Clerk's Stamp

COURT FILE NUMBER	2303-06543
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended
	AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF J.W. CARR HOLDINGS LTD., SPRUCE GROVE INDUSTRIAL PARK INC., 272649 ALBERTA LTD., 279896 ALBERTA LTD., GRANDE PRAIRIE PLACE ENTERPRISES (1996) INC., 1170292 ALBERTA LTD. and 627612 ALBERTA LTD.
APPLICANT:	MICHAEL G. BROADFOOT
DOCUMENT	**AFFIDAVIT**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT:	**Norton Rose Fulbright Canada LLP** 400 3rd Avenue SW, Suite 3700 Calgary, AB T2P 4H2 Gunnar Benediktsson Telephone: 403.267.8256 Facsimile: 403.264.5973 Email: gunnar.benediktsson@nortonrosefulbright.com File Number: 1001236005

AFFIDAVIT OF MICHAEL G. BROADFOOT

Affirmed on November 14, 2023

I, Michael G. Broadfoot, of the City of Calgary, in the Province of Alberta, AFFIRM AND SAY:

1. I am the Principal of MGB Investments Limited Partnership (**MGB**), Interim Lender to J.W. Carr Holdings Ltd. (**Carr Holdings**), Spruce Grove Industrial Park Inc., 272649 Alberta Ltd. (**272**), 279896 Alberta Ltd., Grande Prairie Place Enterprises (1996) Inc., 1170292 Alberta Ltd. and 627612 Alberta Ltd. (collectively, the ***CCAA* Entities**) in these proceedings under

the *Companies' Creditors Arrangement Act* (the ***CCAA***). I am also a lender, in my personal capacity, to (among other borrowers and guarantors) the *CCAA* Entities. As such, I have personal knowledge of the matters stated herein, except where stated to be based upon information or belief, in which case I have stated the basis for my belief and believe the same to be true.

2. Unless otherwise defined, capitalized terms herein have the meaning given in the ARIO (defined below), or in my concurrently filed application, both of which I have reviewed.

3. My evidence includes property evaluations and other commercially sensitive documents. Those documents are exhibits in a separate affidavit that was affirmed on the same date as this affidavit (the **Confidential Broadfoot Affidavit**).

<u>Initial *CCAA* Order</u>

4. On April 19th, 2023, the Honourable Justice J.J. Gill issued an Initial Order under the *CCAA* in this proceeding (as subsequently amended, the **ARIO**). Under the ARIO, the *CCAA* Entities were granted protection from creditors pursuant to the terms of the *CCAA*, and Ernst & Young Inc. (**EY,** or the **Monitor**) was appointed Monitor.

<u>History of Relationship with Carr Holdings and the *CCAA* Entities</u>

5. As described in the affidavit of Marjorie Carr sworn on April 10, 2023, Carr Holdings and the *CCAA* Entities were managed primarily by my long-time friend, James (Jim) Carr, until his unfortunate passing on October 2, 2017. Paragraphs 69 to 81 of that affidavit provide an overview of the financial difficulties being faced by Carr Holdings and the *CCAA* Entities, which ultimately led to the filing of these proceedings.

6. Following Mr. Carr's passing, I had a number of discussions with Mrs. Carr and Carr Holdings regarding the potential financial consequences of his passing. Stemming from those discussions, I agreed to provide financing in my personal capacity to Carr Holdings and the *CCAA* Entities, with the intent that it act as a form of bridge financing until Mrs. Carr was able to sort out the financial ramifications of Mr. Carr's passing.

October 2017 Financing

7. Later in October 2017, I provided Mrs. Carr with $4,500,000 to be used as bridge financing for Carr Holdings (the **Initial Advance**), which is evidenced as follows:

   (a) attached hereto and marked as **Exhibit "A"** is a true copy of a Promissory Note between me and Mrs. Carr dated October 20, 2017 (the **Broadfoot Note**); and

   (b) attached hereto and marked as **Exhibit "B"** is a true copy of an Assignment of Insurance from Mrs. Carr to me dated October 20, 2017 (the **Insurance Assignment**), which assigned to me the proceeds of two insurance policies as security for the Broadfoot Note.

8. Mrs. Carr then provided the Initial Advance to Carr Holdings in exchange for a Promissory Note from Carr Holdings, also dated October 20, 2017 (the **Carr Note**). Attached hereto and marked as **Exhibit "C"** is a true copy of the Carr Note. Attached hereto and marked as **Exhibit "D"** is a true copy of documentation reflecting the flow of funds in which the Initial Advance was paid by me to Mrs. Carr. Based on discussions with Mrs. Carr, I understand that Mrs. Carr irrevocably assigned the Initial Advance to Carr & Long to be held in trust for Carr Holdings. Attached hereto and marked as **Exhibit "E"** is a true copy of that direction to pay dated October 26, 2017.

9. I understand the funds from the Initial Advance were ultimately reflected as a shareholder loan to Carr Holdings from Mrs. Carr. Attached hereto as **Exhibit "F"** is a ledger from Carr Holdings' shareholder loan account, dated October 30, 2017, which details the allocation of funds from the Initial Advance to various creditors of Carr Holdings. Chief among them is Power Playss Investment Ltd. (**Power Playss**), which received $3,500,000 of the funds from the Initial Advance. Attached hereto as **Exhibit "G"** is correspondence confirming the payment of funds to Power Playss from the Carr & Long trust account.

10. Mrs. Carr assigned her rights under the Carr Note to me pursuant to a Loan Assignment Agreement dated October 20, 2017 (the **Loan Assignment**). Attached hereto and marked as **Exhibit "H"** is a true copy of the Loan Assignment.

11. Both the Broadfoot Note and the Carr Note accrue interest at 4% annually, and are payable on demand.

12. Each year from 2017 to 2021, I verbally agreed with Mrs. Carr and with Carr Holdings that I would forbear from enforcing my rights and would not demand repayment of the Initial Advance while Mrs. Carr continued to sort out the financial standing of Carr Holdings and the *CCAA* Entities. As discussed below, I continued to forbear on the Initial Advance into 2023, in part on the strength of the additional security granted to me in December 2022.

13. In October 2020, the Broadfoot Note, the Carr Note, the Loan Assignment, and the Insurance Assignment were restated to reflect the parties' ongoing understanding, my ongoing forbearance under the Initial Advance, and my continued support for a workout of ongoing balance sheet issues that Carr Holdings and the *CCAA* Entities were experiencing. Attached hereto and marked as **Exhibit "I"** are true copies of the restated loan agreements and related assignments.

<u>October 2022 Financing</u>

14. In approximately June 2022, I contacted Mrs. Carr to initiate a discussion about having Carr Holdings (or one of the guarantors) repay all or some of the Initial Advance. It was around then I learned that Mrs. Carr (on behalf of Carr Holdings and the *CCAA* Entities) had sought the advice of Camilla Advisory Group Inc. (the **Camilla Group**), which I understood to be a consulting firm that offered financial consulting services to Carr Holdings and the *CCAA* Entities. My understanding was that the Camilla Group was providing financial advice to Carr Holdings and the *CCAA* Entities in furtherance of a financial restructuring.

15. It was around this same time, on June 17, 2022, that John Stevens of the Camilla Group forwarded me an e-mail he had sent a couple of days prior. In that e-mail, Mr. Stevens explains part of the aforementioned financial restructuring, as well as some of the cash flow issues that Carr Holdings and the *CCAA* Entities were experiencing. Attached hereto and marked as **Exhibit "J"** is a true copy of Mr. Stevens' June 17, 2022 e-mail to me.

16. I then entered into discussions with Mrs. Carr and the Camilla Group that extended into October 2022. During those discussions, I learned more about how Carr Holdings and the *CCAA* Entities were pursuing a plan of selling some of their assets, which would include

selling a portion of their real estate holdings and other cash-flowing businesses in order to improve Carr Holdings' financial standing. I also learned that Carr Holdings and the *CCAA* Entities estimated an additional $2,500,000 in working capital would be required over the coming months for their ongoing operations. For example, attached hereto and marked as **Exhibit "K"** is a true copy of my notes from an August 19, 2022 meeting with Mrs. Carr and the Camilla Group, during which we discussed the additional $2,500,000 in working capital and the security to be afforded to same.

17. At the time, Mrs. Carr and the Camilla Group outlined their belief that Carr Holdings and the *CCAA* Entities had asset values exceeding their collective liabilities, and that an orderly sale of most of their assets should provide a good opportunity to improve the companies' balance sheets and provide value for all stakeholders. The aggregate of the asset values estimated and outlined by the Camilla Group ranged from an approximate low of $135 million to an approximate high of $180 million, with liabilities estimated at approximately $130 million. For example, attached to the Confidential Broadfoot Affidavit and marked as **Exhibit "1"** is a document I received from the Camilla Group in approximately August 2022 depicting the liabilities, as well as a potential range of values for the assets, of Carr Holdings and the *CCAA* Entities.

18. I was in support of the proposed restructuring of Carr Holdings and the *CCAA* Entities, as I understood at that time that there was sufficient value to retire both the secured and unsecured debt over time, as well as potential for Carr Holdings to continue as a going concern after the restructuring.

19. I agreed to provide ongoing support and funding in exchange for grants of security in respect of the Broadfoot Debt (as defined below), including registered security over real property (subordinate to pre-existing mortgages), plus general security over all the assets of Carr Holdings. Attached hereto and marked as **Exhibit "L"** is an October 10, 2022 e-mail and attachment from me to Mrs. Carr and the Camilla Group discussing this understanding. For clarity, the exhibit includes references to a proposal to convert my existing debt into preferred shares, but this never occurred. While we considered and evaluated that concept, I ultimately learned that a conversion of my secured debt into preferred shares would not be consistent with a registrable security interest, and so was not consistent with the parties' understanding as to the Broadfoot Debt.

20. At around that time, I learned that Carr Holdings required an immediate additional injection of $500,000 for payment to another creditor. I understood based on representations by Carr Holdings and the Camilla Group that satisfying that immediate need was a key component of the effort to continue the ongoing operations and a key step in achieving the financial restructuring of Carr Holdings. Without that payment (which Carr Holdings did not have the liquidity to make), Carr Holdings would likely have been placed into receivership in 2022.

21. Instead of demanding repayment of the Initial Advance at that time, and with a view to helping ensure the continued operations of Carr Holdings and the *CCAA* Entities so that they could pursue a financial restructuring plan, I agreed to provide Carr Holdings and the *CCAA* Entities with an additional $500,000 in bridge financing, with the intention of providing additional bridge financing totalling up to $2,500,000. I agreed to fund this amount on the strength of my existing security in Carr Holdings and the *CCAA* Entities, plus additional security from Carr Holdings satisfactory to me as lender (as discussed further below).

22. To the best of my knowledge, none of Carr Holdings or the *CCAA* Entities were considering protection under the *CCAA* at this time. We were focused on the aforementioned financial restructuring plan.

23. This additional bridge financing is evidenced by a Promissory Note among me, Carr Holdings, Mrs. Carr, and 272 dated October 12, 2022 (the **Additional Note**). Attached hereto and marked as **Exhibit "M"** is a true copy of the Additional Note.

24. The Additional Note accrues interest at 4% annually, and became payable in full on October 12, 2023. It is secured by Mrs. Carr's life insurance policies as well as a General Security Agreement over the assets of Carr Holdings.

25. My understanding is that in November 2022, Carr Holdings added EY and the law firm MLT Aikins to its advisory team. For approximately the next month, those new advisors familiarized themselves with Carr Holdings and the various scenarios facing it. Based on that analysis, EY recommended the alternative idea of a *CCAA* proceeding. My understanding of the timing is that a *CCAA* proceeding became the preferred approach in

or around early January 2023, following which Carr Holdings and the *CCAA* Entities focused their efforts on same.

26. Carr Holdings, EY, and the Camilla Group presented me with a Microsoft Excel workbook analysis of Carr Holdings' real estate properties, as well as verbal insights on the idea of a *CCAA* process. I concluded that, without immediate new funding, Carr Holdings would be forced into receivership, and foreclosure proceedings would follow in respect of many real property assets held either by Carr Holdings or the *CCAA* Entities. My understanding is that the contents of that spreadsheet are confidential, and as such I have not reproduced a copy here.

27. A key conclusion I made, based on that analysis, was a benefit of $35 million to $45 million could potentially be generated by avoiding foreclosure proceedings or forced sales by using the CCAA process. This conclusion is derived from: (i) prior value estimates for Carr Holdings' assets as developed by EY for the real estate portfolio (properties owned 100% by Carr Holdings); plus (ii) Camilla Group value estimates for equity owned by Carr Holdings in other entities (for which Carr Holdings owned less than 100%); coupled with the price reduction experience verbally shared by EY for a set of foreclosures, estimated as a 33% discount. The net effect of those parameters projects the aforementioned benefit range of $35 million to $45 million. Attached to the Confidential Broadfoot Affidavit and marked as **Exhibit "2"** is a reproduction of the calculation I made demonstrating the aforementioned expected value range in avoiding foreclosure.

28. As part of that preferred approach, I provided Carr Holdings and the *CCAA* Entities with a further $250,000 advance (the **Pre-filing Advance**), which was initially provided under the existing amended and restated loan agreement. The purpose of this funding was to ensure that the professionals involved in the *CCAA* process could be retained and would be paid for the work they were doing on behalf of Carr Holdings and the *CCAA* Entities during the lead-up to the ARIO.

29. After the Court issued the ARIO, the Pre-filing Advance was repaid.

30. This additional $750,000 of bridge financing, and the up to $2,500,000 I agreed to provide, was all funded on the understanding and the condition that Carr Holdings and the *CCAA* Entities were providing adequate security for all of the Broadfoot Debt. This understanding

and condition was also in accordance with our verbal and written understandings dating back to 2017, and through extensive discussions with Carr Holdings, the Camilla Group, and EY that ultimately resulted in the ARIO. In exchange for this understanding and condition, I agreed to continue to forbear on enforcement (in furtherance of the ultimate restructuring of Carr Holdings and the *CCAA* Entities), and continued to accrue interest on the debt without expecting periodic or any payments in the interim.

31. As evidenced through the information and analysis provided by EY, Camilla Group and Carr Holdings, and as discussed herein, without

(a) the advances I made to Carr Holdings and the *CCAA* Entities;

(b) the forbearance on enforcing the Broadfoot Debt;

(c) my continued agreement to a very low interest rate, consistent with the security that has been registered; and

(d) my continued agreement to add the unpaid accruing interest onto the Broadfoot Debt,

Carr Holdings and the *CCAA* Entities would not have had sufficient cash to fund operations and pay professional fees in order to keep the companies out of receivership – and their properties out of foreclosure – until such time that the ARIO could be issued. In particular, I was privy to balance sheet analysis performed by Camilla, which concluded that the net asset value of Carr Holdings and the *CCAA* entities would be negative if the properties were marketed in a forced sale. In addition, EY prepared pre-filing cash flow statements in January of 2023 (attached to the Confidential Broadfoot Affidavit and marked as **Exhibit "3"**), demonstrating what both Carr Holdings and I already knew: Carr and the *CCAA* entities would incur a deficit of over $2.5 million in the ensuing 13 weeks without additional financing from me.

32. Over time, other stakeholders of Carr Holdings and the *CCAA* Entities have benefited from my support of Carr Holdings' financial restructuring, both before and after the issuance of the ARIO. In particular, secured creditors of various *CCAA* Entities have saved money in professional and administrative fees that they would have incurred in foreclosure

proceedings (all of which has been funded by MGB as the Interim Lender), and have realized higher values for their security than they would have in a forced sales process.

33. In total, Carr Holdings and the *CCAA* Entities are indebted to me in the amount of $6,331,361 CAD as at March 31, 2023, plus interest and any related fees and enforcement costs that have accrued on such amounts since (collectively referred to as the **Broadfoot Debt**). For clarity, the Broadfoot Debt excludes any amounts MGB has advanced to Carr Holdings and the *CCAA* Entities as the Interim Lender throughout these *CCAA* proceedings.

<u>December 2022 Agreements</u>

34. As described above, I am a secured creditor of Carr Holdings and the *CCAA* Entities, and have been since prior to the start of these proceedings. I am owed the Broadfoot Debt. The understanding, both verbal and written, among me, Mrs. Carr, and Carr Holdings has always been that the Broadfoot Debt would be used as bridge financing including to support a financial restructuring of Carr Holdings and the *CCAA* Entities, among others. In addition, the Broadfoot Debt has always been secured – initially this was by way of an assignment of insurance proceeds, but later extended to direct security in Carr Holdings and the *CCAA* Entities.

35. To memorialize this understanding, and in or around December 2022, I entered into amended and restated loan and security agreements with respect to the Broadfoot Debt and its security. My legal counsel and then-legal counsel to Carr Holdings, Miller Thomson, prepared the following documents:

(a) attached hereto and marked as **Exhibit "N"** is a true copy of a Loan Agreement between me and Carr Holdings dated December 12, 2022 (the **Loan Agreement**);

(b) attached hereto and marked as **Exhibit "O"** is a true copy of a Fixed and Floating Charge Demand Debenture effective as of October 15, 2022 granted to me by Carr Holdings (the **Carr Debenture**);

(c) attached hereto and marked as **Exhibit "P"** is a true copy of a Debenture Pledge Agreement effective as of October 15, 2022 from Carr Holdings (the **Carr**

Debenture Pledge);

(d) attached hereto and marked as **Exhibit "Q"** is a true copy of a Fixed and Floating Charge Demand Debenture effective as of October 15, 2022 with 272 (the **272 Debenture**);

(e) attached hereto and marked as **Exhibit "R"** is a true copy of a Debenture Pledge Agreement effective as of October 15, 2022 with 272 (the **272 Debenture Pledge**);

(f) attached hereto and marked as **Exhibit "S"** is a true copy of a Guarantee effective as of October 15, 2022 from various affiliates of Carr Holdings, including (among others) the CCAA Entities, (the **Guarantee**);

(g) attached hereto and marked as **Exhibit "T"** is a true copy of a Supplemental Debenture dated March 3, 2023 from Carr Holdings; and

(h) attached hereto and marked as **Exhibit "U"** is a true copy of the First Amending Agreement to the Loan Agreement, dated April 3, 2023.

(collectively, the **December 2022 Agreements**)

36. Prior to the ARIO being issued, and also with notice to all of EY, Mrs. Carr, Carr Holdings, and legal counsel for Carr Holdings and the *CCAA* Entities, I registered security interests as permitted by the aforementioned agreements, debentures, and guarantees pursuant to the Alberta *Personal Property Security Act* (the ***PPSA***) and (where appropriate) the *Land Titles Act*. Among other things I registered the following security interests that are relevant to the current application:

(a) All present and after-acquired personal property of the debtor. A copy of the PPR search result demonstrating my registered interest is attached to my affidavit as **Exhibit "V"**.

(b) A second mortgage granted by 272 on the Tundra Assets (defined below). A true copy of a certificate of title for the Tundra Assets is attached hereto as **Exhibit "W"**.

I am advised and do verily believe that the request for registration of the mortgage on title was submitted on January 26, 2023. A true copy of the request is attached hereto as **Exhibit "X"**.

(c) A second mortgage granted by 272 on the Iron Nation Assets (defined below). A true copy of a certificate of title for the Iron Nation Assets is attached hereto as **Exhibit "Y"**. I am advised and do verily believe that the request for registration of the mortgage on title was submitted on January 26, 2023. A true copy of the request is attached hereto as **Exhibit "X"**.

(d) A first mortgage granted by Carr Holdings on the Fort Saskatchewan Duplex (defined below). A true copy of a certificate of title for the Fort Saskatchewan Duplex is attached hereto as **Exhibit "Z"**. I am advised and do verily believe that the request for registration of the mortgage on title was submitted on March 7, 2023. A true copy of the request is attached hereto as **Exhibit "AA"**.

37. On April 11, 2023, I provided a document to Carr Holdings, the Camilla Group, and EY that explained the security I had registered against Carr Holdings and the *CCAA* Entities. A copy of that document is attached to the Confidential Broadfoot Affidavit and marked as **Exhibit "4".**

Commencement of the CCAA Process

38. Ultimately, I understand the decision was made by Carr Holdings and the *CCAA* Entities to seek protection from creditors under the *CCAA*. The proposal to proceed in this manner was first raised with me in December 2022, and was discussed with me in earnest during January 2023. This included a meeting on January 19th, 2023 at EY's office in Edmonton that included me, EY, the Camilla Group, Carr Holdings, and legal counsel. Following those discussions, EY suggested to me, on behalf of Carr Holdings, that I consider providing any additional financing through a *CCAA* process.

39. As described above, my understanding is that EY had advised that a *CCAA* process could help avoid multiple foreclosures on properties or receiverships of individual *CCAA* Entities, thus resulting in savings to all of the stakeholders of the companies and increasing the prospect of successfully restructuring their balance sheets. I concluded from the advice

and discussions mentioned above that Carr Holdings and the *CCAA* Entities could not pursue this option without both short-term funding (which I provided) and a commitment to provide interim financing through the Commitment Letter (which I gave).

40. I am advised by a review of the file and do verily believe that on March 1, 2023, my legal counsel advised legal counsel for Carr Holdings that prior to agreeing to act as Carr Holdings' interim lender during the *CCAA* process, the December 2022 agreements needed to be executed and registered, which they were. A copy of that e-mail is attached to my affidavit as **Exhibit "BB"**.

R'ohan Shares

41. On April 3, 2023, I entered into a Securities Pledge Agreement with Carr Holdings (the **Securities Pledge**). Pursuant to the Securities Pledge, Carr Holdings pledged to me 3,466 Class "A" common shares issued by R'ohan Well Services Ltd. in the name of Carr Holdings the **R'ohan Shares**), pursuant to my prior security in the present and after-acquired property of Carr Holdings as granted to me in the Carr Debenture. A copy of the Securities Pledge is attached to my affidavit as **Exhibit "CC"**. On or about April 6, 2023 the R'ohan Shares were endorsed to me through a blank irrevocable power of attorney. A copy of the irrevocable power of attorney is to my affidavit as **Exhibit "DD"**.

42. In addition to registering a security interest over the R'ohan Shares pursuant to the *PPSA* on December 15, 2022, I took physical possession of the R'ohan Share certificate on April 12, 2023, and was in control of that share certificate on the date of the sale of the R'ohan Shares to Gondor Investment Corp. A copy of the share certificate is attached to my affidavit as **Exhibit "EE"**. A copy of the PPR search result demonstrating my registered interest over the R'ohran Shares is attached to my affidavit as **Exhibit "V"**.

43. On June 29th, 2023, and as part of the *CCAA* process, the Honourable Justice M.E. Burns issued an Approval and Vesting Order in relation to the purchase and sale of the R'ohan Shares, as contemplated by a Share Purchase Agreement dated June 16th, 2023 (the **R'ohan Order**).

Tundra Assets

44. At the time I registered and perfected my security over the Broadfoot Debt, 272 owned a property with a civic address of 11517 – 89 Avenue in Grande Prairie, and a legal description as follows (the **Tundra Assets**):

PLAN 8020127
BLOCK 17
LOT 1
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 1.05 HECTARES (2.59 ACRES) MORE OR LESS

45. The Broadfoot Debt is secured, among other things, by a second mortgage granted by 272 on the Tundra Assets. A true copy of a certificate of title for the Tundra Assets is attached hereto as **Exhibit "W".**

46. On August 24th, 2023, and as part of the *CCAA* process, the Honourable Justice G.S. Dunlop issued an Approval and Vesting Order in relation to the purchase and sale of the Tundra Assets, as contemplated by an Agreement of Purchase and Sale dated July 26th, 2023 (the **August 24th SAVO**).

Iron Nation Assets

47. At the time I registered and perfected my security over the Broadfoot Debt, 272 also owned a property with a civic address of 9502 – 117 Street in Grande Prairie, and a legal description as follows (the **Iron Nation Assets**):

PLAN 0625015
BLOCK 3
LOT 3
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 0.611 HECTARES (1.51 ACRES) MORE OR LESS

48. The Broadfoot Debt is secured, among other things, by a second mortgage granted by 272 on the Iron Nation Assets. A true copy of a certificate of title for the Iron Nation Assets is attached hereto as **Exhibit "Y".**

49. On September 14th, 2023, and as part of the *CCAA* process, the Honourable Justice J.T. Neilson issued an Approval and Vesting Order in relation to the purchase and sale of the

Iron Nation Assets, as contemplated by an Agreement of Purchase and Sale dated August 25h, 2023 (the **September 14th SAVO**).

50. I understand that the Monitor has made or is intending to make distributions as ordered in the August 24th SAVO and the September 14th SAVO, and holds funds in excess of those distributions in respect of the Iron Nation Assets and the Tundra Assets.

<u>8222-96 Ave Duplex in Fort Saskatchewan</u>

51. At the time I registered and perfected my security over the Broadfoot Debt, Carr Holdings owned a property with a civic address of 8222-96 Ave. in Fort Saskatchewan Alberta, and a legal description as follows (the **Fort Saskatchewan Duplex**):

PLAN 7520666
BLOCK 45
LOT 6

52. The Broadfoot Debt is secured, among other things, by a first mortgage granted by Carr Holdings in the Fort Saskatchewan Duplex. A true copy of a certificate of title for the Fort Saskatchewan Duplex is attached hereto as **Exhibit "Z".**

53. I understand that pursuant to the expedited sales process in these proceedings the Fort Saskatchewan Duplex has been sold and has generated approximately $240,000 in proceeds.

<u>Conclusion and Relief Sought</u>

54. I understand that the Monitor has made or is intending to make distributions as ordered in the August 24th SAVO and the September 14th SAVO, and holds funds in excess of those distributions in respect of the Iron Nation Assets and the Tundra Assets. In addition, I understand that the Monitor is holding net proceeds of the sale of the R'ohan shares and the Fort Saskatchewan Condo.

55. In this proceeding, MGB as Interim Lender does not have conventional DIP superpriority for its financing debt. Instead, MGB has permitted, and this Court has directed, that the claims of first charge mortgagees (such as Canadian Western Bank in respect of the Tundra and Iron Nation Assets) shall rank in priority to the Court-ordered charges, including the Interim Lender's charge.

56. I make this affidavit in support of my application for an order:

(a) declaring that the security granted by Carr Holdings and the *CCAA* Entities to secure repayment of the Broadfoot Debt is valid and enforceable in accordance with its terms and its relative priority as against the companies' other secured obligations;

(b) in accordance with that security, directing the distribution to me of:

(i) the net remaining proceeds (after payment of the first mortgages and other distributions as set out in the August 24th SAVO and the September 14th SAVO) from the sales of the Tundra and Iron Nation Assets, over which I hold a second-ranking mortgage;

(ii) the net proceeds of the sale of the R'ohan Shares, over which I hold a security interest perfected by registration, possession, control, and delivery; and

(iii) the net proceeds of the sale of the Fort Saskatchewan Condo, over which I hold a first ranking mortgage;

(c) sealing the Confidential Broadfoot Affidavit;

(d) and for no other or improper purpose.

AFFIRMED BEFORE ME at the City of ____________, __________, this 14th day of November, 2023	
______________________________	______________________________ MICHAEL G. BROADFOOT

This is Exhibit A to the affidavit of

Michael G. Broadfoot affirmed on

PROMISSORY NOTE

$4,500,000.00 CDN Granted as of 9:00 a.m. on October 20, 2017
Edmonton, Alberta

FOR VALUE RECEIVED, the undersigned **Marjorie Ann Carr** (the "Borrower") promises to pay to **Michael Broadfoot**, (the "Lender"), at 163 Wildwood Drive SW, Calgary, Alberta, T3C 3C8, the principal sum of $4,500,000.00 CDN, together with interest from the date of this Note on the unpaid principal balance upon the terms and conditions specified below.

1. ***Principal and Interest.*** The principal balance of this Note together with interest accrued and unpaid to date shall be payable on demand, provided however, the Lender, subject to Section 4 of this Note, shall not make demand prior to one (1) year from the date of this Note.

2. ***Rate of Interest.*** Interest shall accrue under the Note on any unpaid principal balance at the rate of 4% per annum.

3. ***Prepayment.*** Prepayment of principal and interest may be made at any time without penalty.

4. ***Events of Acceleration.*** The entire unpaid principal sum and unpaid interest of this Note shall become immediately due and payable upon one or more of the following events:

   a. the insolvency of the Borrower, the commission of an act of bankruptcy by the Borrower, the execution by the Borrower of a general assignment for the benefit of creditors, the filing by or against the Borrower of a petition in bankruptcy or a petition for relief under the provisions of the federal bankruptcy act or another provincial or federal law for the relief of debtors and the continuation of such petition without dismissal for a period of ninety (90) days or more.

5. ***Security.*** Payment of this Note shall be secured by an Assignment of the Borrower's Life Insurance Policy Proceeds in the amount of Two Million ($2,000,000.00) CDN Dollars, under Policy No.s 8937414 and 8534025 (each for One Million CDN Dollars) with Manulife and an Assignment of a debt owing by J.W. Carr Holdings Ltd. to the Borrower.

6. ***Waiver.*** No previous waiver and no failure or delay by the Lender or Borrower in acting with respect to the terms of this Note shall constitute a waiver of any breach, default, or failure of condition under this Note or the obligations secured thereby. A waiver of any term of this Note or of any of the obligations secured thereby must be made in writing and signed by both the Lender and Borrower and shall be limited to the express terms of such waiver. The Borrower waives: (i) demand, presentment for payment, notice of non-payment, protest, notice of protest and any other notice that might otherwise be required; (ii) the filing of suit and diligence in collecting this Note. The Borrower consents to any extension or postponement of time of payment of this Note or any other indulgence with respect hereto without any prior notice thereof.

7. ***Conflicting Agreements.*** In the event of any inconsistencies between the terms of this Note and the terms of any other document related to the loan evidenced by the Note, the terms of this Note shall prevail.

8. ***Governing Law.*** This Note shall be construed in accordance with the laws of the Province of Alberta.

9. ***Execution.*** A signature delivered by facsimile, PDF or other electronic means shall be as effective as delivery of an original.

M Carr

Signature of Borrower – **Marjorie Ann Carr**

Address: 2400, 10303 Jasper Avenue
Edmonton, Alberta, T5J 3N6

This is Exhibit B to the affidavit of

Michael G. Broadfoot affirmed on

ASSIGNMENT OF INSURANCE

TO: **MICHAEL BROADFOOT** of 163, Wildwood Drive SW, Calgary, Alberta, T3C 3C8 (the "**Lender**")

WHEREAS:

A. Pursuant to a Promissory Note dated October 20, 2017 (the "**Note**"), executed by Marjorie Ann Carr (the "**Borrower**"), the Lender has agreed to provide the loan set out in the Note;

B. It is a condition of the Note that the Borrower assign all of her interest in the Asset Policy (as hereinafter defined).

NOW THEREFORE, as general and continuing collateral security for the fulfillment of the debt and liability of the Borrower to the Lender under the Note, (the "**Obligations**"), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Borrower, the Borrower hereby agrees as follows:

1. The Borrower does hereby assign, transfer and set over to and in favour of the Lender, and grants a security interest in favour of the Lender in, all of her right, title and interest in and to the proceeds now or hereafter due and payable, from time to time, to the Borrower under the Policy of Insurance described in Schedule "A" attached hereto (the "**Asset Policy**"), and also all money payable to the Borrower thereunder.

2. The Borrower shall forthwith, and from time to time, execute and do or cause to be executed and done, all deeds, documents and things which are reasonably necessary or advisable for giving the Lender a valid assignment of the Asset Policy and all the rights and interest of the Borrower in the proceeds thereof.

3. The Borrower undertakes not to take or omit to take any steps or do anything which would result in the cancellation or invalidation of any of the Asset Policy or any claims which may otherwise be payable thereunder.

4. The Borrower undertakes to provide the Lender with an executed copy of a notice and direction to the Insurer in the form attached hereto as Schedule "A" (the "**Notice**"). The Lender shall hold the Notice and only serve it on the Borrower if there is a default under the Note.

5. The security interest created by this Assignment shall be satisfied and discharged upon and only upon the full payment of all moneys owing by the Borrower under or pursuant to the Note. Upon payment in full of all moneys owing by the Borrower under or pursuant to the Note, the Lender shall provide the Borrower with the original Notice, and a re-assignment of this Assignment if requested by the Borrower.

6. This Assignment shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws Canada applicable therein.

7. A signature delivered by facsimile, PDF or other electronic means shall be as effective as delivery of an original.

IN WITNESS WHEREOF the undersigned has duly executed this Assignment at Edmonton, Alberta, as of 9:00 a.m. on October 20, 2017.

M Carr

Marjorie Ann Carr

Address: 2400, 10303 Jasper Avenue
Edmonton, Alberta, T5J 3N6

SCHEDULE "A"
NOTICE

TO: Manulife (the "**Insurer**")

RE: Policy Numbers 8937414 and 8534025, each for One Million ($1,000,000.00) CDN Dollars in favour of Marjorie Carr (collectively, as amended, replaced, substituted or modified from time to time, the "**Policy**")

AND RE: Promissory Note dated October 20, 2017 (as the same may be amended, modified supplemented, extended, renewed, restated, replaced and/or superseded from time to time, the "**Note**") among Marjorie Ann Carr, as Borrower and Michael Broadfoot as Lender.

The undersigned hereby give notice to the Insurer pursuant to the Policy that any amount due to the undersigned and ascertained to be payable as provided in the Policy shall be payable to Michael Broadfoot (the "**Lender**") at 163 Wildwood Drive SW, Calgary, Alberta, T3C 3C8, for the account of the undersigned. This direction shall be irrevocable unless any revocation is agreed to in writing by the Lender.

Dated this 20th day of October, 2017.

M Carr

Marjorie Ann Carr

Address: 2400, 10303 Jasper Avenue
Edmonton, Alberta, T5J 3N6

This is Exhibit C to the affidavit of

Michael G. Broadfoot affirmed on

PROMISSORY NOTE

$4,500,000.00 CDN

Granted as of 10:00 a.m. on October 20, 2017
Edmonton, Alberta

FOR VALUE RECEIVED, the undersigned J.W. Carr Holdings Ltd. (the "Borrower") promises to pay to Marjorie Ann Carr, (the "Lender"), at 2400, 10303 Jasper Avenue, Edmonton, Alberta, T5J 3N6, the principal sum of $4,500,000.00 CDN, together with interest from the date of this Note on the unpaid principal balance upon the terms and conditions specified below.

1. *Principal and Interest.* The principal balance of this Note together with interest accrued and unpaid to date shall be payable on demand, provided however, the Lender, subject to Section 4 of this Note, shall not make demand prior to one (1) year from the date of this Note.

2. *Rate of Interest.* Interest shall accrue under the Note on any unpaid principal balance at the rate of 4% per annum.

3. *Prepayment.* Prepayment of principal and interest may be made at any time without penalty.

4. *Events of Acceleration.* The entire unpaid principal sum and unpaid interest of this Note shall become immediately due and payable upon one or more of the following events:

   a. the insolvency of the Borrower, the commission of an act of bankruptcy by the Borrower, the execution by the Borrower of a general assignment for the benefit of creditors, the filing by or against the Borrower of a petition in bankruptcy or a petition for relief under the provisions of the federal bankruptcy act or another provincial or federal law for the relief of debtors and the continuation of such petition without dismissal for a period of ninety (90) days or more.

5. *Security.* Payment of this Note shall be secured by an Assignment of the Borrower's Life Insurance Policy Proceeds in the amount of Four Million Five Hundred Thousand ($4,500,000.00) CDN Dollars, under Policy No. B458014-0 with London Life.

6. *Waiver.* No previous waiver and no failure or delay by the Lender or Borrower in acting with respect to the terms of this Note shall constitute a waiver of any breach, default, or failure of condition under this Note or the obligations secured thereby. A waiver of any term of this Note or of any of the obligations secured thereby must be made in writing and signed by both the Lender and Borrower and shall be limited to the express terms of such waiver. The Borrower waives: (i) demand, presentment for payment, notice of non-payment, protest, notice of protest and any other notice that might otherwise be required; (ii) the filing of suit and diligence in collecting this Note. The Borrower consents to any extension or postponement of time of payment of this Note or any other indulgence with respect hereto without any prior notice thereof.

7. *Conflicting Agreements.* In the event of any inconsistencies between the terms of this Note and the terms of any other document related to the loan evidenced by the Note, the terms of this Note shall prevail.

8. *Governing Law.* This Note shall be construed in accordance with the laws of the Province of Alberta.

9. *Execution.* A signature delivered by facsimile, PDF or other electronic means shall be as effective as delivery of an original.

J.W. Carr Holdings Ltd.

Per: M Carr
Marjorie Ann Carr - Director

Address: 2400, 10303 Jasper Avenue
Edmonton, Alberta, T5J 3N6

This is Exhibit D to the affidavit of

Michael G. Broadfoot affirmed on

Miranda Sharpe (she/her)

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

Begin forwarded message:

From: Mike Broadfoot <mike.broadfoot@icloud.com>
Subject: Re: M. Broadfoot Loan to M. Carr (Witten file 127991.1) - Broadfoot executed document
Date: October 24, 2017 at 8:10:57 AM MDT
To: Kevin Smith <ksmith@wittenlaw.com>

Hi Kevin,

I hereby confirm that you are free to deliver the $4.5M loan advance to Marj once you deliver signed copies of the loan documents to me. You can deliver by email.

Regards,
Mike

Michael Broadfoot
mike.broadfoot@icloud.com

On Oct 24, 2017, at 8:07 AM, Kevin Smith <ksmith@wittenlaw.com> wrote:

Thanks Mike,

Please confirm I am free to deliver the $4.5M loan advance to Marj once I deliver signed copies of all the loan documents to you.

Kevin.

<image001.png> **Kevin J. Smith | Lawyer**
ksmith@wittenlaw.com | direct: (780) 702-3406 | reception: (780) 428-0501 | fax: (780) 4
Witten LLP | www.wittenlaw.com
Suite 2500, Canadian Western Bank Place, 10303 Jasper Avenue, Edmonton, Alberta T

From: Mike Broadfoot [mailto:mike.broadfoot@icloud.com]
Sent: Tuesday, October 24, 2017 7:48 AM
To: Kevin Smith
Cc: John Devaney (E-mail); Marj Carr
Subject: Re: M. Broadfoot Loan to M. Carr (Witten file 127991.1) - Broadfoot executed document
Importance: High

Hi Kevin,
I am fine with the documents and have executed and attached the Loan Assignment Agreement.

<scan.pdf>

Michael Broadfoot
mike.broadfoot@icloud.com

On Oct 23, 2017, at 5:49 PM, Kevin Smith <ksmith@wittenlaw.com> wrote:

Hello Mike,

Attached are the documents I've prepared to document the loan as discussed. The attachments include the loan documents between Marj and J.W. Carr Holdings Ltd. for your information.

Please ensure you obtain independent legal advice should you feel that is necessary as I am acting for Marj in this matter.

Please let me know as soon as possible if you have any comments or concerns.

Regards, Kevin.

<image001.png> **Kevin J. Smith | Lawyer**
ksmith@wittenlaw.com | direct: (780) 702-3406 | reception: (780) 428-0501 | fa
Witten LLP | www.wittenlaw.com
Suite 2500, Canadian Western Bank Place, 10303 Jasper Avenue, Edmonton,

<Promissory Note Marjorie to Michael - Oct 23-2017.pdf><Promissory Note J.W. Carr to Marjorie - Oct 23-2017.pdf><Assignment of Insurance Marjorie to Michael - Oct 23-2017.pdf><Assignment of Insurance J.W. Carr to Marjorie - Oct 23-2017.pdf><Assignment of Shareholder Loan - Oct 23-2017.pdf>

This is Exhibit E to the affidavit of

Michael G. Broadfoot affirmed on

DIRECTION TO PAY

FROM: MARJORIE CARR
TO: WITTEN LLP

Dear Sirs:

Re: $4,500,000.00 Loan from Michael Broadfoot to Marjorie Carr (the "Loan")

The undersigned, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, irrevocably assigns to WITTEN LLP, the net proceeds of the Loan currently held by Witten LLP in its trust account, and further, does hereby irrevocably authorize and direct WITTEN LLP to remit the full amount of the Loan to Carr & Long, Barristers and Solicitors, to the attention of Catherine Long.

A Signature delivered by facsimile, PDF or other electronic means shall be as effective as delivery of an original.

Dated this 26 day of October, 2017.

M Carr
Marjorie Carr

Witness

This is Exhibit F to the affidavit of

Michael G. Broadfoot affirmed on

J. W. Carr Holdings Ltd.
General Journal J1607 to J1607

		Account Number	Account Description	Debits	Credits	Project Amt.
10/30/2017	J1607	55051-LOJWC, Power Plays / MKratz Loan Payout				
		2930	Shareholders loan	-	4,500,000.00	
		2743	Mitchell Kratzenberg	100,000.00	-	
		2753	Power Playss Inv loan CW & VW	1,500,000.00	-	
		5221	Interest-2010,11,12,13 project loan	288,081.72	-	
		2753	Power Playss Inv loan CW & VW	1,000,000.00	-	
		5221	Interest-2010,11,12,13 project loan	85,616.29	-	
		2753	Power Playss Inv loan CW & VW	1,000,000.00	-	
		5221	Interest-2010,11,12,13 project loan	4,438.35	-	
		1434	Due to KCM Constr-Commercial	100,000.00	-	
		1434	Due to KCM Constr-Commercial	100,000.00	-	
		1011	Lawyers trust accounts	70,301.84	-	
		1434	Due to KCM Constr-Commercial	250,000.00	-	
		5221	Interest-2010,11,12,13 project loan	1,561.80	-	
Additional Date:		Additional Field:				
				4,500,000.00	4,500,000.00	

Printed On: 11/07/2023

J. W. Carr Holdings Ltd.
General Ledger Report 06/01/2017 to 05/31/2018
Sorted by: Date

Date	Comment	Sourc...	JE#	Debits	Credits	Balance
2930	**Shareholders loan**					15,262.88 Cr
06/01/2017	Bank of Montreal - Kelowna House: Mortgage	06/01/...	J393	3,174.32	-	12,088.56 Cr
06/06/2017	James W. Carr: Online Banking Payment	OBP-...	J509	1,000.00	-	11,088.56 Cr
06/07/2017	RBC Visa: Acct# 4510158008966955 (JWC/Dav. C)	3160	J242	2,440.09	-	8,648.47 Cr
06/07/2017	Direct Energy: Acct# 760005834352 - NE-14-52-23	3163	J247	172.02	-	8,476.45 Cr
06/07/2017	Fortis BC: Acct# 1618517 (Whistler)	3164	J248	12.60	-	8,463.85 Cr
06/07/2017	Epcor: Acct# 16969032 - NE-14-52	3165	J249	80.66	-	8,383.19 Cr
06/07/2017	Epcor: Acct# 22892616 - 37, 52258 RR231	3166	J250	125.77	-	8,257.42 Cr
06/07/2017	Jay Lee Irrigation Ltd.: 37 Windsor Estates - sprinkler	3167	J251	104.27	-	8,153.15 Cr
06/07/2017	BC Hydro: Acct# 8508412 (Whistler)	3170	J382	843.38	-	7,309.77 Cr
06/07/2017	James W. Carr: Online banking payment	OBP-...	J510	5,000.00	-	2,309.77 Cr
06/28/2017	James W. Carr: Joint Account	3221	J281	17,500.00	-	15,190.23 Dr
06/29/2017	Strathcona County: Windsor Estates - Tax	TAX	J307	11,383.07	-	26,573.30 Dr
06/29/2017	City of Kelowna: Quilchena - Tax	TAX	J308	7,318.25	-	33,891.55 Dr
06/29/2017	District of Invermere: Tax	TAX	J309	2,397.55	-	36,289.10 Dr
06/29/2017	Strathcona County: 152 Acres	TAX-2	J310	3,500.85	-	39,789.95 Dr
07/04/2017	Bank of Montreal - Kelowna House: Mortgage	07/04/...	J398	3,174.32	-	42,964.27 Dr
07/05/2017	Province of British Columbia: Local Government Payment	EFT-0...	J528	2,508.57	-	45,472.84 Dr
07/13/2017	RBC LOC	Deposit	J442	-	9,000.00	36,472.84 Dr
07/31/2017	James W. Carr: Joint Account	3241	J295	15,000.00	-	51,472.84 Dr
08/01/2017	Bank of Montreal - Kelowna House: Mortgage	08/01/...	J531	3,174.32	-	54,647.16 Dr
08/03/2017	Receiver General: M. Carr - Income Tax	3267	J301	5.64	-	54,652.80 Dr
08/03/2017	Direct Energy: Acct# 76005834352 - NE-14-52-23-W4 W...	3258	J570	113.96	-	54,766.76 Dr
08/03/2017	Epcor: Acct# 16969032 - NE-14-052-23-4	3259	J571	79.77	-	54,846.53 Dr
08/03/2017	Epcor: Acct# 22892616 - 37, 52258 RR231	3260	J572	264.09	-	55,110.62 Dr
08/03/2017	BC Hydro: Acct# 7618 6612 309, Invermere	3264	J576	109.46	-	55,220.08 Dr
08/28/2017	James W. Carr: Cash	3281	J495	2,500.00	-	57,720.08 Dr
08/30/2017	James W. Carr: Tsf to joint acct	3284	J504	15,000.00	-	72,720.08 Dr
09/01/2017	Bank of Montreal - Kelowna House: Mortgage	09/01/...	J682	3,174.32	-	75,894.40 Dr
09/12/2017	Government of Alberta: Ticket# B48803683E	3302	J587	149.00	-	76,043.40 Dr
09/12/2017	Epcor: Acct# 22892616, 37 52258 RR 231	3303	J588	223.82	-	76,267.22 Dr
09/20/2017	BC Hydro: Acct# 76186612309 - Invermere	3312	J602	76.83	-	76,344.05 Dr
09/21/2017	Direct Energy: Windsor Est - Acct# 760005834352 - Aug...	3318	J940	98.90	-	76,442.95 Dr
09/26/2017	Marjorie Carr: Shareholder Loan	1303	J723	20,000.00	-	96,442.95 Dr
09/28/2017	James W. Carr: Tsf to Ultimate Choice Acct	2641	J700	1,000.00	-	97,442.95 Dr
10/02/2017	Bank of Montreal - Kelowna House: Mortgage	10/02/...	J694	3,174.32	-	100,617.27 Dr
10/05/2017	Marjorie Carr: Shareholders loan	EFT-1...	J1044	10,000.00	-	110,617.27 Dr
10/13/2017	District of Invermere: 613-4th Ave, Invermere - Acct# 40...	3329	J950	448.94	-	111,066.21 Dr
10/13/2017	Epcor: 37, 52258 RR231 - Acct# 22892616	3331	J954	234.82	-	111,301.03 Dr
10/13/2017	Direct Energy: NE-14-52-23-W4 - Acct# 76005834352	3332	J955	205.72	-	111,506.75 Dr
10/13/2017	Epcor: NE-14-52-23-W4 - Acct# 16969032	3338	J961	84.94	-	111,591.69 Dr
10/30/2017	Power Plays / MKratz Loan Payout	55051...	J1607	-	4,500,000.00	4,388,408.31 Cr
10/31/2017	Marjorie Carr: Tsf to joint acct	3349	J1019	15,000.00	-	4,373,408.31 Cr
11/01/2017	Bank of Montreal - Kelowna House: Mortgage	11/01/...	J1055	3,174.32	-	4,370,233.99 Cr
11/15/2017	Epcor: NE-14-052-23-4 - Acct# 16969032 Oct 19/17	3357	J1126	83.19	-	4,370,150.80 Cr
11/15/2017	Epcor: 37 52258 RR 231 - Acct# 22892616 Oct 18/17	3358	J1127	375.92	-	4,369,774.88 Cr
11/28/2017	Marjorie Carr - Loan	Deposit	J1251	-	300,000.00	4,669,774.88 Cr
11/29/2017	Thompson Mechanical: 37 Windsor Estates - Inv# 39876	3427	J1245	224.70	-	4,669,550.18 Cr
11/29/2017	Marjorie Carr - loan	Deposit	J1270	-	200,000.00	4,869,550.18 Cr
11/30/2017	Marjorie Carr: Tsf to joint account	3413	J1272	15,000.00	-	4,854,550.18 Cr
12/01/2017	Bank of Montreal - Kelowna House: Mortgage	12/01/...	J1299	3,174.32	-	4,851,375.86 Cr
12/06/2017	Bank of Montreal: Acct# 0014 8168 192	3442	J1347	800.00	-	4,850,575.86 Cr
12/13/2017	Marj Carr - loan from personal account	Deposit	J1382	-	400,000.00	5,250,575.86 Cr
12/21/2017	Marjorie Carr: BMO Acct# 0014 8168192	3469	J1418	6,800.00	-	5,243,775.86 Cr
12/21/2017	Marjorie Carr: Tsf to joint account	3467	J1419	15,000.00	-	5,228,775.86 Cr
12/22/2017	Receiver General: 2016 Income Tax - Acct# 620 903 583	3476	J1415	170,511.96	-	5,058,263.90 Cr
12/22/2017	Marj Carr - Loan (To pay Power Plays car wash loan)	Deposit	J1420	-	2,500,000.00	7,558,263.90 Cr
12/22/2017	Marj Carr - loan	Deposit	J1421	-	200,000.00	7,758,263.90 Cr
01/02/2018	Bank of Montreal - Kelowna House: Mortgage	01/02/...	J1462	3,174.32	-	7,755,089.58 Cr
01/30/2018	Marjorie Carr: Joint Account	3505	J1496	15,000.00	-	7,740,089.58 Cr
01/30/2018	Marjorie Carr: Acct# 0014 8168 192	3507	J1498	6,800.00	-	7,733,289.58 Cr
01/30/2018	Klondike Insurance: Policy# SW001201-01 - Inv# 19512	3510	J1501	361.00	-	7,732,928.58 Cr
01/30/2018	Marj Carr - Loan	Deposit	J1541	-	350,000.00	8,082,928.58 Cr
02/01/2018	Bank of Montreal - Kelowna House: Mortgage	02/01/...	J1556	3,174.32	-	8,079,754.26 Cr
02/06/2018	James W. Carr: LOC 101003310478	3540	J1567	1,600.00	-	8,078,154.26 Cr
02/12/2018	Marj Carr - Loan	Deopsit	J1601	-	200,000.00	8,278,154.26 Cr

J. W. Carr Holdings Ltd.
General Ledger Report 06/01/2017 to 05/31/2018
Sorted by: Date

Date	Comment	Sourc...	JE#	Debits	Credits	Balance	
02/21/2018	Marj Carr - Loan	Deposit	J1647	-	700,000.00	8,978,154.26	Cr
02/27/2018	Marjorie Carr: Joint Account	3557	J1651	15,000.00	-	8,963,154.26	Cr
02/28/2018	Marjorie Carr: BMO Acct# 00148 168 192	3572	J1693	6,800.00	-	8,956,354.26	Cr
03/01/2018	Bank of Montreal - Kelowna House: Mortgage	EFT-0...	J1715	3,174.32	-	8,953,179.94	Cr
03/15/2018	Marj Carr - Loan	Transf...	J1768	-	400,000.00	9,353,179.94	Cr
03/27/2018	Marjorie Carr: Joint Account	3600	J1778	15,000.00	-	9,338,179.94	Cr
03/28/2018	Marj Carr - Loan	Deposit	J1913	-	350,000.00	9,688,179.94	Cr
03/29/2018	Marjorie Carr: BMO Acct# 3424 3994 236	3615	J1842	6,800.00	-	9,681,379.94	Cr
04/02/2018	Bank of Montreal - Kelowna House: Mortgage	04/02/...	J1807	3,174.32	-	9,678,205.62	Cr
04/17/2018	Marj Carr - Loan (for Romspen)	Deposit	J1966	-	180,000.00	9,858,205.62	Cr
04/27/2018	Marjorie Carr: Joint Account	3636	J1925	15,000.00	-	9,843,205.62	Cr
04/27/2018	Marjorie Carr: BMO Acct# 3424 3994 236	3640	J1936	6,800.00	-	9,836,405.62	Cr
05/01/2018	Bank of Montreal - Kelowna House: Mortgage	EFT-0...	J2011	3,174.32	-	9,833,231.30	Cr
05/29/2018	Innovative Reduction Strategies Inc.: Loan	3676	J2038	10,000.00	-	9,823,231.30	Cr
05/30/2018	Bank of Montreal: Acct# 3424-3994-236	3686	J2052	6,800.00	-	9,816,431.30	Cr
05/30/2018	Marjorie Carr: RBC - Joint Acct	3692	J2058	15,000.00	-	9,801,431.30	Cr
05/31/2018	55051 - To record lawyers trust transactions (Power Play...	ADJ	J2147	20,301.84	-	9,781,129.46	Cr
05/31/2018	To record personal payments to Rob Wells by Marj Carr	ADJ	J2153	-	8,434.12	9,789,563.58	Cr
05/31/2018	To record personal payments to Nick Pejovic made by M...	ADJ	J2154	-	8,000.00	9,797,563.58	Cr
				523,133.42	10,305,434...		

This is Exhibit G to the affidavit of

Michael G. Broadfoot affirmed on

Miranda Sharpe (she/her)

From:	Catherine Long <clong@carrandlong.ca>
Sent:	October 20, 2017 4:45 PM
To:	Jeff Borkowski
Cc:	Connie Cazac; James Carr
Subject:	RE: Power Playss Investment Ltd.

Jeffory, we have reviewed your documentation and our files and confirm the amount of $3,500,000.00 is to be paid to Power Playss Investment Ltd. We are working toward having that money available by the end of next week. We will be in contact early next week to confirm the date.
Catherine

Catherine M. Long
Barrister and Solicitor

Carr & Long
2400, 10303 Jasper Avenue
Edmonton, Alberta T5J 3N6
Phone: 780-428-0792
Direct Line: 780-428-2910
Fax: 780-429-4577

From: Jeff Borkowski [mailto:jborkowski@panlegal.ca]
Sent: October-19-17 3:11 PM
To: Catherine Long
Subject: Power Playss Investment Ltd.
Importance: High

Catherine,
Attached is our response to your letter of October 18.
Please advise as soon as payment is ready. I will dispatch a courier pick up payment from your office.

Jeffory M. Borkowski
Corporate Law | Estate Planning | Business Succession
Panorama Legal LLP
309 - 5577 153A St., Surrey, BC V3S 5K7
T: 604.372.4550 F: 604.372.4505

Miranda Sharpe (she/her)

From: Catherine Long <clong@carrandlong.ca>
Sent: October 25, 2017 11:08 AM
To: Jeff Borkowski (jborkowski@panlegal.ca)
Cc: James Carr; Kevin Smith
Subject: Power Playss

Hello Jeffory, we are preparing the payout cheque for the loan amount of $3,500,000.00 to Power plays. Can you confirm the interest calculation on this loan. We will also require a release and acknowledgement of funds signed by Ms. Kratzenberg confirming receipt of the payment of funds.

We are also preparing the payout cheque for the loan amount of $100,000.00 to Mitchell Kratzenberg. We have calculated and included the interest payment to October 27,2917. We will require a release and acknowlegement of funds signed by Mr. Kratzenberg confirming the receipt of the payment of funds. We would like confirmation that we are to send the funds to your office on behalf of Mr. Kratzenberg.

We trust the forgoing to be satisfactory. We look forward to the requested information as quickly as possible so that we can bring this matter to a conclusion.

Catherine M. Long
Barrister and Solicitor

Carr & Long
2400, 10303 Jasper Avenue
Edmonton, Alberta T5J 3N6
Phone: 780-428-0792
Direct Line: 780-428-2910
Fax: 780-429-4577

This is Exhibit H to the affidavit of

Michael G. Broadfoot affirmed on

LOAN ASSIGNMENT AGREEMENT

This Assignment made as of 9:00 a.m. the 20th day of October, 2017.

BETWEEN:

MARJORIE ANN CARR
(hereinafter referred to as the "**Assignor**")

OF THE FIRST PART

and

MICHAEL BROADFOOT
(hereinafter referred to as the "**Assignee**")

OF THE SECOND PART

WHEREAS:

A. The Assignor executed and delivered a Promissory Note dated October 20, 2017 (the "**Note**") in the amount of Four Million Five Hundred Thousand ($4,500,000.00) CDN Dollars in favour of the Assignee;

B. J.W. Carr Holdings Ltd. ("**Holdings**") is indebted to the Assignor pursuant to a Promissory Note dated October 20, 2017 in the amount of Four Million Five Hundred Thousand ($4,500,000.00) CDN Dollars (the "**Holdings Note**");

C. As partial security for payment by the Assignor to the Assignee under the Note, the Assignor has agreed to assign the indebtedness owing by Holdings to the Assignor pursuant to the Holdings Note.

WITNESSETH that in consideration of the premises, the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties covenant and agree as follows:

1. The preamble set out above is incorporated into and forms part of this Assignment.

2. The Assignor hereby transfers, sets over and assigns unto the Assignee as of the 20th day of October, 2017 (the "**Effective Time**") all of its right, title and interest in and to the debt evidenced by the Holdings Note and the Assignee hereby accepts such assignment.

3. Upon repayment in full of the indebtedness owing by the Assignor to the Assignee under the Note, this assignment shall cease to have any force or effect, and the Assignee agrees to execute a reassignment of the debt evidenced by the Holders Note on request by the Assignor.

4. This Assignment shall be construed and enforced in accordance with, and the rights of the parties hereto shall be governed by, the laws of the Province of Alberta. Each of the parties hereby irrevocably attorns to the jurisdiction of the courts in the Province of Alberta.

5. No assignment by a party shall be effective without first obtaining the prior written consent of all other parties. This Assignment and everything herein contained shall enure to the benefit of and be binding upon the parties together with their respective successors and permitted assigns.

6. This Assignment may be executed in counterparts and all counterparts will be construed together and shall constitute one and the same instrument. Signatures delivered by facsimile, PDF or other electronic means shall be as effective as delivery of originals.

M Carr

Marjorie Ann Carr

Michael Broadfoot

This is Exhibit I to the affidavit of

Michael G. Broadfoot affirmed on

PROMISSORY NOTE

$4,500,000.00 CDN

October 20, 2020
Edmonton, Alberta

FOR VALUE RECEIVED, the undersigned **J.W. Carr Holdings Ltd**. (the "Borrower") promises to pay to Marjorie Ann Carr, (the "Lender"), at 2400, 10303 Jasper Avenue, Edmonton, Alberta, T5J 3N6, the principal sum of $4,500,000.00 CDN, together with interest from the date of this Note on the unpaid principal balance upon the terms and conditions specified below,

1. **Principal and Interest**. The principal balance of this Note together with interest accrued and unpaid to date shall be payable on demand, provided however, the Lender, subject to Section 4 of this Note, shall not make demand prior to one (1) year from the date of this Note.

2. **Rate of Interest**. Interest shall accrue under the Note on any unpaid principal balance at the rate of 4% per annum.

3. **Prepayment**. Prepayment of principal and interest may be made at any time without penalty.

4. **Events of Acceleration**. The entire unpaid principal sum and unpaid interest of this Note shall become immediately due and payable upon one or more of the following events:

   a. the insolvency of the Borrower, the commission of an act of bankruptcy by the Borrower, the execution by the Borrower of a general assignment for the benefit of creditors, the filing by or against the Borrower of a petition in bankruptcy or a petition for relief under the provisions of the federal bankruptcy act or another provincial or federal law for the relief of debtors and the continuation of such petition without dismissal for a period of ninety (90) days or more.

5. **Security**. Payment of this Note shall be secured by an Assignment of the Borrower's Life Insurance Policy Proceeds in the amount of Four Million Five Hundred Thousand ($4,500,000.00) CDN Dollars, under Policy No. B458014-0 with London Life.

6. **Waiver**. No previous waiver and no failure or delay by the Lender or Borrower in acting with respect to the terms of this Note shall constitute a waiver of any breach, default, or failure of condition under this Note or the obligations secured thereby. A waiver of any term of this Note or of any of the obligations secured thereby must be made in writing and signed by both the Lender and Borrower and shall be limited to the express terms of such waiver. The Borrower waives: (i) demand, presentment for payment, notice of non-payment, protest, notice of protest and any other notice that might otherwise be required; (ii) the filing of suit and diligence in collecting this Note. The Borrower consents to any extension or postponement of time of payment of this Note or any other indulgence with respect hereto without any prior notice thereof.

7. **Conflicting Agreements**. In the event of any inconsistencies between the terms of this Note and the terms of any other document related to the loan evidenced by the Note, the terms of this Note shall prevail.

8. **Governing Law**. This Note shall be construed in accordance with the laws of the Province of Alberta.

9. **Execution**. A signature delivered by facsimile, PDF or other electronic means shall be as effective as delivery of an original.

J.W. CARR HOLDINGS LTD.

Per: M Carr

Marjorie Ann Carr, Director

Address: 2400, 10303 Jasper Avenue
Edmonton, Alberta T5J 3N6

PROMISSORY NOTE

$4,500,000.00 CDN

October 20, 2020
Edmonton, Alberta

FOR VALUE RECEIVED, the undersigned **Marjorie Ann Carr** (the "Borrower") promises to pay to **Michael Broadfoot**, the ("Lender"), at 163 Wildwood Drive, S.W., Calgary, Alberta T3C 3C8, the principal sum of $4,500,000.00 CDN, together with interest from the date of this Note on the unpaid principal balance upon the terms and conditions specified below.

1. **Principal and Interest**. The principal balance of this Note together with interest accrued and unpaid to date shall be payable on demand, provided however, the lender, subject to Section 4 of this Note, shall not make demand prior to one (1) year from the date of this Note.

2. **Rate of Interest**. Interest shall accrue under the note on any unpaid principal balance at the rate of 4% per annum.

3. **Prepayment**. Prepayment of principal and interest may be made at any time without penalty.

4. **Events of Acceleration**. The entire unpaid principal sum and unpaid interest of this Note shall become immediately due and payable upon one or more of the following events:
   a) The insolvency of the Borrower, the commission of an act of bankruptcy by the Borrower, the execution by the Borrower of a general assignment for the benefit of creditors, the filing by or against the Borrower of a petition in bankruptcy or a petition for relief under the provisions of the federal bankruptcy act or another provincial or federal law for the relief of debtors and the continuation of such petition without dismissal for a period of ninety (90) days or more.

5. **Security**. Payment of this Note shall be secured by an Assignment of the Borrower's Life Insurance Policy Proceeds in the amount of Two Million ($2,000,000.00) CDN Dollars, under Policy No.s 8937414 and 8534025 (each for One Million CDN Dollars) with Manulife and an assignment of a debt owing by J.W. Carr Holdings Ltd. to the Borrower.

6. **Waiver**. No previous waiver and no failure or delay by the Lender or borrower in acting with respect to the terms of this Note shall constitute a waiver of any breach, default, or failure of condition under this Note or the obligations secured thereby. A waiver of any term of this Note or of any of the obligations secured thereby must be made in writing and signed by both the Lender and Borrower and shall be limited to the express terms of such waiver. The Borrower waives: (i) demand, presentment for payment, notice of non-payment, protest, notice of protest and any other notice that might otherwise be required; (ii) the filing of suit and diligence in collecting this Note. The Borrower consents to any extension or postponement of time of payment of this Note or any other indulgence with respect hereto without any prior notice thereof.

7. **Conflicting Agreements**. In the event of any inconsistencies between the terms of this Note and the terms of any other document related to the loan evidenced by the Note, the terms of this Note shall prevail.
8. **Governing Law**. This Note shall be construed in accordance with the laws of the Province of Alberta.

9. **Execution**. A signature delivered by facsimile, PDF or other electronic means shall be as effective as delivery of an original.

MCarr

Signature of Borrower – **Marjorie Ann Carr**

Address: 2400, 10303 Jasper Avenue
Edmonton, Alberta T5J 3N6

LOAN ASSIGNMENT AGREEMENT

This Assignment made as of the 20th day of October, 2020.

BETWEEN:

MARJORIE ANN CARR
(hereinafter referred to as the "**Assignor**")

OF THE FIRST PART

and

MICHAEL BROADFOOT
(hereinafter referred **to** as the "**Assignee**")

OF THE SECOND PART

WHEREAS:

A. The Assignor executed and delivered a Promissory Note dated October 20, 2020 (the "**Note**") in the amount of Four Million Five Hundred Thousand ($4,500,000.00) CDN Dollars in favour of the Assignee;

B. J.W. Carr Holdings Ltd. ("**Holdings**") is indebted to the Assignor pursuant to a Promissory Note dated October 20, 2020 in the amount of Four Million Five Hundred Thousand ($4,500,000.00) CON Dollars (the "**Holdings Note**");

C. As partial security for payment by the Assignor to the Assignee under the Note, the Assignor has agreed to assign the indebtedness owing by Holdings to the Assignor pursuant to the Holdings Note.

WITNESSETH that in consideration of the premises, the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties, the parties covenant and agree as follows:

1. The preamble set out above is incorporated into and forms part of this Assignment.

2. The Assignor hereby transfers, sets over and assigns unto the Assignee as of the 20th day of October, 2020 (the "Effective Time") all of its right, title and interest in and to the debt evidenced by the Holdings Note and the Assignee hereby accepts such assignment.

3. Upon repayment in full of the indebtedness owing by the Assignor to the Assignee under the Note, this assignment shall cease to have any force or effect, and the Assignee agrees to execute a reassignment of the debt evidenced by the Holders Note on request by the Assignor.

4. This Assignment shall be construed and enforced in accordance with, and the rights of the parties hereto shall be governed by, the laws of the Province of Alberta. Each of the parties hereby irrevocably attorns to the jurisdiction of the courts in the Province of Alberta.

5. No assignment by a party shall be effective without first obtaining the prior written consent of all other parties. This Assignment and everything herein contained shall enure to the benefit of and be binding upon the parties together with their respective successors and permitted assigns.

6. This Assignment may be executed in counterparts and all counterparts will be construed together and shall constitute one and the same instrument. Signatures delivered by facsimile, PDF or other electronic means shall be as effective as delivery of originals.

M Carr

MARJORIE ANN CARR

MICHAEL BROADFOOT

ASSIGNMENT OF INSURANCE

TO: **MICHAEL BROADFOOT** of 163, Wildwood Drive SW, Calgary, Alberta, T3C 3C8 (the "**Lender**")

WHEREAS:

A. Pursuant to a Promissory Note dated October 20, 2020 (the "**Note**"), executed by Marjorie Ann Carr (the "**Borrower**"), the Lender has agreed to provide the loan set out in the Note;

B. It is a condition of the Note that the Borrower assign all of her interest in the Asset Policy (as hereinafter defined).

NOW THEREFORE, as general and continuing collateral security for the fulfillment of the debt and liability of the Borrower to the Lender under the Note, (the "**Obligations**"), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Borrower, the Borrower hereby agrees as follows:

1. The Borrower does hereby assign, transfer and set over to and in favour of the Lender, and grants a security interest in favour of the Lender in, all of her right, title and interest in and to the proceeds now or hereafter due and payable, from time to time, to the Borrower under the Policy of Insurance described in Schedule "A" attached hereto (the "**Asset Policy**"), and also all money payable to the Borrower thereunder.

2. The Borrower shall forthwith, and from time to time, execute and do or cause to be executed and done, all deeds, documents and things which are reasonably necessary or advisable for giving the Lender a valid assignment of the Asset Policy and all the rights and interest of the Borrower in the proceeds thereof.

3. The Borrower undertakes not to take or omit to take any steps or do anything which would result in the cancellation or invalidation of any of the Asset Policy or any claims which may otherwise be payable thereunder.

4. The Borrower undertakes to provide the Lender with an executed copy of a notice and direction to the Insurer in the form attached hereto as Schedule "A" (the "**Notice**"). The Lender shall hold the Notice and only serve it on the Borrower if there is a default under the Note.

5. The security interest created by this Assignment shall be satisfied and discharged upon and only upon the full payment of all moneys owing by the Borrower under or pursuant to the Note. Upon payment in full of all moneys owing by the Borrower under or pursuant to the Note, the Lender shall provide the Borrower with the original Notice, and a re-assignment of this Assignment if requested by the Borrower.

6. This Assignment shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

7. A signature delivered by facsimile, PDF or other electronic means shall be as effective as delivery of an original.

IN WITNESS WHEREOF the undersigned has duly executed this Assignment at Edmonton, Alberta as of October, 20, 2020.

MCarr

Marjorie Ann Carr

Address: 2400, 10303 Jasper Avenue
Edmonton, Alberta T5J 3N6

SCHEDULE "A"
NOTICE

TO: Manulife (the "**Insurer**")

RE: Policy Numbers 8937414 and 8534025, each for One Million ($1,000,000.00) CDN Dollars in favour of Marjorie Carr (collectively, as amended, replaced, substituted or modified from time to time, the "**Policy**")

AND RE: Promissory Note dated October 20, 2020 (as the same may be amended, modified supplemented, extended, renewed, restated, replaced and/or superseded from time to time, the "**Note**") among Marjorie Ann Carr, as Borrower and Michael Broadfoot as Lender.

The undersigned hereby gives notice to the Insurer pursuant to the Policy that any amount due to the undersigned and ascertained to be payable as provided in the Policy shall be payable to Michael Broadfoot (the "**Lender**") at 163 Wildwood Drive, S.W., Calgary, Alberta T3C 3C8, for the account of the undersigned. This direction shall be irrevocable unless any revocation is agreed to in writing the Lender.

Dated this 20th day of October, 2020.

MCarr

Marjorie Ann Carr

Address: 2400, 10303 Jasper Avenue
Edmonton, Alberta T5J 3N6

ASSIGNMENT OF INSURANCE

TO: **MARJORIE ANN CARR** of 2400, 10303 Jasper Avenue, Edmonton Alberta T5J 3N6 (the "**Lender**")

WHEREAS:

A. Pursuant to a Promissory Note dated October 20, 2020 (the "**Note**"), executed by Marjorie Ann Carr (the **"Borrower"),** the Lender has agreed to provide the loan set out in the Note;

B. It is a condition of the Note that the Borrower assign all of her interest in the Asset Policy (as hereinafter defined).

NOW THEREFORE, as general and continuing collateral security for the fulfillment of the debt and liability of the Borrower to the Lender under the Note, (the **"Obligations"),** and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Borrower, the Borrower hereby agrees as follows:

1. The Borrower does hereby assign, transfer and set over to and in favour of the Lender, and grants a security interest in favour of the Lender in, all of her right, title and interest in and to the proceeds now or hereafter due and payable, from time to time, to the Borrower under the Policy of Insurance described in Schedule "A" attached hereto (the "**Asset Policy**"), and also all money payable to the Borrower thereunder.

2. The Borrower shall forthwith, and from time to time, execute and do or cause to be executed and done, all deeds, documents and things which are reasonably necessary or advisable for giving the Lender a valid assignment of the Asset Policy and all the rights and interest of the Borrower in the proceeds thereof.

3. The Borrower undertakes not to take or omit to take any steps or do anything which would result in the cancellation or invalidation of any of the Asset Policy or any claims which may otherwise be payable thereunder.

4. The Borrower undertakes to provide the Lender with an executed copy of a notice and direction to the Insurer in the form attached hereto as Schedule "A" (the **"Notice").** The Lender shall hold the Notice and only serve it on the Borrower if there is a default under the Note.

5. The security interest created by this Assignment shall be satisfied and discharged upon and only upon the full payment of all moneys owing by the Borrower under or pursuant to the Note. Upon payment in full of all moneys owing by the Borrower under or pursuant to the Note, the Lender shall provide the Borrower with the original Notice, and a re-assignment of this Assignment if requested by the Borrower.

6. This Assignment shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

7. A signature delivered by facsimile, PDF or other electronic means shall be as effective as delivery of an original.

IN WITNESS WHEREOF the undersigned has duly executed this Assignment at Edmonton, Alberta as of October, 20, 2020.

M Carr

Marjorie Ann Carr

Address: 2400, 10303 Jasper Avenue
Edmonton, Alberta T5J 3N6

SCHEDULE "A"
NOTICE

TO: Manulife (the "**Insurer**")

RE: Policy Numbers 8937414 and 8534025, each for One Million ($1,000,000.00) CDN Dollars in favour of Marjorie Carr (collectively, as amended, replaced, substituted or modified from time to time, the "**Policy**")

AND RE: Promissory Note dated October 20, 2020 (as the same may be amended, modified supplemented, extended, renewed, restated, replaced and/or superseded from time to time, the "**Note**") among Marjorie Ann Carr, as Borrower and Michael Broadfoot as Lender.

The undersigned hereby gives notice to the Insurer pursuant to the Policy that any amount due to the undersigned and ascertained to be payable as provided in the Policy shall be payable to Michael Broadfoot (the "**Lender**") at 163 Wildwood Drive, S.W., Calgary, Alberta T3C 3C8, for the account of the undersigned. This direction shall be irrevocable unless any revocation is agreed to in writing the Lender.

Dated this 20th day of October, 2020.

M Carr

Marjorie Ann Carr

Address: 2400, 10303 Jasper Avenue
Edmonton, Alberta T5J 3N6

ASSIGNMENT OF INSURANCE

TO: **MARJORIE ANN CARR** of 2400, 10303 Jasper Avenue, Edmonton Alberta T5J 3N6 (the "**Lender**")

WHEREAS:

A. Pursuant to a Promissory Note dated **October 20, 2020** (the "**Note**"), executed by **J.W. Carr Holdings Ltd.** (the "**Borrower**"), the Lender has agreed to provide the loan set out in the Note;

B. It is a condition of the Note that the Borrower assign all of its interest in the Asset Policy (as hereinafter defined).

NOW THEREFORE, as general and continuing collateral security for the fulfillment of the debt and liability of the Borrower to the Lender under the Note, (the "**Obligations**"), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Borrower, the Borrower hereby agrees as follows:

1. The Borrower does hereby assign, transfer and set over to and in favour of the Lender, and grants a security interest in favour of the Lender in, all of its right, title and interest in and to the proceeds now or hereafter due and payable, from time to time, to the Borrower under the Policy of Insurance described in Schedule "A" attached hereto (the "**Asset Policy**"), and also all money payable to the Borrower thereunder.

2. The Borrower shall forthwith, and from time to time, execute and do or cause to be executed and done, all deeds, documents and things which are reasonably necessary or advisable for giving the Lender a valid assignment of the Asset Policy and all the rights and interest of the Borrower in the proceeds thereof.

3. The Borrower undertakes not to take or omit to take any steps or do anything which would result in the cancellation or invalidation of any of the Asset Policy or any claims which may otherwise be payable thereunder.

4. The Borrower undertakes to provide the Lender with an executed copy of a notice and direction to the Insurer in the form attached hereto as Schedule "A" (the "**Notice**"). The Lender shall hold the Notice and only serve it on the Borrower if there is a default under the Note.

5. The security interest created by this Assignment shall be satisfied and discharged upon and only upon the full payment of all moneys owing by the Borrower under or pursuant to the Note. Upon payment in full of all moneys owing by the Borrower under or pursuant to the Note, the Lender shall provide the Borrower with the original Notice, and a re-assignment of this Assignment if requested by the Borrower.

6. This Assignment shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

7. A signature delivered by facsimile, PDF or other electronic means shall be as effective as delivery of an original.

IN WITNESS WHEREOF the undersigned has duly executed this Assignment at Edmonton, Alberta as of October, 20, 2020.

J.W. CARR HOLDINGS LTD.

Per: M Carr

Address: 2400, 10303 Jasper Avenue
Edmonton, Alberta T5J 3N6