
Name: Robert Frodyma
Title: Vice President, Real Estate Development

Per: ______________________
Name:
Title:

I/We have authority to bind the Corporation

This is **Exhibit "S"** referred to in
the Affidavit of Michelle
Madrigga Sworn before me this
7 day of February, 2023.

A Commissioner for Oaths in
and for the Province of Alberta

James W. Reid
Barrister & Solicitor

CANADIAN TIRE
REAL ESTATE LIMITED

October 15, 2021

Via e-mail: adobish@shaw.ca

1194038 Alberta Limited
1304 Welbourn Lane
Edmonton, Alberta T6M 2M2

Attention: **Mr. Al Dobish**

Dear Mr. Dobish

Re: Canadian Tire Real Estate Limited **(the "Tenant")**
1194038 Alberta Limited **(the "Landlord")**
Notice to Renew PartSource (#722)
Located at 10103 – 175th Street NW, Edmonton Alberta **(the "Leased Premises")**

Pursuant to Section 2.4 of the Lease dated June 1, 2008 as amended and extended from time to time **(the "Lease")** between the Landlord and the Tenant, we are hereby exercising the First Extension Term of the Lease for five (5) years and the Minimum Rent shall be at a rate of sixteen dollars ($16.00) per square foot per annum. The term shall commence on September 4, 2023 and expire on September 3, 2028, upon the same terms and conditions as set forth in the Lease.

All capitalized terms have the same meaning as set out in the Lease, unless defined herein.

Please contact Stephen Woodward, Real Estate Manager by email at Stephen.woodward@cantire.com should you require any additional information on this extension.

Yours truly,
Canadian Tire Real Estate Limited

DocuSigned by:
585FF9A1CFD74FF...
David Bianchi
Vice President, Real Estate Development

Cc: Stephen Woodward, Real Estate Manager

2180 YONGE ST. P.O. BOX 770, STATION K, TORONTO, ONTARIO, CANADA M4P 2V8
TELEPHONE (416) 480-3000 FAX (416) 480-3990

Jumpstart

This is **Exhibit "T"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

Property Tax Search

Date: January 30, 2023 **Account:** 1560325

The information displayed below is the most recent information for the tax year indicated at the time of this request.

Property Address: 10103 175 STREET NW EDMONTON AB T5S 1L9
Legal Description: Plan: 7722579 Block: 2 Lot: 7
Assessed Parcel Description:
Mortgage Company Billed: No **Monthly Payment Plan:** Yes
Valuation Group: RETAIL
Community Revitalization Levy Area:
Owner Name:
Owners Address:
Assessment Year: 2023 **Assessment:** 2,232,000 **Year Built:** 1979

Land Use Description		Tax Class		Taxable Status
200	Mixed-use retail building	COMMERCIAL	100 %	200: (100%): FULLY TAXABLE JAN-2023 TO DEC-2023

Property Tax	
Prior Year:	**2022**
Taxes:	**$48,590.19**
Annual Local Improvements:	**$.00**
Total Prior Year Taxes:	**$48,590.19**
Tax Year:	**2023**
Taxes:	**$.00**
Annual Local Improvements:**	**$.00**
Total Current Year Taxes:	**$.00**

Account Status	
Tax Arrears:	**$ .00**
Penalty:	**$ .00**
Arrears Sub-Total:	**$ .00**
Current Taxes:	**($4,049.18)**
Penalty:	**$ .00**
Current Sub-Total:	**($4,049.18)**
Other Charges:	**$ .00**
Penalty:	**$ .00**
Other Charges Sub-Total:	**$ .00**
Total Balance Owing on January 30, 2023	**($4,049.18)**

Disclaimer: The balance on this report is conditional upon all payments clearing the City's and the payer's bank. In the event that any such payment is rejected or is not completed, or additional charges are incurred in the clearing of a payment, the amount of the payment and any additional charges incurred will be added to the account without further notice. The City of Edmonton accepts no liability from the reliance of any party on the contents of this report. Individuals who require certification of the current amount of taxes imposed, or the total amount of taxes owing should request a Tax Certificate from the City of Edmonton. (Errors and Omissions excepted).

** For information on newly constructed or proposed local improvements that may affect the property, contact 311 (780-442-5311 if outside Edmonton).

This is **Exhibit "U"** referred to in
the Affidavit of Michelle
Madrigga Sworn before me this
7 day of February, 2023.

A Commissioner for Oaths in
and for the Province of Alberta

James W. Reid
Barrister & Solicitor

BMO Financial Group

Western Canada SAMU
525 – 8th Avenue SW, 9th Floor
Calgary, AB T2P 1G1
Tel.: 403-503-6206
Fax: 403-503-7020
bmo.com

Sent via email: adobish@shaw.ca

June 3, 2022

1194038 Alberta Ltd.
1304 Welbourn Lane NW
Edmonton, AB T6M 2M2

Re: Bank of Montreal ("BMO" or the "Bank") Credit Facilities Extended to 1194038 Alberta Ltd. ("1194038" or the "Borrower")

Dear Alan Dobish:

Further to our previous discussion and email correspondence regarding the credit facilities of the Borrower with the Bank, the Bank is concerned about various continuing defaults under those facilities and wishes to formalize its intent going forward.

BMO would like to work with you to complete your transition to another lender. In essence, the Bank wishes to exit its relationship with the Borrower, who is presently in default of its lending agreement. The Bank is willing to accommodate an orderly, efficient and timely transition of the Borrower from the Bank to another lender, and tolerate existing defaults as of the date of this letter, upon certain terms being agreed to, in writing, by the Borrower. In this regard, the Bank is willing to refrain from further action, so long as the Borrower confirms and agrees to the following:

1. As at June 3, 2022, BMO has extended funds to the Borrower under the letter of agreement amendment and restatement dated December 21, 2021 (the "**Letter of Agreement**") in the amount of $2,826,367.46 (the "**Loan**"), and is duly and justly indebted to BMO in the amount of the Loan, plus all applicable interest and costs on a solicitor and client full indemnity basis (the "**Indebtedness**").

2. The Borrower is in default of the Letter of Agreement and related security documentation executed in favour of the Bank (collectively, the "**Loan Documents**"), including as follows:

   (a) Borrower has failed to maintain its accounts solely with the Bank;

   (b) Borrower has obtained additional debt without the prior written consent of the Bank;

   (c) Borrower has granted security over its assets to other lenders without the prior written consent of the Bank;

   (d) Borrower has not made its May 2022 loan payment.

Western Canada SAMU
525 – 8th Avenue SW, 9th Floor
Calgary, AB T2P 1G1
Tel.: 403-503-6206
Fax: 403-503-7020
bmo.com

3. The Borrower will find alternative financing to payout the Bank in full on or before August 5, 2022.

4. The Borrower will make the outstanding payment on or before June 10, 2022 and will ensure sufficient funds are in the account for the future payments prior to the payment date.

5. The Bank will consider waiving the payout penalty if the Borrower repays the Bank, in full including any costs or legal fees, prior to August 5, 2022.

Should the Borrower be in agreement with the foregoing and sign and return this letter to the Bank no later than June 10, 2022, the Bank will refrain from further action upon its facilities so long as the Borrower is not in breach of the terms of this letter, there is no further default under the terms of the Loan Documents, and the Bank does not otherwise determine, in its sole discretion, its security and collateral position to be in jeopardy. To be clear, the Bank is not waiving any defaults of the Borrower, which are acknowledged by the Borrower and continuing, and the Bank reserves all of its rights and remedies in respect of existing, continuing and future defaults of the Borrower.

Should you not obtain alternative financing arrangements by August 5, 2022, we will consider further steps in this matter.

Sincerely,

Michelle Madrigga, CPA, CGA, CIRP
Senior Account Manager, Special Accounts Management Unit

ACKNOWLEDGED AND AGREED TO THIS _____ DAY OF JUNE 2022.

1194038 ALBERTA LTD.
Per:

____
Alan Dobish, President

This is **Exhibit "V"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

From: Trace, Susy
To: AL DOBISH
Cc: Madrigga, Michelle
Subject: 1194038 Alberta Ltd. [MTDMS-Legal.FID11410654]
Date: Tuesday, November 22, 2022 8:37:12 PM
Attachments: image4fe8c3.PNG

Hello Mr. Dobish,

As you are aware, BMO has demanded payment in full and the demand period has expired. We also note that you have not kept your monthly payments current and you have not signed a forbearance agreement. Please be advised that I have received instructions to proceed with enforcing upon the bank's security.

Thank you,

Susy

SUSY TRACE
Partner

Miller Thomson LLP
2700 Commerce Place
10155 - 102 Street
Edmonton, Alberta T5J 4G8
Direct Line: +1 780.429.9713
Fax: +1 780.424.5866
Email: strace@millerthomson.com
millerthomson.com

This is **Exhibit "W"** referred to in the Affidavit of Michelle Madrigga Sworn before me this 7 day of February, 2023.

A Commissioner for Oaths in and for the Province of Alberta

James W. Reid
Barrister & Solicitor

From:	Trace, Susy
To:	AL DOBISH
Cc:	Michelle Madrigga
Subject:	RE: 1194038 Alberta Ltd. [MTDMS-Legal.FID11410654]
Date:	Wednesday, November 23, 2022 9:43:11 AM
Attachments:	image001.png imagec16234.PNG

Good morning Mr. Dobish,

I have some concerns with what you have stated below.

1. It is not accurate to say that BMO was not willing to take the mortgage payment. Rather, BMO had no choice but to freeze the company bank accounts due to it not paying its taxes and a Requirement to Pay being issued. Freezing the bank account in no way prevents the company from depositing sufficient funds to pay Bank of Montreal. This is another default under the loan agreements, put the bank's position in jeopardy and is unacceptable.
2. The only account manager at Bank of Montreal you should be contacting is Michelle Madrigga. Please cease contacting Vince Lee and limit your communications to Ms. Madrigga.
3. We have asked you, several times, for copies of your signed term sheet or commitment letter from CWB, or any other lender for that matter. To date, you have failed to provide such documentation.
4. Demand for payment of all amounts owing to BMO were made on August 11, 2022. The demand period expired on August 21, 2022 **and the full amount is due and owing to BMO**. It has been three months since demands have expired and to date we have not received evidence that imminent repayment is forthcoming despite multiple requests for such evidence

If you in fact have secured a commitment from CWB to loan the company money as you have implied below, we require a complete copy of the fully executed term sheet by the end of day today for our review.

In the meantime, the bank reserves all of its rights and remedies.

Thank you,

SUSY TRACE
Partner

Miller Thomson LLP
2700 Commerce Place
10155 - 102 Street
Edmonton, Alberta T5J 4G8
Direct Line: +1 780.429.9713
Fax: +1 780.424.5866
Email: strace@millerthomson.com
millerthomson.com

Please consider the environment before printing this email.

From: AL DOBISH <adobish@shaw.ca>
Sent: Tuesday, November 22, 2022 10:17 PM
To: Trace, Susy <strace@millerthomson.com>
Cc: Michelle Madrigga <Michelle.Madrigga@bmo.com>
Subject: [**EXT**] 1194038 Alberta Ltd. [MTDMS-Legal.FID11410654]

Susy

How are you doing , I hope all is well . In Lieu of the “Requirement to Pay Money to the Government of Alberta” BMO was not willing to take my Payment so it not that I couldn't pay the Mortgage . When you notified me of this issue I immediately called the Tom D. (the Alberta Corp Agent who was in charge of this) and left a message . I did not actually get a response the next morning and called this agent over and over to the point where I had at least 30 phone calls into this person asking for a call back over at least 2- 3 week period of time .

It got to the point where I realized that person is not going to call me back and eventually got a hold of his Supervisor and was informed that person is on leave of absence (reason not given as to why) and that he would take over the file . The Alberta Corp Tax Supervisor who name is Soodesh (780-965-2460) apologized on behalf of his staff member as it was his responsibility to leave a message indicating he was off work and would not be returning for the time being .

Unfortunately the agent who sent the Requirement to pay did Not inform his clients via voice messaging on his answering machine that he was not at work for the time being and that would explain why I was not getting return calls for him . His Supervisor Soodesh , who took over the file has removed the “Requirement to Pay Money to the Government of Alberta” as an arrangement was made and he told me he would send BMO the proper information to remove the Requirement to pay .

I emailed my previous BMO Account manager Vince Lee at BMO (please verify with Vince) asking him to check my account status as I needed to make the Mortgage Payment and he would not help me and referred me back to Michelle Madriga . The requirement to pay should be off the accounts and I am returning to Edmonton from Phoenix on Thursday Nov. 24th late afternoon and will make a deposit for the Nov. Mortgage payment Thursday night upon my return to Edmonton .

CWB is in the final stages of my new Mortgage for 119 and is waiting for the new Financial Statements from the CA . Financials have been delayed as my CA Fred Fifield just recently returned from a funeral in Newfoundland as his wife's mother passed away and unfortunately this caused another delay .

Please be advised that its no problem to pay the Mortgage as the money has always been there and BMO would not accept the money to pay the Mortgage . It will also be no problem to pay the Dec 1st Mortgage payment on time as the funds are also there for that as well . All 1194038 Alberta Ltd. Property taxes and insurance payments are up to date and current .

Regards

Al Dobish

1194038 Alberta Ltd.

cell 780-862-7625

From: "Trace, Susy" <strace@millerthomson.com>
To: "AL DOBISH" <adobish@shaw.ca>
Cc: "Michelle Madrigga" <Michelle.Madrigga@bmo.com>
Sent: Tuesday, November 22, 2022 8:37:11 PM
Subject: 1194038 Alberta Ltd. [MTDMS-Legal.FID11410654]

Hello Mr. Dobish,

As you are aware, BMO has demanded payment in full and the demand period has expired. We also note that you have not kept your monthly payments current and you have not signed a forbearance agreement. Please be advised that I have received instructions to proceed with enforcing upon the bank’s security.

Thank you,

Susy

SUSY TRACE
Partner

Miller Thomson LLP
2700 Commerce Place
10155 - 102 Street
Edmonton, Alberta T5J 4G8
Direct Line: +1 780.429.9713
Fax: +1 780.424.5866
Email: strace@millerthomson.com
millerthomson.com