

COURT FILE NUMBER 0901-11866
COURT COURT OF QUEEN'S BENCH OF
 ALBERTA
JUDICIAL CENTRE Calgary

Clerk's Stamp

IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED, *THE*
JUDICATURE ACT, R.S.A. 2000, c. J-2, AS
AMENDED AND *THE BUSINESS*
CORPORATIONS ACT, R.S.A. 2000, C. B-9,
AS AMENDED

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
SHIRE INTERNATIONAL REAL ESTATE
INVESTMENTS LTD., SHIRE CAPITAL
LTD., HALAMA GARDENS LLC, SHIRE
ASSET MANAGEMENT LTD., WINN
RIVER RESORT LTD., FORT MCMONEY
PROPERTIES II LTD., HALAMA GARDENS
LTD., MAPLES AND WHITE SANDS
INVESTMENT LTD., FORT MCMONEY
PROPERTIES LTD., CHEMAINUS
PROPERTIES LTD., SKAHA LAKE
DEVELOPMENT LTD., TSEHUM
HARBOUR LTD., BEARSPAW AT 144TH
AVENUE LTD., BEARSPAW AT 144TH
EQUITIES LTD., BEARSPAW AT 144TH
BONDS INC., TSEHUM HARBOUR
EQUITIES LTD., TSEHUM HARBOUR
BONDS LTD., ORILLIA INVESTMENTS
LTD., 0726028 B.C. LTD., 0675816 B.C.
LTD. and BOSUN'S HOLDINGS LTD.

DOCUMENT

AFFIDAVIT

ADDRESS FOR SERVICE
AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Owen Bird Law Corporation
2900-595 Burrard Street
Vancouver, B.C. V7X 1J5
Telephone: 604-691-7521
Fax: 604-632-4447
Attention: Scott H. Stephens

AFFIDAVIT OF LYNETTE GRILLANDINI

Sworn on March 28, 2011

I, Lynette Grillandini, of Vancouver, British Columbia, legal assistant,

SWEAR AND SAY THAT:

1. I am a legal assistant with Owen Bird Law Corporation, solicitors for Romspen Mortgage Corporation and Romspen Investment Corporation, and as such have personal knowledge of the facts I deposed to, save and except where stated to be on information and belief and where so stated I verily believe them to be true.
2. Attached as Exhibit “A” is a copy of a contract of purchase and sale dated January 28, 2011 between Romspen Investment Corporation and Derrick Davies for a property located at Lot 6 Corriano Road, Sorrento, B.C. and legally described as Lot 6, Plan 34558, Sec. 16, Tnshp 22, Range 11, Meridan 6, KYDY.
3. Attached as Exhibit “B” is a copy of a contract of purchase and sale dated January 28, 2011 between Romspen Investment Corporation and Derrick Davies for a property located at 1277 Trans Canada Highway, Sorrento, B.C. and legally described as Lot 1, Plan 16715, Sec. 16, Tnshp 22, Range 11, Meridan 6, LD25, KDYD.
4. Attached as Exhibits “C” and “D” respectively are copies of title searches for the above properties dated March 23, 2011.
5. Attached as Exhibit “E” is a copy of a lease and option to renew filed October 1, 2002 and registered against title to the 1277 Trans Canada Highway property under registration no. KT107849.
6. Attached as Exhibit “F” is a copy of a modification of lease filed June 9, 2005 and registered against title to the 1277 Trans Canada Highway property under registration no. KX073323.

7. Attached as Exhibit “**G**” is a copy of a mortgage and assignment of rents filed July 22, 2008 against title to the properties under registration nos. LB0222555 and LB0222554.
8. Attached as Exhibit “**H**” is a copy of a lien in favour of Her Majesty the Queen in Right of the Province of British Columbia registered against title to the property located at 1277 Trans Canada Highway, Sorrento, B.C. under registration no. LB414127 and filed October 19, 2010.
9. Attached as Exhibit “**I**” is a copy of a lien in favour of Her Majesty the Queen in Right of the Province of British Columbia registered against title to the property located at Lot 6 Corriano Road, Sorrento, B.C. under registration no. LB414128 and filed October 19, 2010.

Scott H. Stephens

A Commissioner for taking Affidavits for British Columbia

This is Exhibit "A" referred to in the
affidavit of L. Grimaldi
sworn before me at Vancouver
this 29 day of March, 2011

.....

BRITISH COLUMBIA
REAL ESTATE
ASSOCIATIONTHE CANADIAN
BAR ASSOCIATION
BRITISH COLUMBIA BRANCH

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CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE

MLS® NO: 10016764

DATE: January 28, 2012

The Buyer agrees to purchase the Property from the Seller on the following terms and subject to the following conditions:

PART 1 - INFORMATION SUMMARY

1. Prepared By	
1.1 Name of Brokerage	MACDONALD REALTY KILOWNA
1.2 Brokerage Address	592 K.L.O. ROAD KILOWNA V1Y 7B2
1.3 Licensee's Name	Alexandra Rahaghiel Phone No. (250) 870-2792
1.4 Personal Real Estate Corporation	
1.5 Licensee's Email Address	Alex@LakeOchagayRealty.com Fax No.
1.6 Brokerage Phone No.	(250) 860-4300 Fax No. (250) 860-1600
2. Parties to the Contract	
2.1 Seller	Reopen Investment Corporation
Seller	
2.2 Seller's Address	162 Cumberland Street, Suite 200, Toronto, ON M5R 3N5
2.3 Seller's Phone No.	416.966.1100 Fax No.
2.4 Seller's Email Address	
2.5 Seller's Incorporation No.	2.6 Seller's HST No.
2.7 Seller's Residency	5/Resident of Canada 12 Non-Resident of Canada (as defined in the Income Tax Act)
2.8 Buyer	Derrick Davies and or Nominee
Buyer	
2.9 Buyer's Address	841 Main St., Steinbach, Manitoba R5G 2H4
2.10 Buyer's Phone No.	204.920.9726 Fax No.
2.11 Buyer's Email Address	ddavies@mts.net
2.12 Buyer's Incorporation No.	2.13 Buyer's HST No.
3. Property	
3.1 Civic Address of Property	Lot 6 Corriano Road Burnaby V0R 2W0
3.2 Legal Description of Property	Lot 6, Plan 31558, Sec. 16, Twp 22, Range 11, Meridian 6, R2D4
4. Purchase Price	
Seventy Five Thousand one hundred thousand eighty thousand	
Dollars	
14	

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0012048209725

DERRICK DAVIES

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Lot 6 Cordano Road

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8. Deposit		Clause
8.1	Deposit To Be Provided By The Following Date: ☐ within 48 hours of acceptance of offer or counter-offer ☐ Date _____ if other <u>1st deposit due within 5 business days of removing Buyer conditions</u>	15
8.2	Amount of Deposit <u>1st deposit = 5% 2nd deposit = 5% (Total 10%)</u>	16
8.3	Deposit To Be Paid In Trust To <u>MacDonald Realty</u>	15
9. Completion Date		
9.1	Completion Date <u>within 60 days of court approval</u>	17
7. Possession Date		
7.1	Possession Date <u>within 60 days of court approval</u>	18
7.2	Vacant Possession Yes ☐ No ☒ 7.3 All Existing Tenancies Yes ☒ No ☐	18
8. Adjustment Date		
8.1	Adjustment Date <u>within 60 days of court approval</u>	19
9. Viewing Date		
9.1	Viewing Date <u>TBD</u>	21
10. Agency Disclosure		
10.1	Seller's Brokerage Licensee <u>Alexandra Rebugliati</u> Licensee _____ Brokerage <u>MACDONALD REALTY KILOWNA</u>	38A
10.2	Buyer's Brokerage Licensee <u>NO AGENCY</u> Licensee _____ Brokerage _____	38B
10.3	Limited Dual Agency Brokerage Licensee _____ <u>FOR LTH PROPOSAL</u> Licensee _____ Brokerage _____	38C
10.4	Date of Limited Dual Agency Agreement _____	38C
11. Offer Open Until - Date <u>January 31, 2011</u> Time <u>5:00pm</u>		42
12. Schedules		
15	Deposit Attached Yes ☒ No ☐	15
16A	Buyer's Conditions Attached Yes ☒ No ☐	16
16B	Seller's Conditions Attached Yes ☒ No ☐	16
18	Accepted Tenancies Attached Yes ☐ No ☒	18
20A	Additional Included Items Attached Yes ☐ No ☒	20
20B	Excluded Items Attached Yes ☐ No ☒	20
22	Additional Permitted Encumbrances Attached Yes ☐ No ☒	22
23	Additional Seller's Warranties and Representations Attached Yes ☐ No ☒	23
24	Additional Buyer's Warranties and Representations Attached Yes ☐ No ☒	24
41	Additional Terms Attached Yes ☐ No ☒	41

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Lot 6 Corriano Road
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PART 2 - TERMS

- 13. INFORMATION SUMMARY:** The information Summary being Part 1 to this Contract of Purchase and Sale for Commercial Real Estate and the Schedules attached to this Contract of Purchase and Sale for Commercial Real Estate, form an integral part of this offer. The Seller and Buyer acknowledge that they have read all of Part 1 and Part 2 and the Schedules to this Contract of Purchase and Sale for Commercial Real Estate.
- 14. PURCHASE PRICE:** The purchase price of the Property will be the amount set out in Clause 4.1 (Purchase Price).
- 15. DEPOSIT:** A deposit in the amount set out in Clause 5.2 which will form part of the Purchase Price, will be paid in accordance with Clause 28 except as otherwise set out in Schedule 15 and on the terms set out in Schedule 15. All monies paid pursuant to this Clause (the "Deposit") will be delivered in trust to the party identified in Clause 5.3 and held in trust in accordance with the provisions of the *Real Estate Services Act*. In the event the Buyer fails to pay the Deposit as required by this Contract, the Seller may, at the Seller's option, terminate this Contract. The party who receives the Deposit is authorized to pay all or any portion of the Deposit to the Buyer's or Seller's conveyancer (the "Conveyancer") without further written direction of the Buyer or Seller, provided that: (a) the Conveyancer is a Lawyer or Notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the money should be returned to such party as stakeholder or paid into Court.
- 16. CONDITIONS:** The obligations of the Buyer described in this Contract are subject to the satisfaction or waiver of the conditions precedent set out in Schedule 16A, if any (the "Buyer's Conditions"). The Buyer's Conditions are inserted for the sole benefit of the Buyer. The satisfaction or waiver of the Buyer's Conditions will be determined in the sole discretion of the Buyer and the Buyer agrees to use reasonable efforts to satisfy the Buyer's Conditions. The Buyer's Conditions may only be satisfied or waived by the Buyer giving written notice (the "Buyer's Notice") to the Seller on or before the time and date specified for each condition. Unless each Buyer's Condition is waived or declared fulfilled by delivery of the Buyer's Notice to the Seller on or before the time and date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.
- The obligations of the Seller described in this Contract are subject to the satisfaction or waiver of the conditions precedent set out in Schedule 16B, if any (the "Seller's Conditions"). The Seller's Conditions are inserted for the sole benefit of the Seller. The satisfaction or waiver of the Seller's Conditions will be determined in the sole discretion of the Seller and the Seller agrees to use reasonable efforts to satisfy the Seller's Conditions. These conditions may only be satisfied or waived by the Seller giving written notice (the "Seller's Notice") to the Buyer on or before the time and date specified for each condition. Unless each Seller's Condition is waived or declared fulfilled by delivery of the Seller's Notice to the Buyer on or before the time and date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.
- 17. COMPLETION:** The sale will be completed on the date specified in Clause 6.1 (Completion Date) at the appropriate Land Title Office.
- 18. POSSESSION:** The Buyer will have possession of the Property at the time and on the date specified in Clause 7.1 (Possession Date) with vacant possession if so indicated in Clause 7.2, or subject to all existing tenancies if so indicated in Clause 7.3; or subject to the specified tenancies set out in Schedule 18, if so indicated in Clause 12 (if Clause 7.3 or 12 is selected, such tenancies shall be the "Accepted Tenancies").
- 19. ADJUSTMENTS:** The Buyer will assume and pay all taxes, rates, local improvement assessments, fuel, utilities, insurance, rents, tenant deposits including interest, prepaid rents, and other charges from, and including, the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of the date specified in Clause 8.1 (the "Adjustment Date").



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Lot 6 Corriano Road
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- 20. INCLUDED ITEMS:** The Purchase Price includes the Accepted Tenancies, any buildings, improvements, fixtures, appurtenances and attachments thereto, and all security systems, security bars, blinds, awnings, curtain rods, tracks and valances, fixed mirrors, fixed carpeting, electric, plumbing, heating and air conditioning fixtures and all appurtenances and attachments thereto as viewed by the Buyer at the date of inspection, together with those items set out in Schedule 20A but excluding those items set out in Schedule 20B.
- 21. VIEWED:** The Property and all Included Items will be in substantially the same condition at the Possession Date as when viewed by the Buyer on the date specified in Clause 9.1.
- 22. TITLE:** Free and clear of all encumbrances except subsisting conditions, provisions, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, the Accepted Tenancies and any additional permitted encumbrances set out in Schedule 22.
- 23. ADDITIONAL SELLER'S WARRANTIES AND REPRESENTATIONS:** In addition to the representations and warranties set out in this Contract, the Seller makes the additional representations and warranties set out in Schedule 23 to the Buyer.
- 24. ADDITIONAL BUYER'S WARRANTIES AND REPRESENTATIONS:** In addition to the representations and warranties set out in this Contract, the Buyer makes the additional representations and warranties set out in Schedule 24 to the Seller.
- 25. HST:** In addition to the Purchase Price, the applicable Harmonized Sales Tax ("HST") imposed under the *Excise Tax Act* (Canada) (the "Act") will be paid by the Buyer. On or before the Completion Date, the Buyer may confirm to the Seller's Lawyer or Notary that it is registered for the purposes of Part IX of the Act and will provide its registration number. If the Buyer does not confirm that it is a registrant under Part IX of the Act on or before the Completion Date, then the Buyer will pay the applicable HST to the Seller on the Completion Date and the Seller will then remit the HST as required by the Act. All taxes payable pursuant to the *Social Service Tax Act* arising out of the purchase of the Property, will be paid by the Buyer and evidence of such payment will be provided to the Seller.
- 26. TENDER:** Tender or payment of monies by the Buyer to the Seller will be by bank draft, certified cheque or Lawyer's/Notary's or real estate brokerage's trust cheque.
- 27. DOCUMENTS:** All documents required to give effect to this Contract will be delivered in registerable form where necessary and will be lodged for registration in the appropriate Land Title Office by 4 pm on the Completion Date.
- 28. TIME:** Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreement to pay the balance as may be necessary is entered into on or before the Completion Date, the Seller may, at the Seller's option, terminate this Contract, and, in such event, the amount paid by the Buyer will be absolutely forfeited to the Seller in accordance with the *Real Estate Services Act*, on account of damages, without prejudice to the Seller's other remedies.
- 29. BUYER FINANCING:** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has: (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) made available to the Seller, a Lawyer's or Notary's undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds pursuant to the Canadian Bar Association (BC Branch) (Real Property Section) standard undertakings (the "CBA Standard Undertakings").


INITIALS

Lot 6 Corriano Road

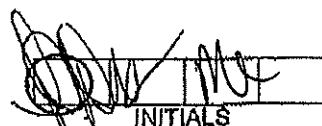
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PROPERTY ADDRESS

- 30. CLEARING TITLE:** If the Seller has existing financial charges to be cleared from title, the Seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Seller agrees that payment of the Purchase Price shall be made by the Buyer's Lawyer or Notary to the Seller's Lawyer or Notary, on the CBA Standard Undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the Seller.
- 31. COSTS:** The Buyer will bear all costs of the conveyance and, if applicable, any costs related to arranging a mortgage and the Seller will bear all costs of clearing title.
- 32. RISK:** All buildings on the Property and all other items included in the purchase and sale will be, and remain, at the risk of the Seller until 12:01 am on the Completion Date. After that time, the Property and all included items will be at the risk of the Buyer. If loss or damage to the Property occurs before the Seller is paid the Purchase Price, then any insurance proceeds shall be held in trust for the Buyer and the Seller according to their interests in the Property.
- 33. GOVERNING LAW:** This Contract will be governed by the laws of the Province of British Columbia. The parties submit to the exclusive jurisdiction of the courts in the Province of British Columbia regarding any dispute that may arise out of this transaction.
- 34. CONFIDENTIALITY:** Unless the transaction contemplated by this Contract is completed, the Buyer and the Seller will keep all negotiations regarding the Property confidential, and the Buyer will not disclose to any third party the contents or effect of any documents, materials or information provided pursuant to or obtained in relation to this Contract without the prior written consent of the Seller, except that each of the Buyer and the Seller may disclose the same to its employees, inspectors, lenders, agents, advisors, consultants, potential investors and such other persons as may reasonably be required and except that the Buyer and the Seller may disclose the same as required by law or in connection with any regulatory disclosure requirements which must be satisfied in connection with the proposed sale and purchase of the Property.
- 35. PLURAL:** In this Contract, any reference to a party includes that party's heirs, executors, administrators, successors and assigns; singular includes plural and masculine includes feminine.
- 36. SURVIVAL OF REPRESENTATIONS AND WARRANTIES:** There are no representations, warranties, guarantees, promises or agreements other than those set out in this Contract and any attached Schedules. All of the warranties contained in this Contract and any attached Schedules are made as of and will be true at the Completion Date, unless otherwise agreed in writing.
- 37. PERSONAL INFORMATION:** The Buyer and the Seller hereby consent to the collection, use and disclosure by the Brokerages and by the managing broker(s), associate broker(s) and representative(s) of those Brokerages (collectively the "Licensee(s)") described in Clause 33, the real estate boards of which those Brokerages and Licensees are members and, if the Property is listed on a Multiple Listing Service®, the real estate board that operates that Multiple Listing Service®, of personal information about the Buyer and the Seller:
- A. for all purposes consistent with the transaction contemplated herein;
 - B. if the Property is listed on a Multiple Listing Service®, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service® and other real estate boards of any statistics including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of that real estate board and other real estate boards;
 - C. for enforcing codes of professional conduct and ethics for members of real estate boards; and
 - D. for the purposes (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled *Working With a REALTOR®*.



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38. AGENCY DISCLOSURE: The Seller and the Buyer acknowledge having received, read and understood the brochure published by the British Columbia Real Estate Association entitled *Working With a REALTOR®* and acknowledge and confirm as follows:

- A. the Seller has an Agency relationship with the brokerage and representative specified in Clause 10.1;
- B. the Buyer has an Agency relationship with the brokerage and representative specified in Clause 10.2;
- C. the Buyer and the Seller have consented to a limited dual agency relationship with the brokerage and representative specified in Clause 10.3 having signed a Limited Dual Agency Agreement having the date specified in Clause 10.4;
- D. If only Clause 10.1 has been completed, the Buyer is acknowledging no agency relationship. If only Clause 10.2 has been completed, the Seller is acknowledging no agency relationship.

39. ACCEPTANCE IRREVOCABLE (Buyer and Seller): The Seller and the Buyer specifically confirm that this Contract of Purchase and Sale is executed under seal. It is agreed and understood that the Seller's acceptance is irrevocable, including without limitation, during the period prior to the date specified, for the Buyer to either:

- A. fulfill or waive the terms and conditions herein contained; and/or
- B. exercise any option(s) herein contained.

40. THIS IS A LEGAL DOCUMENT. READ THIS ENTIRE DOCUMENT AND INFORMATION PAGE BEFORE YOU SIGN.

41. ADDITIONAL TERMS: The additional terms set out in Schedule 41 are hereby incorporated into and form a part of this Contract.

42. OFFER: This offer, or counter-offer, will be open for acceptance until the time and date specified in Clause 11.1 (unless withdrawn in writing with notification to the other party of such revocation prior to notification of its acceptance), and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth.

X Adwards
WITNESS

[Signature]
BUYER

SEA Derrick Davies and/or Nominee
PRINT NAME

X

WITNESS

BUYER

SEA
PRINT NAME

43. ACCEPTANCE: The Seller (a) hereby accepts the above offer and agrees to complete the sale upon the terms and conditions set out above, (b) agrees to pay a commission as per the Listing Contract, and (c) authorizes and instructs the Buyer and anyone acting on behalf of the Buyer or Seller to pay the commission out of the cash proceeds of sale and forward copies of the Seller's Statement of Adjustments to the Cooperating/Listing Brokerage, as requested, forthwith after completion.

Seller's acceptance is dated _____, yr. 2011

X

WITNESS

Romsden Investment Corporation
SELLER

SEA
PRINT NAME

X

WITNESS

Per: [Signature]
SELLER

SEA MARY GIANFRUOCO
PRINT NAME

CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE SCHEDULE



BRITISH COLUMBIA
REAL ESTATE
ASSOCIATION



THE CANADIAN
BAR ASSOCIATION
British Columbia Branch

MLS® NO.: 10016764

DATE: January 28, 2011

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RE: ADDRESS Lot 6 Coriano Road Sorrento V0B 2W0
LEGAL DESCRIPTION: Lot 6, Plan 31558, Sec. 16, Tnshtp 22, Range 11, Meridan 6, KYDY
PID: 003-654-770

FURTHER TO THE CONTRACT OF PURCHASE AND SALE DATED January 28, 2011
MADE BETWEEN Derrick Davies and or Nominee AS BUYER, AND
Romspen Investment Corporation AS SELLER AND COVERING
THE ABOVE-MENTIONED PROPERTY, THE UNDERSIGNED HEREBY AGREE AS FOLLOWS:

This offer is subject to the Buyer obtaining approval for fire/property insurance, on terms and at rates, satisfactory to the Buyer, within 30 days of Seller acceptance. This condition is for the sole benefit of the Buyer.

Subject to the Buyer within 30 days of Seller acceptance obtaining and approving information from a registered accountant in regards to HST, Property Transfer Tax and Property Taxes. This condition is for the sole benefit of the Buyer.

Subject to the Buyer within 30 days of Seller acceptance viewing the property in person to ensure it is satisfactory to the Buyer. This condition is for the sole benefit of the Buyer.

Subject to the Buyer within 30 days of Seller acceptance, obtaining and approving the attached copy of the title search results against the presence of any charge or other feature, whether registered or not, that reasonably may adversely affect the property's use or value. This condition is for the sole benefit of the Buyer. If this condition is waived or declared fulfilled, the attached copy of the title search result will be incorporated into and form part of this contract and the Buyer acknowledges and accepts, despite any other provision in this contract, that upon completion the Buyer will receive title containing any non-financial charge set out in the copy of the title search results that is attached to and forms part of this contract. This is for the sole benefit of the Buyer.

Subject to the Buyer receiving and being satisfied with a site inspection and report from inspecting body within 30 days of Seller acceptance. This condition is for the sole benefit of the Buyer. The Seller will allow access to the property for this purpose on reasonable notice.

X		SEAL	Derrick Davies and/or Nominee
WITNESS	BUYER		PRINT NAME
X		SEAL	
WITNESS	BUYER		PRINT NAME
X		SEAL	MARY BANFIELD
WITNESS	SELLER		PRINT NAME
X		SEAL	
WITNESS	SELLER		PRINT NAME

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CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE SCHEDULE



BRITISH COLUMBIA
REAL ESTATE
ASSOCIATION



THE CANADIAN
BAR ASSOCIATION
British Columbia Branch

MLS® NO.: 10016764

DATE: January 28, 2011

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RE: ADDRESS Lot 6 Corriano Road Sorrento V0E 2W0
LEGAL DESCRIPTION: Lot 6, Plan 31558, Sec. 16, Tnshp 22, Range 11, Meridan 6, KYDY
PID: 003-654-770

FURTHER TO THE CONTRACT OF PURCHASE AND SALE DATED January 28, 2011
MADE BETWEEN Derrick Davies and or Nominee AS BUYER, AND
Romspen Investment Corporation AS SELLER AND COVERING
THE ABOVE-MENTIONED PROPERTY, THE UNDERSIGNED HEREBY AGREE AS FOLLOWS:

Subject to the Buyer obtaining independent legal advice, at the Buyer's expense, within 30 days of Seller acceptance. This condition is for the sole benefit of the Buyer.

Subject to a new first mortgage being made available to the Buyer within 30 days of court approval, in the amount of \$520,000 at an interest rate not to exceed 10.5% per annum calculated half-yearly, not in advance, with a 35-year amortization period, 5-year term and repayable in blended payments of approximately \$4,581.02 per month including principal and interest (plus 1/12 of the annual taxes, if required by the mortgage). This condition is for the sole benefit of the Buyer.

The Seller agrees to apply to court to hear both 1277 Trans Canada Hwy and Lot 6 Corriano Rd. together on the same day.

The Buyer is aware that Alexandra Rebagliati, MacDonald Realty Kelowna, is only representing the Seller in this transaction. The Buyer is in a NO AGENCY relationship. The Buyer has been advised to consult a lawyer in regards to all aspects of this contract.

The Buyer is aware this is a CCAA court ordered sale.

The Buyer is aware that the Buyer is responsible for paying all outstanding property taxes. At the time of writing this offer there are currently \$4,182 in outstanding property taxes. \$11.69 will be added on the first of every month to the outstanding taxes in interest fees.

The Buyer will pay a 5% deposit to MacDonald Realty in Trust within 5 business days of all Buyer's conditions being removed. The Buyer will pay a second deposit of 5% (for a total of 10%) to MacDonald Realty in Trust within 5 business days of court approval.

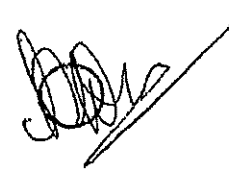
X		SEAL	Derrick Davies and/or Nominee
WITNESS	BUYER		PRINT NAME
X		SEAL	
WITNESS	BUYER		PRINT NAME
X		SEAL	MARY GIONCALI
WITNESS	SELLER		PRINT NAME
X		SEAL	
WITNESS	SELLER		PRINT NAME

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ADDENDUM TO CONTRACT OF PURCHASE AND SALE

Notwithstanding anything in this Contract of Purchase and Sale to the contrary:

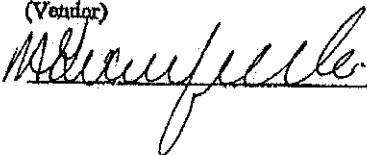
1. The Buyer, (referred to herein as the Purchaser) acknowledges that the Seller (referred to herein as the Vendor) has a charge on the Property (as defined in the main body of this Contract of Purchase and Sale) and is selling it pursuant to a Court Order.
2. This Contract of Purchase and Sale is subject to the following:
 - (a) the approval of the Court of Queens Bench of Alberta of the Judicial Centre of Calgary in Action No. 0901-11866; and
 - (b) the rights, if any, of another person to redeem, or purchase the Vendor's security prior to closing of this transaction; and
 - (c) the Vendor being restrained or enjoined from completing this sale by a Court of competent jurisdiction or the filing or registration of any document preventing the Vendor from giving good title to the Purchaser; and
 - (d) the Vendor being able to complete the sale pursuant to the Court Order.
3. In the event that:
 - (a) any person shall become entitled to redeem, or assign the Vendor's security and does so prior to the completion of this transaction; or
 - (b) the Vendor is unable to complete the sale pursuant to the Court Order;then the Vendor shall have the right to terminate this Contract of Purchase and Sale and upon the Vendor giving written notice to the Purchaser that it is so doing, this Contract of Purchase and Sale shall be cancelled, without interest or deduction. Written notice shall be deemed to be validly given if received by the agent or solicitor or notary for the Purchaser.
4. The Vendor shall not be required to furnish any title documents and shall only be required to provide such deeds, copies thereof, or evidence of title as are in its possession or control.
5. The Purchaser acknowledges and agrees that there are no representations and/or warranties with respect to the fitness, condition (including environmental condition), zoning or lawful use of the Property and agrees to accept the Property in a "as is where is" condition and subject to any outstanding work orders or notices of infractions as of the date of closing and subject to the existing municipal or other governmental by-laws, restrictions or orders affecting its use, including sub-division agreements and easements.
6. The Purchaser acknowledges that the Vendor is making no representations and/or warranties whatsoever with respect to the Property. The Purchaser acknowledges that it has relied entirely upon its own inspection and investigation with respect to quantity, quality and value of the Property and its suitability for any purpose, including occupancy, development, or derivation of revenue.
7. The Purchaser acknowledges that the fixtures and chattels presently on the premises are to be taken by the Purchaser at the Purchaser's own risk completely, without representation or warranty of any kind from the Vendor as to the ownership or state of repair of any such fixtures and chattels. Without limitation, to the extent that the Vendor does not own any chattels, separate arrangements will have to be made by the Purchaser with any owner of any chattels in order for the Purchaser to take title to any chattels.



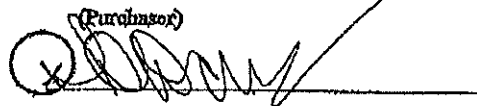
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8. The Purchaser acknowledges that any information supplied to the Purchaser by the Vendor or its agents or representatives is and was supplied without any representation or warranty, and that the responsibility for verification of any such information shall be wholly the responsibility of the Purchaser.
9. The Purchaser hereby waives any requirement for the Vendor to provide to the Purchaser a site profile (or any other certification) for the Property under any Environmental legislation or regulations.
10. The Vendor shall provide the Purchaser with only those keys to the premises that are in its possession.
11. This offer will become public information prior to the Court approval date and competing Purchasers will have the ability to appear in Court with higher offers. The Purchaser will have the ability (subject to the Court's discretion) to modify this offer to respond to competing offers presented in Court and it is recommended that the Purchaser seek independent legal advice to advance its own offer to the Court.
12. The Purchaser acknowledges and agrees to provide the net sales proceeds to the Vendor by way of certified funds (bank draft or certified cheque).
13. This Agreement may be signed in counterparts and each such counterpart will constitute an original document and, taken together, will constitute one and the same instrument.
14. The parties to this Agreement acknowledge and agree that the Vendor will not be responsible for paying any commission to a listing agent or any other realtor or agent if the Property is redeemed, or by any other person, such that the security is paid out prior to closing of this transaction, or if the Vendor is restrained or enjoined from completing this sale by a Court of competent jurisdiction, or if the filing or registration of any document prevents the Vendor from giving good title to the Purchaser, or if the Vendor is otherwise not able to complete the sale pursuant to the Court Order, or if the Vendor sells the Property to a company or other person related to the Vendor, or if the Vendor directly introduces the Purchaser to the Property.

(Vendor)



(Purchaser)





**REMOVAL OF
"SUBJECT TO CLAUSE"
AND APPOINTMENT OF
CONVEYANCER**



PAGE 1 OF 2 PAGE

ADDRESS OF PROPERTY: Lot 6 Coriano Road Sorrento VOB 2W0
 P.I.D.: 003-654-770 DATE OF CONTRACT: January 28, 2011
 BUYER: Derrick Davies and/or Nominee SELLER: Ronspen Investment Corporation

A. REMOVAL/WAIVER OF "SUBJECT TO CLAUSE"

WITH REFERENCE TO THE ABOVE THE SUBJECT TO CLAUSE(S) AS NOTED BELOW, IS/ARE REMOVED/WAIVED. TIME SHALL REMAIN OF THE ESSENCE.

This offer is subject to the Buyer obtaining approval for fire/property insurance, on terms and at rates, satisfactory to the Buyer, within 30 days of Seller acceptance. This condition is for the sole benefit of the Buyer.

Subject to the Buyer within 30 days of Seller acceptance obtaining and approving information from a registered accountant in regards to HST, Property Transfer Tax and Property Taxes. This condition is for the sole benefit of the Buyer.

Subject to the Buyer within 30 days of Seller acceptance viewing the property in person to ensure it is satisfactory to the Buyer. This condition is for the sole benefit of the Buyer.

Subject to the Buyer within 30 days of Seller acceptance, obtaining and approving the attached copy of the title search results against the presence of any charge or other feature, whether registered or not, that reasonably may adversely affect the property's use or value. This condition is for the sole benefit of the Buyer. If this condition is waived or declared fulfilled, the attached copy of the title search result will be incorporated into and form part of this contract and the Buyer acknowledges and accepts, despite any other provision in this contract, that upon completion the Buyer will receive title containing any non-financial charge set out in the copy of the title search results that is attached to an forms part of this contract. This is for the sole benefit of the Buyer.

Subject to the Buyer receiving and being satisfied with a site inspection and report from inspecting body within 30 days of Seller acceptance. This condition is for the sole benefit of the Buyer. The Seller will allow access to the property for this purpose on reasonable notice.

THE PARTIES AGREE THAT (PLEASE INITIAL APPROPRIATE SET OF BOXES)

☒ ☐
 OF ☒ ☐
 BUYER SELLER

ADDITIONAL SUBJECT CLAUSE(S) REMAIN IN EFFECT ON THIS CONTRACT OF PURCHASE AND SALE.

☐ ☐
 OF ☐ ☐
 BUYER SELLER

ALL CONDITIONS HAVE BEEN REMOVED AND THIS CONTRACT IS NOW UNCONDITIONAL.

WITNESS TO BUYER(S) SIGNATURE D. Edwards

DATE 9 March 2011

WITNESS TO SELLER(S) SIGNATURE _____

DATE _____

(BUYER) [Signature]

(BUYER) _____

(SELLER) [Signature]

(SELLER) Ronspen Investment Corporation

B. APPOINTMENT OF CONVEYANCER

THE BUYER HEREBY APPOINTS T. B. A. OF _____

TO COMPLETE ALL NECESSARY LEGAL AND CONVEYANCING DOCUMENTS ON THEIR BEHALF

WITNESS TO BUYER(S) SIGNATURE D. Edwards (BUYER) [Signature]

DATE 9 March 2011 (BUYER) _____

THE SELLER HEREBY APPOINTS _____ OF _____

TO COMPLETE ALL NECESSARY LEGAL AND CONVEYANCING DOCUMENTS ON THEIR BEHALF

WITNESS TO SELLER(S) SIGNATURE _____ (SELLER) [Signature]

DATE _____ (SELLER) Ronspen Investment Corporation



REMOVAL OF "SUBJECT TO CLAUSE" AND APPOINTMENT OF CONVEYANCER



PAGE 2 OF 2 PAGE

ADDRESS OF PROPERTY: Lot 6 Corriano Road Sorrento VOB 2W0
 P.L.D.: 003-654-770 DATE OF CONTRACT: January 28, 2011
 BUYER: Derrick Davies and/or Nominee SELLER: Romspen Investment Corporation

A. REMOVAL/WAIVER OF "SUBJECT TO CLAUSE"

WITH REFERENCE TO THE ABOVE THE SUBJECT TO CLAUSE(S) AS NOTED BELOW, IS (ARE) REMOVED/WAIVED. TIME SHALL REMAIN OF THE ESSENCE.

Subject to the Buyer obtaining independent legal advice, at the Buyer's expense, within 30 days of Seller acceptance. This condition is for the sole benefit of the Buyer.

Subject to a new first mortgage being made available to the Buyer within 30 days of court approval, in the amount of \$520,000 at an interest rate not to exceed 10.5% per annum calculated half-yearly, not in advance, with a 35-year amortization period, 5-year term and repayable in blended payments of approximately \$4,581.02 per month including principal and interest (plus 1/12 of the annual taxes, if required by the mortgagee). This condition is for the sole benefit of the Buyer.

THE PARTIES AGREE THAT: (PLEASE INITIAL APPROPRIATE SET OF BOXES)



ADDITIONAL SUBJECT CLAUSE(S) REMAIN IN EFFECT ON THIS CONTRACT OF PURCHASE AND SALE.



ALL CONDITIONS HAVE BEEN REMOVED AND THIS CONTRACT IS NOW UNCONDITIONAL.

WITNESS TO BUYER(S) SIGNATURE Edward

(BUYER) [Signature]

DATE 9 MARCH 2011

(WITNESS) [Signature]

WITNESS TO SELLER(S) SIGNATURE

(SELLER) [Signature]

DATE

(SELLER) Romspen Investment Corporation

B. APPOINTMENT OF CONVEYANCER

THE BUYER HEREBY APPOINTS T. P. A. OF

TO COMPLETE ALL NECESSARY LEGAL AND CONVEYANCING DOCUMENTS ON THEIR BEHALF.

WITNESS TO BUYER(S) SIGNATURE Edward

(BUYER) [Signature]

DATE 9 MARCH 2011

(WITNESS) [Signature]

THE SELLER HEREBY APPOINTS _____ OF

TO COMPLETE ALL NECESSARY LEGAL AND CONVEYANCING DOCUMENTS ON THEIR BEHALF.

WITNESS TO SELLER(S) SIGNATURE

(SELLER) [Signature]

DATE

(SELLER) Romspen Investment Corporation

This is Exhibit "B" referred to in the
affidavit of L. Grillandoni
sworn before me at Vancouver
this 28th day of March, 2011

BRITISH COLUMBIA
REAL ESTATE
ASSOCIATIONTHE CANADIAN
BAR ASSOCIATION
British Columbia Branch

CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE

MLB# NO: 10016700

DATE: January 28, 2011

The Buyer agrees to purchase the Property from the Seller on the following terms and subject to the following conditions:

PART 1 - INFORMATION SUMMARY

1. Prepared by:		
1.1 Name of Brokerage	MACDONALD REALTY KILLOWNA	
1.2 Brokerage Address	592 K.L.O. ROAD	KILLOWNA V1Y 7S2
1.3 Licensee's Name	Alexandra Rebagliati	Phone No. (250) 870-2792
1.4 Personal Real Estate Corporation		
1.5 Licensee's Email Address	Alex@LakeOkanaganRealty.com	Fax No.
1.6 Brokerage Phone No.	(250) 860-4300	Fax No. (250) 860-1600
2. Parties to the Contract		
2.1 Seller	Kampan Investment Corporation	
2.2 Seller's Address	162 Cumberland Street, Suite 300, Toronto, ON M5R 3N3	
2.3 Seller's Phone No.	416.966.1100	Fax No.
2.4 Seller's Email Address		
2.5 Seller's Incorporation No.	2.6 Seller's HST No.	
2.7 Seller's Residency:	☒ Resident of Canada ☐ Non-Resident of Canada (as defined in the Income Tax Act)	
2.8 Buyer	Derrick Davies and or Nominee	
2.9 Buyer's Address	841 Main St, Steinbach, Manitoba R5G 2B4	
2.10 Buyer's Phone No.	204.920.9726	Fax No.
2.11 Buyer's Email Address	ddavies@mts.net	
2.12 Buyer's Incorporation No.	2.13 Buyer's HST No.	
3. Property		
3.1 Civic Address of Property	1277 Trans Canada Highway	Sorrento V0R 2W0
3.2 Legal Description of Property	Lot 1, Plan 16715, Sec. 16, Tship 22, Range 11, Meridian 6, LD 25, KDYD	
4. Purchase Price	Seven Hundred Fifty Thousand	Clause 14

Seventy Five Thousand Dollars
 Six Hundred and Seventy Thousand

INITIALS

1277 Trans Canada Highway

Sorrento

VOB2W0

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PROPERTY ADDRESS

PART 2 - TERMS

13. INFORMATION SUMMARY: The Information Summary being Part 1 to this Contract of Purchase and Sale for Commercial Real Estate and the Schedules attached to this Contract of Purchase and Sale for Commercial Real Estate, form an integral part of this offer. The Seller and Buyer acknowledge that they have read all of Part 1 and Part 2 and the Schedules to this Contract of Purchase and Sale for Commercial Real Estate.

14. PURCHASE PRICE: The purchase price of the Property will be the amount set out in Clause 4.1 (Purchase Price).

15. DEPOSIT: A deposit in the amount set out in Clause 5.2 which will form part of the Purchase Price, will be paid in accordance with Clause 26 except as otherwise set out in Schedule 15 and on the terms set out in Schedule 16. All monies paid pursuant to this Clause (the "Deposit") will be delivered in trust to the party identified in Clause 5.3 and held in trust in accordance with the provisions of the *Real Estate Services Act*. In the event the Buyer fails to pay the Deposit as required by this Contract, the Seller may, at the Seller's option, terminate this Contract. The party who receives the Deposit is authorized to pay all or any portion of the Deposit to the Buyer's or Seller's conveyancer (the "Conveyancer") without further written direction of the Buyer or Seller, provided that: (a) the Conveyancer is a Lawyer or Notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the money should be returned to such party as stakeholder or paid into Court.

16. CONDITIONS: The obligations of the Buyer described in this Contract are subject to the satisfaction or waiver of the conditions precedent set out in Schedule 16A, if any (the "Buyer's Conditions"). The Buyer's Conditions are inserted for the sole benefit of the Buyer. The satisfaction or waiver of the Buyer's Conditions will be determined in the sole discretion of the Buyer and the Buyer agrees to use reasonable efforts to satisfy the Buyer's Conditions. The Buyer's Conditions may only be satisfied or waived by the Buyer giving written notice (the "Buyer's Notice") to the Seller on or before the time and date specified for each condition. Unless each Buyer's Condition is waived or declared fulfilled by delivery of the Buyer's Notice to the Seller on or before the time and date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.

The obligations of the Seller described in this Contract are subject to the satisfaction or waiver of the conditions precedent set out in Schedule 16B, if any (the "Seller's Conditions"). The Seller's Conditions are inserted for the sole benefit of the Seller. The satisfaction or waiver of the Seller's Conditions will be determined in the sole discretion of the Seller and the Seller agrees to use reasonable efforts to satisfy the Seller's Conditions. These conditions may only be satisfied or waived by the Seller giving written notice (the "Seller's Notice") to the Buyer on or before the time and date specified for each condition. Unless each Seller's Condition is waived or declared fulfilled by delivery of the Seller's Notice to the Buyer on or before the time and date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.

17. COMPLETION: The sale will be completed on the date specified in Clause 6.1 (Completion Date) at the appropriate Land Title Office.

18. POSSESSION: The Buyer will have possession of the Property at the time and on the date specified in Clause 7.1 (Possession Date) with vacant possession if so indicated in Clause 7.2, or subject to all existing tenancies if so indicated in Clause 7.3; or subject to the specified tenancies set out in Schedule 18, if so indicated in Clause 12 (if Clause 7.3 or 12 is selected, such tenancies shall be the "Accepted Tenancies").

19. ADJUSTMENTS: The Buyer will assume and pay all taxes, rates, local improvement assessments, fuel, utilities, insurance, rents, tenant deposits including interest, prepaid rents, and other charges from, and including, the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of the date specified in Clause 8.1 (the "Adjustment Date").

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- 20. INCLUDED ITEMS:** The Purchase Price includes the Accepted Tenancies, any buildings, improvements, fixtures, appurtenances and attachments thereto, and all security systems, security bars, blinds, awnings, curtain rods, tracks and valances, fixed mirrors, fixed carpeting, electric, plumbing, heating and air conditioning fixtures and all appurtenances and attachments thereto as viewed by the Buyer at the date of inspection, together with those items set out in Schedule 20A but excluding those items set out in Schedule 20B.
- 21. VIEWED:** The Property and all Included Items will be in substantially the same condition at the Possession Date as when viewed by the Buyer on the date specified in Clause 9.1.
- 22. TITLE:** Free and clear of all encumbrances except subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, the Accepted Tenancies and any additional permitted encumbrances set out in Schedule 22.
- 23. ADDITIONAL SELLER'S WARRANTIES AND REPRESENTATIONS:** In addition to the representations and warranties set out in this Contract, the Seller makes the additional representations and warranties set out in Schedule 23 to the Buyer.
- 24. ADDITIONAL BUYER'S WARRANTIES AND REPRESENTATIONS:** In addition to the representations and warranties set out in this Contract, the Buyer makes the additional representations and warranties set out in Schedule 24 to the Seller.
- 25. HST:** In addition to the Purchase Price, the applicable Harmonized Sales Tax ("HST") imposed under the *Excise Tax Act* (Canada) (the "Act") will be paid by the Buyer. On or before the Completion Date, the Buyer may confirm to the Seller's Lawyer or Notary that it is registered for the purposes of Part IX of the Act and will provide its registration number. If the Buyer does not confirm that it is a registrant under Part IX of the Act on or before the Completion Date, then the Buyer will pay the applicable HST to the Seller on the Completion Date and the Seller will then remit the HST as required by the Act. All taxes payable pursuant to the *Social Service Tax Act* arising out of the purchase of the Property, will be paid by the Buyer and evidence of such payment will be provided to the Seller.
- 26. TENDER:** Tender or payment of monies by the Buyer to the Seller will be by bank draft, certified cheque or Lawyer's/Notary's or real estate brokerage's trust cheque.
- 27. DOCUMENTS:** All documents required to give effect to this Contract will be delivered in registerable form where necessary and will be lodged for registration in the appropriate Land Title Office by 4 pm on the Completion Date.
- 28. TIME:** Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreement to pay the balance as may be necessary is entered into on or before the Completion Date, the Seller may, at the Seller's option, terminate this Contract, and, in such event, the amount paid by the Buyer will be absolutely forfeited to the Seller in accordance with the *Real Estate Services Act*, on account of damages, without prejudice to the Seller's other remedies.
- 29. BUYER FINANCING:** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has: (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) made available to the Seller, a Lawyer's or Notary's undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds pursuant to the Canadian Bar Association (BC Branch) (Real Property Section) standard undertakings (the "CBA Standard Undertakings").

 INITIALS

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V0R 2W0

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PROPERTY ADDRESS

- 30. CLEARING TITLE:** If the Seller has existing financial charges to be cleared from title, the Seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Seller agrees that payment of the Purchase Price shall be made by the Buyer's Lawyer or Notary to the Seller's Lawyer or Notary, on the CBA Standard Undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the Seller.
- 31. COSTS:** The Buyer will bear all costs of the conveyance and, if applicable, any costs related to arranging a mortgage and the Seller will bear all costs of clearing title.
- 32. RISK:** All buildings on the Property and all other items included in the purchase and sale will be, and remain, at the risk of the Seller until 12:01 am on the Completion Date. After that time, the Property and all included items will be at the risk of the Buyer. If loss or damage to the Property occurs before the Seller is paid the Purchase Price, then any insurance proceeds shall be held in trust for the Buyer and the Seller according to their interests in the Property.
- 33. GOVERNING LAW:** This Contract will be governed by the laws of the Province of British Columbia. The parties submit to the exclusive jurisdiction of the courts in the Province of British Columbia regarding any dispute that may arise out of this transaction.
- 34. CONFIDENTIALITY:** Unless the transaction contemplated by this Contract is completed, the Buyer and the Seller will keep all negotiations regarding the Property confidential, and the Buyer will not disclose to any third party the contents or effect of any documents, materials or information provided pursuant to or obtained in relation to this Contract without the prior written consent of the Seller, except that each of the Buyer and the Seller may disclose the same to its employees, inspectors, lenders, agents, advisors, consultants, potential investors and such other persons as may reasonably be required and except that the Buyer and the Seller may disclose the same as required by law or in connection with any regulatory disclosure requirements which must be satisfied in connection with the proposed sale and purchase of the Property.
- 35. PLURAL:** In this Contract, any reference to a party includes that party's heirs, executors, administrators, successors and assigns; singular includes plural and masculine includes feminine.
- 36. SURVIVAL OF REPRESENTATIONS AND WARRANTIES:** There are no representations, warranties, guarantees, promises or agreements other than those set out in this Contract and any attached Schedules. All of the warranties contained in this Contract and any attached Schedules are made as of and will be true at the Completion Date, unless otherwise agreed in writing.
- 37. PERSONAL INFORMATION:** The Buyer and the Seller hereby consent to the collection, use and disclosure by the Brokerages and by the managing broker(s), associate broker(s) and representative(s) of those Brokerages (collectively the "Licensee(s)") described in Clause 38, the real estate boards of which those Brokerages and Licensees are members and, if the Property is listed on a Multiple Listing Service®, the real estate board that operates that Multiple Listing Service®, of personal information about the Buyer and the Seller:
- A. for all purposes consistent with the transaction contemplated herein;
 - B. If the Property is listed on a Multiple Listing Service®, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service® and other real estate boards of any statistics including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of that real estate board and other real estate boards;
 - C. for enforcing codes of professional conduct and ethics for members of real estate boards; and
 - D. for the purposes (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled *Working With a REALTOR®*.



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VOB 2W0

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38. AGENCY DISCLOSURE: The Seller and the Buyer acknowledge having received, read and understood the brochure published by the British Columbia Real Estate Association entitled *Working With a REALTOR®* and acknowledge and confirm as follows:

- A. the Seller has an Agency relationship with the brokerage and representative specified in Clause 10.1;
- B. the Buyer has an Agency relationship with the brokerage and representative specified in Clause 10.2;
- C. the Buyer and the Seller have consented to a limited dual agency relationship with the brokerage and representative specified in Clause 10.3 having signed a Limited Dual Agency Agreement having the date specified in Clause 10.4;
- D. If only Clause 10.1 has been completed, the Buyer is acknowledging no agency relationship. If only Clause 10.2 has been completed, the Seller is acknowledging no agency relationship.

39. ACCEPTANCE IRREVOCABLE (Buyer and Seller): The Seller and the Buyer specifically confirm that this Contract of Purchase and Sale is executed under seal. It is agreed and understood that the Seller's acceptance is irrevocable, including without limitation, during the period prior to the date specified, for the Buyer to either:

- A. fulfill or waive the terms and conditions herein contained; and/or
- B. exercise any option(s) herein contained.

40. THIS IS A LEGAL DOCUMENT. READ THIS ENTIRE DOCUMENT AND INFORMATION PAGE BEFORE YOU SIGN.

41. ADDITIONAL TERMS: The additional terms set out in Schedule 41 are hereby incorporated into and form a part of this Contract.

42. OFFER: This offer, or counter-offer, will be open for acceptance until the time and date specified in Clause 11.1 (unless withdrawn in writing with notification to the other party of such revocation prior to notification of its acceptance), and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth.

X bcawm
WITNESS

X
WITNESS

[Signature]
BUYER

BUYER

SEAL Derrick Davies and/or Nominee
PRINT NAME

SEAL
PRINT NAME

43. ACCEPTANCE: The Seller (a) hereby accepts the above offer and agrees to complete the sale upon the terms and conditions set out above, (b) agrees to pay a commission as per the Listing Contract, and (c) authorizes and instructs the Buyer and anyone acting on behalf of the Buyer or Seller to pay the commission out of the cash proceeds of sale and forward copies of the Seller's Statement of Adjustments to the Cooperating/Listing Brokerage, as requested, forthwith after completion.

Seller's acceptance is dated Feb. 5, yr. 2011

X
WITNESS

X
WITNESS

Ramsden Investment
SELLER
per: [Signature]
SELLER

SEAL
PRINT NAME

SEAL MAN / GIANFRANCO
PRINT NAME

CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE SCHEDULE



BRITISH COLUMBIA
REAL ESTATE
ASSOCIATION



THE CANADIAN
BAR ASSOCIATION
British Columbia Branch

MLS*NO.: 10016700

DATE: January 28, 2011

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RE: ADDRESS 1277 Trans Canada Highway Sorrento V0E 2W0
LEGAL DESCRIPTION: Lot 1, Plan 16715, Sec 16, Tnshp 22, Range 11, Meridan 6, LD 25, KDYD
PID: 008-545-944

FURTHER TO THE CONTRACT OF PURCHASE AND SALE DATED January 28, 2011
MADE BETWEEN Derrick Davies and or Nominee AS BUYER, AND
Romspen Investment Corporation AS SELLER AND COVERING
THE ABOVE-MENTIONED PROPERTY, THE UNDERSIGNED HEREBY AGREE AS FOLLOWS:

This offer is subject to the Buyer obtaining approval for fire/property insurance, on terms and at rates, satisfactory to the Buyer, within 30 days of Seller acceptance. This condition is for the sole benefit of the Buyer.

Subject to the Buyer within 30 days of Seller acceptance obtaining and approving information from a registered accountant in regards to HST, Property Transfer Tax and Property Taxes. This condition is for the sole benefit of the Buyer.

Subject to the Buyer within 30 days of Seller acceptance viewing the property in person to ensure it is satisfactory to the Buyer. This condition is for the sole benefit of the Buyer.

Subject to the Buyer within 30 days of Seller acceptance, obtaining and approving the attached copy of the title search results against the presence of any charge or other feature, whether registered or not, that reasonably may adversely affect the property's use or value. This condition is for the sole benefit of the Buyer. If this condition is waived or declared fulfilled, the attached copy of the title search result will be incorporated into and form part of this contract and the Buyer acknowledges and accepts, despite any other provision in this contract, that upon completion the Buyer will receive title containing any non-financial charge set out in the copy of the title search results that is attached to and forms part of this contract. This is for the sole benefit of the Buyer.

Subject to the Buyer receiving and being satisfied with a site inspection and report from inspecting body within 30 days of Seller acceptance. This condition is for the sole benefit of the Buyer. The Seller will allow access to the property for this purpose on reasonable notice.

X	<i>[Signature]</i>	SEAL	Derrick Davies and/or Nominee
WITNESS	BUYER		PRINT NAME
X		SEAL	
WITNESS	BUYER		PRINT NAME
X	<i>[Signature]</i>	SEAL	MARY GIANFRUCCI
WITNESS	SELLER		PRINT NAME
X		SEAL	
WITNESS	SELLER		PRINT NAME

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WEBForms™ Nov/2009

CONTRACT OF PURCHASE AND SALE FOR COMMERCIAL REAL ESTATE SCHEDULE



BRITISH COLUMBIA
REAL ESTATE
ASSOCIATION



THE CANADIAN
BAR ASSOCIATION
British Columbia Branch

MLS NO.: 10016700

DATE: January 28, 2011

PAGE 8 of 10 PAGES

RE: ADDRESS 1277 Trans Canada Highway Sorrento V0B 2W0
LEGAL DESCRIPTION: Lot 1, Plan 16715, Sec 16, Tnshtp 22, Range 11, Meridian 6, LD 25, KDYD
PID: 008-545-944

FURTHER TO THE CONTRACT OF PURCHASE AND SALE DATED January 28, 2011
MADE BETWEEN Derrick Davies and or Nominee AS BUYER, AND
Romspen Investment Corporation AS SELLER AND COVERING
THE ABOVE-MENTIONED PROPERTY, THE UNDERSIGNED HEREBY AGREE AS FOLLOWS:

Subject to the Buyer obtaining independent legal advice, at the Buyer's expense, within 30 days of Seller acceptance, This condition is for the sole benefit of the Buyer.

Subject to a new first mortgage being made available to the Buyer within 30 days of court approval, in the amount of \$520,000 at an interest rate not to exceed 10.5% per annum calculated half-yearly, not in advance, with a 35-year amortization period, 5-year term and repayable in blended payments of approximately \$4,581.02 per month including principal and interest (plus 1/12 of the annual taxes, if required by the mortgagee). This condition is for the sole benefit of the Buyer.

The Seller agrees to apply to court to hear both 1277 Trans Canada Hwy and Lot 6 Corriano Rd. together on the same day.

The Buyer is aware that Alexandra Rebagliati, MacDonald Realty Kelowna, is only representing the Seller in this transaction. The Buyer is in a NO AGENCY relationship. The Buyer has been advised to consult a lawyer in regards to all aspects of this contract.

The Buyer is aware this is a CCAA court ordered sale.

The Buyer is aware that the Buyer is responsible for paying all outstanding property taxes. At the time of writing this offer there are currently \$4,182 in outstanding property taxes. \$11.69 will be added on the first of every month to the outstanding taxes in interest fees.

The Buyer will pay a 5% deposit to MacDonald Realty in Trust within 5 business days of all Buyer's conditions being removed. The Buyer will pay a second deposit of 5% (for a total of 10%) to MacDonald Realty in Trust within 5 business days of court approval.

X		SEAL	Derrick Davies and/or Nominee
WITNESS	BUYER		PRINT NAME
X		SEAL	
WITNESS	BUYER		PRINT NAME
X		SEAL	MARY ANN FURUKAWA
WITNESS	SELLER		PRINT NAME
X		SEAL	
WITNESS	SELLER		PRINT NAME

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BC2014 REV SEPT 09

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ADDENDUM TO CONTRACT OF PURCHASE AND SALE

Notwithstanding anything in this Contract of Purchase and Sale to the contrary;

1. The Buyer, (referred to herein as the Purchaser) acknowledges that the Seller (referred to herein as the Vendor) has a charge on the Property (as defined in the main body of this Contract of Purchase and Sale) and is selling it pursuant to a Court Order.

2. This Contract of Purchase and Sale is subject to the following:

(a) the approval of the Court of Queens Bench of Alberta of the Judicial Centre of Calgary in Action No. 0901-11866; and

(b) the rights, if any, of another person to redeem, or purchase the Vendor's security prior to closing of this transaction; and

(c) the Vendor being restrained or enjoined from completing this sale by a Court of competent jurisdiction or the filing or registration of any document preventing the Vendor from giving good title to the Purchaser; and

(d) the Vendor being able to complete the sale pursuant to the Court Order.

3. In the event that:

(a) any person shall become entitled to redeem, or assign the Vendor's security and does so prior to the completion of this transaction; or

(b) the Vendor is unable to complete the sale pursuant to the Court Order;

then the Vendor shall have the right to terminate this Contract of Purchase and Sale and upon the Vendor giving written notice to the Purchaser that it is so doing, this Contract of Purchase and Sale shall be cancelled, without interest or deduction. Written notice shall be deemed to be validly given if received by the agent or solicitor or notary for the Purchaser.

4. The Vendor shall not be required to furnish any title documents and shall only be required to provide such deeds, copies thereof, or evidence of title as are in its possession or control.

5. The Purchaser acknowledges and agrees that there are no representations and/or warranties with respect to the fitness, condition (including environmental condition), zoning or lawful use of the Property and agrees to accept the Property in a "as is where is" condition and subject to any outstanding work orders or notices of infractions as of the date of closing and subject to the existing municipal or other governmental by-laws, restrictions or orders affecting its use, including sub-division agreements and easements.

6. The Purchaser acknowledges that the Vendor is making no representations and/or warranties whatsoever with respect to the Property. The Purchaser acknowledges that it has relied entirely upon its own inspection and investigation with respect to quantity, quality and value of the Property and its suitability for any purpose, including occupancy, development, or derivation of revenue.

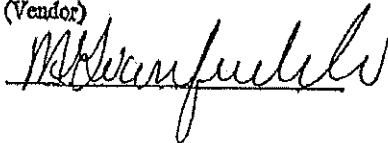
7. The Purchaser acknowledges that the fixtures and chattels presently on the premises are to be taken by the Purchaser at the Purchaser's own risk completely, without representation or warranty of any kind from the Vendor as to the ownership or state of repair of any such fixtures and chattels. Without limitation, to the extent that the Vendor does not own any chattels, separate arrangements will have to be made by the Purchaser with any owner of any chattels in order for the Purchaser to take title to any chattels.

(23)

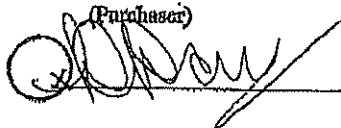
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8. The Purchaser acknowledges that any information supplied to the Purchaser by the Vendor or its agents or representatives is and was supplied without any representation or warranty, and that the responsibility for verification of any such information shall be wholly the responsibility of the Purchaser.
9. The Purchaser hereby waives any requirement for the Vendor to provide to the Purchaser a site profile (or any other certification) for the Property under any Environmental legislation or regulations.
10. The Vendor shall provide the Purchaser with only those keys to the premises that are in its possession.
11. This offer will become public information prior to the Court approval date and competing Purchasers will have the ability to appear in Court with higher offers. The Purchaser will have the ability (subject to the Court's discretion) to modify this offer to respond to competing offers presented in Court and it is recommended that the Purchaser seek independent legal advice to advance its own offer to the Court.
12. The Purchaser acknowledges and agrees to provide the net sales proceeds to the Vendor by way of certified funds (bank draft or certified cheque).
13. This Agreement may be signed in counterparts and each such counterpart will constitute an original document and, taken together, will constitute one and the same instrument.
14. The parties to this Agreement acknowledge and agree that the Vendor will not be responsible for paying any commission to a listing agent or any other realtor or agent if the Property is redeemed, or by any other person, such that the security is paid out prior to closing of this transaction, or if the Vendor is restrained or enjoined from completing this sale by a Court of competent jurisdiction, or if the filing or registration of any document prevents the Vendor from giving good title to the Purchaser, or if the Vendor is otherwise not able to complete the sale pursuant to the Court Order, or if the Vendor sells the Property to a company or other person related to the Vendor, or if the Vendor directly introduces the Purchaser to the Property.

(Vendor)



(Purchaser)





**REMOVAL OF
"SUBJECT TO CLAUSE"
AND APPOINTMENT OF
CONVEYANCER**



PAGE 1 OF 2 PAGE

ADDRESS OF PROPERTY: 1277 Trans Canada Highway Sorrento V0B 2W0
 P.I.D.: 008-545-944 DATE OF CONTRACT: January 28, 2011
 BUYER: Derrick Davies and/or Nominee SELLER: Romsper Investment Corporation

A. REMOVAL/WAIVER OF "SUBJECT TO CLAUSE"

WITH REFERENCE TO THE ABOVE THE SUBJECT TO CLAUSE(S) AS NOTED BELOW, IS (ARE) REMOVED/WAVED. TIME SHALL REMAIN OF THE ESSENCE.

This offer is subject to the Buyer obtaining approval for fire/property insurance, on terms and at rates, satisfactory to the Buyer, within 30 days of Seller acceptance. This condition is for the sole benefit of the Buyer.

Subject to the Buyer within 30 days of Seller acceptance obtaining and approving information from a registered accountant in regards to HST, Property Transfer Tax and Property Taxes. This condition is for the sole benefit of the Buyer.

Subject to the Buyer within 30 days of Seller acceptance viewing the property in person to ensure it is satisfactory to the Buyer. This condition is for the sole benefit of the Buyer.

Subject to the Buyer within 30 days of Seller acceptance, obtaining and approving the attached copy of the title search results against the presence of any charge or other feature, whether registered or not, that reasonably may adversely affect the property's use or value. This condition is for the sole benefit of the Buyer. If this condition is waived or declared fulfilled, the attached copy of the title search result will be incorporated into and form part of this contract and the Buyer acknowledges and accepts, despite any other provision in this contract, that upon completion the Buyer will receive title containing any non-financial charge set out in the copy of the title search results that is attached to an forms part of this contract. This is for the sole benefit of the Buyer.

Subject to the Buyer receiving and being satisfied with a site inspection and report from inspecting body within 30 days of Seller acceptance. This condition is for the sole benefit of the Buyer. The Seller will allow access to the property for this purpose on reasonable notice.

THE PARTIES AGREE THAT: (PLEASE INITIAL APPROPRIATE SET OF BOXES)



ADDITIONAL SUBJECT CLAUSE(S) REMAIN IN EFFECT ON THIS CONTRACT OF PURCHASE AND SALE.



OR ALL CONDITIONS HAVE BEEN REMOVED AND THIS CONTRACT IS NOW UNCONDITIONAL.

WITNESS TO BUYER(S) SIGNATURE

DATE

WITNESS TO SELLER(S) SIGNATURE

DATE

(BUYER) Derrick Davies
 (BUYER) Romsper Investment Corporation
 (SELLER) Romsper Investment Corporation

B. APPOINTMENT OF CONVEYANCER

THE BUYER HEREBY APPOINTS T.B.A OF _____
 TO COMPLETE ALL NECESSARY LEGAL AND CONVEYANCING DOCUMENTS ON THEIR BEHALF

WITNESS TO BUYER(S) SIGNATURE Derrick Davies (BUYER) Derrick Davies

DATE 9 March 2011 (BUYER)

THE SELLER HEREBY APPOINTS _____ OF _____

TO COMPLETE ALL NECESSARY LEGAL AND CONVEYANCING DOCUMENTS ON THEIR BEHALF

WITNESS TO SELLER(S) SIGNATURE Romsper Investment Corporation (SELLER) Romsper Investment Corporation

DATE _____ (SELLER)



REMOVAL OF "SUBJECT TO CLAUSE" AND APPOINTMENT OF CONVEYANCER



PAGE 2 OF 2 PAGE

ADDRESS OF PROPERTY: 1277 Trans Canada Highway Sorrento V0B 2W0
 P.I.D.: 008-545-944 DATE OF CONTRACT January 28, 2011
 BUYER: Derrick Davies and/or Nominee SELLER: Ronspen Investment Corporation

A. REMOVAL/WAIVER OF "SUBJECT TO CLAUSE"

WITH REFERENCE TO THE ABOVE THE SUBJECT TO CLAUSE(S) AS NOTED BELOW, IS/ARE REMOVED/WAIVED. THERE SHALL REMAIN OF THE ESSENCE.

Subject to the Buyer obtaining independent legal advice, at the Buyer's expense, within 30 days of Seller acceptance. This condition is for the sole benefit of the Buyer.

Subject to a new first mortgage being made available to the Buyer within 30 days of court approval, in the amount of \$520,000 at an interest rate not to exceed 10.5% per annum calculated half-yearly, not in advance, with a 35-year amortization period, 5-year term and repayable in blended payments of approximately \$4,581.02 per month including principal and interest (plus 1/12 of the annual taxes, if required by the mortgagee). This condition is for the sole benefit of the Buyer.

THE PARTIES AGREE THAT: (PLEASE INITIAL APPROPRIATE SET OF BOXES)



ADDITIONAL SUBJECT CLAUSE(S) REMAIN IN EFFECT ON THIS CONTRACT OF PURCHASE AND SALE.



OR ALL CONDITIONS HAVE BEEN REMOVED AND THIS CONTRACT IS NOW UNCONDITIONAL

WITNESS TO BUYER(S) SIGNATURE B. Davies

(BUYER) X D. Davies

DATE 9 MARCH 2011

(BUYER) X D. Davies

WITNESS TO SELLER(S) SIGNATURE

(SELLER) X M. Davies

DATE

(SELLER) X M. Davies

B. APPOINTMENT OF CONVEYANCER

THE BUYER HEREBY APPOINTS T.B.A OF

TO COMPLETE ALL NECESSARY LEGAL AND CONVEYANCING DOCUMENTS ON THEIR BEHALF.

WITNESS TO BUYER(S) SIGNATURE B. Davies

(BUYER) X D. Davies

DATE 9 MARCH 2011

(BUYER) X Ronspen Investment Corporation

THE SELLER HEREBY APPOINTS _____ OF

TO COMPLETE ALL NECESSARY LEGAL AND CONVEYANCING DOCUMENTS ON THEIR BEHALF.

WITNESS TO SELLER(S) SIGNATURE

(SELLER) X M. Davies

DATE

(SELLER) X Ronspen Investment Corporation



CONTRACT OF PURCHASE AND SALE AMENDMENT

Multiple Listing
Service®

Page 1 of 1 pages

M.L.S. No. 10016700

DATE: March 9, 2011

RE: ADDRESS 1277 Trans Canada Highway

V0R 2W0

FURTHER TO THE CONTRACT OF PURCHASE AND SALE DATED January 28, 2011MADE BETWEEN Romagen Investment Corporation

AS SELLER, AND

Derrick Davies and/or Nominee

AS BUYER AND COVERING

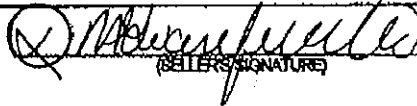
THE ABOVE MENTIONED PROPERTY, THE UNDERSIGNED HEREBY AGREE AS FOLLOWS:

"FOR GOOD AND VALUABLE CONSIDERATION"

The Seller hereby confirms that it will apply for a vesting order, the terms of which will include: a) the discharge of the lease currently registered on title; and b) vacant possession to the purchaser.

ALL OTHER TERMS AND CONDITIONS CONTAINED IN THE SAID AGREEMENT REMAIN THE SAME AND IN FULL FORCE AND EFFECT. TIME SHALL REMAIN OF THE ESSENCE.

(WITNESS TO SELLER'S SIGNATURE)


(SELLER'S SIGNATURE)

(WITNESS TO SELLER'S SIGNATURE)


(WITNESS TO BUYER'S SIGNATURE)

(WITNESS TO BUYER'S SIGNATURE)


(BUYER'S SIGNATURE)

(WITNESS TO BUYER'S SIGNATURE)

(BUYER'S SIGNATURE)

Date: 23-Mar-2011 TITLE SEARCH PRINT
Requestor: (PI50365) OWEN BIRD LAW CORPORATION
Folio: 302000006 TITLE - LB196786

Time: 08:20:34
Page 001 of 002

KAMLOOPS LAND TITLE OFFICE TITLE NO: LB196786
FROM TITLE NO: CA558995

APPLICATION FOR REGISTRATION RECEIVED ON: 09 MAY, 2008
ENTERED: 14 MAY, 2008

REGISTERED OWNER IN FEE SIMPLE:
0726028 B.C. LTD., INC.NO. BC0726028
243 - 7080 RIVER ROAD
RICHMOND, BC
V6X 1X5

TAXATION AUTHORITY:
VERNON ASSESSMENT AREA

DESCRIPTION OF LAND:
PARCEL IDENTIFIER: 003-654-770
LOT 6 SECTION 16 TOWNSHIP 22 RANGE 11 WEST OF THE 6TH MERIDIAN KAMLOOPS
DIVISION YALE DISTRICT PLAN 31558

LEGAL NOTATIONS: NONE

CHARGES, LIENS AND INTERESTS:

NATURE OF CHARGE

CHARGE NUMBER DATE TIME

MORTGAGE

LB222554 2008-07-22 09:31

REGISTERED OWNER OF CHARGE:

OLYMPIA TRUST COMPANY

INCORPORATION NO. A0050545

LB222646

REMARKS: INTER ALIA

ASSIGNMENT OF RENTS

LB222555 2008-07-22 09:31

REGISTERED OWNER OF CHARGE:

OLYMPIA TRUST COMPANY

INCORPORATION NO. A0050545

LB222647

REMARKS: INTER ALIA

TAXATION (RURAL AREA) ACT LIEN

LB414128 2010-10-19 11:51

REGISTERED OWNER OF CHARGE:

THE CROWN IN RIGHT OF BRITISH COLUMBIA

LB414128

This is Exhibit "C" referred to in the
affidavit of L. Grillandini
sworn before me at Vancouver
this 28 day of March 2011

"CAUTION - CHARGES MAY NOT APPEAR IN ORDER OF PRIORITY. SEE SECTION 28, L.T.A."

DUPLICATE INDEFEASIBLE TITLE: NONE OUTSTANDING

TRANSFERS: NONE

PENDING APPLICATIONS: NONE

Date: 23-Mar-2011 TITLE SEARCH PRINT
Requestor: (PI50365) OWEN BIRD LAW CORPORATION
Folio: 302000006 TITLE - LB196786

Time: 08:20:34
Page 002 of 002

*** CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN ***

Date: 23-Mar-2011 TITLE SEARCH PRINT
Requestor: (PI50365) OWEN BIRD LAW CORPORATION
Folio: 302000006 TITLE - LB196785

Time: 08:19:52
Page 001 of 002

KAMLOOPS LAND TITLE OFFICE TITLE NO: LB196785
FROM TITLE NO: KX74252

APPLICATION FOR REGISTRATION RECEIVED ON: 09 MAY, 2008
ENTERED: 14 MAY, 2008

REGISTERED OWNER IN FEE SIMPLE:
0726028 B.C. LTD., INC.NO. BC0726028
243 - 7080 RIVER ROAD
RICHMOND, BC
V6X 1X5

TAXATION AUTHORITY:
VERNON ASSESSMENT AREA

DESCRIPTION OF LAND:
PARCEL IDENTIFIER: 008-545-944
LOT 1 SECTION 16 TOWNSHIP 22 RANGE 11 WEST OF THE 6TH MERIDIAN KAMLOOPS
DIVISION YALE DISTRICT PLAN 16715

LEGAL NOTATIONS: NONE

CHARGES, LIENS AND INTERESTS:
NATURE OF CHARGE
CHARGE NUMBER DATE TIME

LEASE

KT107849 2002-10-01 11:57
REGISTERED OWNER OF CHARGE:
652853 B.C. LTD.
INCORPORATION NO. 652853
KT107849

REMARKS: PART OF THE BASEMENT AND PART OF THE FIRST
FLOOR OF A TWO STROEY BUILDING SHOWN ON
PLAN KAP71953
MODIFIED BY KX73323

MODIFICATION

KX73323 2005-06-09 11:08
REMARKS: MODIFICATION OF KT107849

MORTGAGE

LB222554 2008-07-22 09:31
REGISTERED OWNER OF CHARGE:
OLYMPIA TRUST COMPANY
INCORPORATION NO. A0050545
LB222646
REMARKS: INTER ALIA

ASSIGNMENT OF RENTS

LB222555 2008-07-22 09:31
REGISTERED OWNER OF CHARGE:
OLYMPIA TRUST COMPANY
INCORPORATION NO. A0050545
LB222647

This is Exhibit " D " referred to in the
affidavit of
sworn before me at
this day of , 20.....

Date: 23-Mar-2011 TITLE SEARCH PRINT
Requestor: (PI50365) OWEN BIRD LAW CORPORATION
Folio: 302000006 TITLE - LB196785

Time: 08:19:52
Page 002 of 002

REMARKS: INTER ALIA

TAXATION (RURAL AREA) ACT LIEN
LB414127 2010-10-19 11:51
REGISTERED OWNER OF CHARGE:
THE CROWN IN RIGHT OF BRITISH COLUMBIA
LB414127

"CAUTION - CHARGES MAY NOT APPEAR IN ORDER OF PRIORITY. SEE SECTION 28, L.T.A."

DUPLICATE INDEFEASIBLE TITLE: NONE OUTSTANDING

TRANSFERS: NONE

PENDING APPLICATIONS: NONE

*** CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN ***

44
 12-4-03
 055
 (31)

LAND TITLE ACT
FORM C
 (Section 233)

-1 OCT 2002 11 57

KT107849

Province of
 British Columbia

LAND TITLE OFFICE
 KAMLOOPS

GENERAL INSTRUMENT - PART 1 (This area for Land Title Office use)

PAGE 1 of 13

1. APPLICATION: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)

Linda Higgins,
CASSADY & COMPANY (Client No. 010424)
 Barristers and Solicitors
 330 - 522 Seventh St, New Westminster, BC V3M 5T5
 Telephone: (604) 523-7090 File: 12032

Linda Higgins

Signature of applicant, applicant's solicitor or agent

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:*

008-545-944

KR 339546

Lot 1 Section 16 Township 22 Range 11 West of the 6th meridian
 Kamloops Division Yale District Plan 16715 /

3. NATURE OF INTEREST:*

DESCRIPTION

DOCUMENT REFERENCE
 (page and paragraph)

PERSON ENTITLED TO INTEREST

Lease
 Option to Renew

Pages 3 to 13
 Page 13, paragraph 7.06

Transferee
 Transferee

4. TERMS: Part 2 of this instrument consists of (select one only)

- (a) Filed Standard Charge Terms
 (b) Express Charge Terms
 (c) Release

- ☐ D.F. No.
☒ Annexed as Part 2
☐ There is no Part 2 of this instrument

01 02/10/01 11:58:38 01 KL 56375
 CHARGE \$53.00

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in Item 3 is released or discharged as a charge on the land described in Item 2.

5. TRANSFEROR(S):*

✓ **JEONG-HEON CHOI and BOK JIN CHOI**, both of 1277 Trans Canada Highway, Sorrento, British Columbia, V0E 2S0

6. TRANSFEREE(S): (including postal address(es) and postal code(s))*

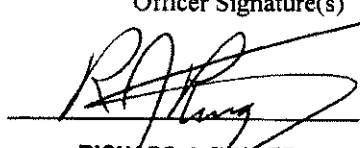
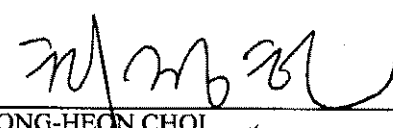
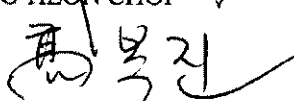
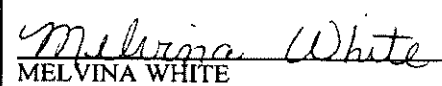
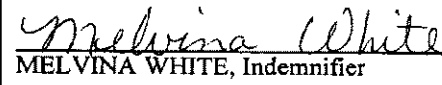
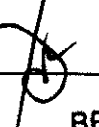
✓ **652853 B.C. LTD.** (652853), 330-522 Seventh Street, New Westminster, British Columbia, V3M 5T5

This is Exhibit "E" referred to in the
 affidavit of L. Grillo
 sworn before me at Vancouver
 this 28 day of March, 2011

KAMLOOPS
 AGENT
 Gillespie Renkema
 Barnett Broadway

7. **ADDITIONAL OR MODIFIED TERMS:***
N/A

8. **EXECUTION(S):** This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)	Execution Date			Party(ies) Signature(s)
	Y	M	D	
 RICHARD J. FINGER Notary Public Box 279 Salmon Arm, BC V1E 4N3 Phone: 832-3125	02	09	27	 JEONG-HEON CHOI  BOK JIN CHOI 652853 B.C. LTD. by its authorized signatory  MELVINA WHITE  MELVINA WHITE, Indemnifier  KENNETH BRENT WHITE, Indemnifier
(as to both signatures)  BRIAN J. OMICHINSKI Barrister & Solicitor 330 - 522 7th Street New Westminster, B.C. V3M 5T5 Phone 523-7090	02	09	26	
 BRIAN J. OMICHINSKI Barrister & Solicitor 330 - 522 7th Street New Westminster, B.C. V3M 5T5 Phone 523-7090	02	09	26	
(as to both signatures)				

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c. 124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

TERMS OF INSTRUMENT

THIS INDENTURE made as of the 1st day of October , 2002

IN PURSUANCE OF THE "LAND TRANSFER FORM ACT"

BETWEEN:

JEONG-HEON CHOI and BOK JIN CHOI, both of 1277 Trans Canada Highway,
Sorrento, British Columbia V0E 2S0,

(hereinafter called "the Lessor")

OF THE FIRST PART

AND:

652853 B.C. LTD, a company duly incorporated under the laws of the Province of British
Columbia and having its registered office at 330 - 522 Seventh Street, New Westminster,
B.C. V3M 5T5,

(hereinafter called "the Lessee")

OF THE SECOND PART

AND:

MELVINA WHITE, Businesswoman, of PO Box 609, 2350 Voght Street, Merritt, B.C.
V1K 1B8,
and
KENNETH BRENT WHITE, Businessman, of 2605 Summit Drive, Blind Bay, B.C.
V0E 1H1,

("hereinafter called "the Indemnifiers")

OF THE THIRD PART

WITNESSETH that in consideration of the rents, covenants and agreements hereinafter
reserved and contained, the parties hereto covenant and agree as follows:

ARTICLE 1
DEMISED LANDS AND PREMISES

1.01 The Lessor HEREBY DEMISES AND LEASES unto the Lessee approximately 282.5 square metres of the main floor and basement more particularly described on Reference Plan KAP 71953 (herein called "the Premises") being commonly known as "the Billabong Pub" within a building located on land commonly known as 1277 Trans Canada Highway, Sorrento, British Columbia, more particularly known and described as:

Parcel Identifier: 008-545-944
Lot 1 Section 16 Township 22 Range 11 West of the 6th Meridian Kamloops
Division Yale District Plan 16715

1.02 In addition thereto, the Lessor does hereby grant and demise to the Lessee, for the Lessee and all persons wishing lawful access to the Premises, the right of access and egress to and from the Premises.

ARTICLE 2
TERM

2.01 TO HAVE AND TO HOLD the Premises for and during the term of THIRTY-ONE (31) months (herein called "the Term") to be computed from October 1, 2002 until April 30, 2005, at the rental hereinafter covenanted to be paid by the Lessee.

ARTICLE 3
RENT

3.01 Yielding and paying therefor during the Term rent as follows:

- (a) from October 1, 2002 to April 30, 2003, the sum of \$3,825.00 per month, plus goods and services tax;
- (b) from May 1, 2003 to April 30, 2005, the sum of \$3,925.00 per month, plus goods and services tax.

3.02 The Tenant shall pay such monthly rent in advance, and further shall pay the sum of \$3,925.00 upon execution of this Lease, to be applied to the rent for the last month of the Term.

ARTICLE 4

LESSEE'S COVENANTS

The Lessee covenants with the Lessor as follows:

4.01 To pay rent.

4.02 To take out and maintain, in the names of the Lessee and the Lessor as to their respective interests, public liability and property damage insurance with respect to the Premises and the Lessee's use of the Premises and which coverage shall include the activities and operations conducted by the Lessee and any other person on the Premises. Such policies shall be written on a comprehensive basis with limits of not less than \$3,000,000.00 for bodily injury or property damages and shall otherwise be in a form and taken out with insurers acceptable to the Lessor. If the Lessee shall at any time fail to insure or keep insured as provided or to deliver proof thereof and evidence of payment of premiums when requested by the Lessor, the Lessor may, at its option, itself do all thing necessary to effect and maintain such insurance and the Lessee shall pay to the Lessor on demand, such sums of money which the Lessor may expend in effecting or maintaining such insurance.

4.03 That the Lessee will not use the premises nor allow the Premises to be used for any other purpose than that for which the Premises are hereby leased, namely as a neighbourhood pub, or such other

use as the Lessor may approve, which approval shall not be unreasonably withheld.

4.04 To repair the Premises, reasonable wear, tear and damage by fire, lightning, tempest and structural defect or act of God excepted.

4.05 To permit the Lessor or its duly authorized nominee at all reasonable times to enter upon the Premises for the purpose of examining the state and condition and use thereof, and to permit such entry after the Lessor shall have delivered 24 hours notice in writing to the Lessee of such intended entry and examination and upon notice in writing of defect or want of repair being given to the Lessor by the Lessee, to cause same to be repaired within three months of the delivery of such notice.

4.06 To restore forthwith at the Lessee's expense, any broken or damaged plate glass on the Premises from time to time.

4.07 Not to do, suffer or permit any act or neglect which may in any manner, directly or indirectly, cause any injury to the Premises or to the building of which the Premises form a part or to any fixture or appurtenance thereof or which may be or become a nuisance or interference with the quiet enjoyment of any of the occupants of the said building.

4.08 Not to do or permit anything to be done whereby any policy of insurance on the said building or any part thereof may become void or voidable or whereby the premium thereon may be increased.

4.09 Not to assign or sublet without the Lessor's consent in writing, such consent not to be unreasonably or arbitrarily withheld to a respectable, financially responsible and reasonable person or body corporate.

4.10 To keep the Premises free of rubbish and debris at all times and to provide proper receptacles for waste and rubbish.

- 4.11 To maintain and keep clean at the Lessee's expense, all light fixtures on the Premises.
- 4.12 To abide by and comply with all laws, rules and regulations of every municipal or other authority which in any manner relate to or affect the business or profession of the Lessee or the use of the Premises by the Lessee and to save harmless the Lessor from all costs, charges, or damages to which the Lessor may be put or suffer by reason of the breach by the Lessee of any such law, rule or regulation.
- 4.13 That the Lessee will indemnify and save the Lessor harmless from and against any and all manner of actions or causes of action, damages, costs, loss or expense of whatsoever kind which the Lessor may sustain, incur or be put to by reason of or arising out of this Lease, or from the use or occupation of the Premises by the Lessee.
- 4.14 To pay at the same time as any installment of rent, an amount equal to the goods and services tax that the Lessor is required to collect and remit thereon.

ARTICLE 5

LESSOR'S COVENANTS

The Lessor covenants with the Lessee as follows:

- 5.01 For quiet enjoyment.
- 5.02 To place and maintain insurance against fire and other risks as are included in a Standard Fire and Extended coverage insurance contract, in an amount equal to the full replacement value of the building, and to provide the Lessee upon its written request and at its expense, a certified copy of same.
- 5.03 To repair the foundations, sub-floor, exterior walls, and roof of the Premises and the building and to make any repairs required due to latent defects.

5.04 To pay and discharge as they become due all taxes (including local improvement rates), rates, duties and assessments that may be assessed against the Premises or any part of them and every other tax, charge, rate, assessment or payment which may become a charge or encumbrance upon or levied or collected upon or in respect of the Premises or any part of them, whether charged by any municipal, parliamentary or other body during the term, and to pay as they become due all charges for public utilities including water, gas, electrical power, energy, steam and hot water, used in the Premises and for fittings, machines, apparatus, meters or other things leased in respect of them.

5.05 To heat and aircondition the Premises in a reasonable manner at its own expense.

5.06 To keep the Premises insured during the term against loss or damage by fire, lightning, explosion, sprinkler leakage and standard supplementary perils. The insurance to be carried in an amount of not less than Ninety (90%) percent of the replacement value of the Premises. Premiums for all insurance shall be payable by the Lessor, and all loss thereunder shall be payable to the Lessor. If the Lessor fails to keep insured as provided in this paragraph, the Lessee may effect insurance at the cost and expense of the Lessor, and sums expended for the insurance by the Lessee shall be deducted from the rent due on the next succeeding payment date.

5.07 To permit the Lessee with the consent of the Lessor, such consent not to be unreasonably withheld, to make alterations, additions, and improvements to the Premises at the expense of the Lessee which will, in the opinion of the Lessee, better adapt the Premises to the purposes of its business; provided however, that the alterations, additions and improvements shall not impair the structural strength of the building. Any such additions shall be the property of the Lessor upon determination or cancellation or non renewal of this lease. All fixtures, whether trade fixtures or otherwise, attached to the Premises by the Lessee shall remain the property of the Lessee, and upon or at any time before the termination of this lease, shall be removed from the Premises by the Lessee; provided further that if any injury or damage is caused to the Premises by removal of the fixtures, the Lessee shall forthwith cause the injury or damage to be repaired at its expense and if the Lessee does not make the repairs or cause them to be made promptly, they may be made by the Lessor for the account of the Lessee.

5.08 To permit the Lessee to use the kitchen located in the restaurant adjoining the Premises without charge when the restaurant is not in operation, so that the Lessee may provide food services to its patrons. The Lessee and the restaurant operator will be responsible to make a satisfactory arrangement for food and alcoholic beverage services. The restaurant operator must provide food services for Premises, and the Lessee must provide alcoholic beverages for the restaurant provided both parties are in agreement.

ARTICLE 6

MUTUAL COVENANTS, AGREEMENTS AND PROVISOS

6.01 Installations

That all articles of personal property and all business and trade fixtures, machinery and equipment, cabinet work and furniture owned or installed by the Lessee at the expense of the Lessee in the Premises, shall remain the property of the Lessee and may be removed by the Lessee at any time during the Term, provided that the Lessee, at its expense, shall repair any damage to the premises or the building in which the premises form a part, caused by such removal or the original installation. The Lessor may elect to require the Lessee to remove all or any part of the aforescribed property at the expiration or cancellation of this Lease in which event, such removal shall be done at the Lessee's expense and the Lessee shall, at its expense, repair any damage to the Premises or the said building caused by such removal. If the Lessee does not remove its property forthwith after written demand by the Lessor such property shall if the Lessor elects, be deemed to become the Lessor's property or the Lessor may remove the same at the expense of the Lessee, the cost of such removal to be paid by the Lessee forthwith to the Lessor on written demand, and the Lessor shall not be responsible for any such loss or damage to such property because of such removal.

6.02 Signage

That the Lessee shall have the right to install and maintain at the Lessee's expense and subject to the Lessor's approval, such approval not to be unreasonably withheld, suitable signs to advertise the Lessee's business and occupation of the Premises.

6.03 Damage and Destruction

If the Premises shall be damaged by fire or water or other casualty so as to render the Premises or any part thereof unfit for occupancy, the rent hereby reserved or any proportionate part thereof, according to the nature and extent of the damage sustained, shall be suspended and abated until the Premises shall have been rebuilt and made fit for the purposes of the Lessee, or if the Premises shall be so badly damaged that in the reasonable opinion of the Lessor, diligently undertaken repairs cannot be completed within one hundred eighty (180) days from the happening of such damage (and the Lessor shall advise the Lessee whether it proposes to repair or not within thirty (30) days from the happening of such damage) this Lease may be terminated by either the Lessor or the Lessee by giving the other, within thirty-five (35) days of the happening of such damage, twenty-one (21) days written notice to that effect, in which event the Lessee shall immediately surrender the Premises and interest therein to the Lessor and this Lease shall become null and void and in which event, the Lessee shall pay rent only to the time of such surrender.

6.04 Non Waiver

That the failure of either party to insist upon the strict performance of any covenant or condition contained in this Lease or to exercise any right or option hereunder, shall not be construed as a waiver or relinquishment in the future of any such covenant, condition, right or option. The acceptance of any rent or the performance of any obligation hereunder by a person other than the Lessee, shall not be construed as an admission by the Lessor of any right, title or interest or such person as a sub-lessee, assignee, transferee or otherwise in the place and stead of the Lessee.

6.05 Holdover

That if the Lessee shall holdover after the expiration of the Term granted and the Lessor shall accept rent, the tenancy thereby created shall be deemed a monthly tenancy and not a yearly tenancy and shall be subject to the covenants and conditions herein contained insofar as the same are applicable to a tenancy from month to month.

6.06 Notices

That any notice required or contemplated by any provision of this Lease or which the Lessor or Lessee may desire to give to the other, shall be sufficiently given by personal delivery or by registered letter, postage prepaid and mailed to the party at the address on the face page of this Lease or at such other address as either party may notify the other of in writing during the Term, and any such notice shall be effective as of the day of such personal delivery or as of the day following the date of such posting as the case may be.

6.07 Gross Rent Lease

That this Lease shall be a gross rent lease such that the Lessor shall pay for its own account, and without any variation, set off or deduction, all costs, expenses, rates, taxes and charges in any way relating to the land and building of which the Premises form a part.

6.08 Distress

Whensoever the Lessor is entitled to levy distress against the goods and chattels of the Lessee, it may use such reasonable forces it may deem necessary for that purpose for gaining admittance to the Premises without being liable to any action in respect thereof, or for any loss or damage occasioned thereby, and the Lessee hereby expressly releases the Lessor from any and all manner of actions, proceedings, claims and demands whatsoever for or on account of or in respect of any such forcible entry or any loss or damage sustained by the Lessee in connection therewith.

6.09 Default or Bankruptcy of Lessee

If the Lessee becomes insolvent or bankrupt or makes an assignment for the benefit of creditors or, being an incorporated company, proceedings are commenced to wind up the said company, or in the event of the non-payment of rent at the times herein provided, or of the breach of any other covenant or agreement on the part of the Lessee hereunder, or if the Premises or any part thereof become

vacant and unoccupied for a period of thirty (30) days or are used by any other person or persons or for any purpose than as hereinbefore provided without the written consent of the Lessor, this Lease will, at the option of the Lessor, cease and be void, and the term hereby created will expire and be at an end, anything herein to the contrary notwithstanding, and the then current rent and three month's additional rent will thereupon immediately become due and payable, and the Lessor may re-enter and take possession of the Premises as though the Lessee or its servants or other occupant or occupants of the Premises were holding over after the expiration of the said Term, and the Term will be forfeited and void.

ARTICLE 7

ADDITIONAL COVENANTS

- 7.01 Time shall be of the essence hereof.
- 7.02 This Lease shall be construed and governed by the laws of the Province of British Columbia.
- 7.03 The Lessor shall provide and deliver this Lease to the Lessee in a form suitable for registration under the Land Title Act.
- 7.04 Whenever pursuant to the terms of this Lease any matter is to be determined by arbitration, that matter shall be determined and settled by a single arbitrator pursuant to the provisions of the Commercial Arbitration Act of the Province of British Columbia. The parties agree to submit the matter to arbitration to be held in the Province of British Columbia and in accordance with the provisions of the said Act, and the decision of any arbitrator duly appointed pursuant to the said Act shall be final and binding upon the parties hereto. The cost of any such arbitration shall be borne equally by the parties hereto.
- 7.05 Interest on any money due to the Lessor hereunder shall accrue at a rate of 2% per annum over the prime commercial lending rate of the Royal Bank of Canada, Vancouver, British Columbia, calculated and compounded monthly from the due date of payment of such money.

7.06 Option to Renew

The Lessor further covenants with the Lessee that if the Lessee pays the rent herein reserved and observes and performs the covenants, provisos and agreements herein contained on its part to be paid, observed and performed, then the Lessee shall be entitled upon giving to the Lessor notice in writing of not less than three (3) months prior to the expiration of the Term, to a renewal of this Lease for a further term of five (5) years on the same terms and conditions as are herein set forth but excluding this Article 7.06 and save and except that the rent for the renewal term shall be that as agreed by the parties, and failing agreement by the parties on such rent within two (2) months prior to the expiration of the Term, the rent shall be determined by arbitration.

**ARTICLE 8
INDEMNITY**

8.01 The Indemnifiers jointly and severally covenant and agree:

- (a) to make the due payment of all rent payable under the Lease in accordance with the terms of the Lease and any renewals, extensions, or continuations thereof or overholding thereunder;
- (b) to effect complete performance of all and singular the terms, covenants, conditions and provisions in the Lease contained on the part of the Tenant to be kept, observed and performed during the original Term and any renewals, extensions or continuations thereof or overholding thereunder, strictly in accordance with the terms of the Lease; and
- (c) to indemnify and save harmless the Landlord from any loss, costs or damages arising out of any failure to perform any of the aforesaid terms, covenants, conditions and provisions in the Lease on the part of the Tenant to be kept, observed and performed.

44

LAND TITLE ACT
Form 11(a)
(Section 99(1)(e), (j) and (k))

**APPLICATION FOR DEPOSIT OF REFERENCE OR EXPLANATORY
PLAN (CHARGE)**

I, DANIELA BRAIDA, LAND AGENT, GILLESPIE RENKEMA BARNETT BROADWAY, 200 - 121 ST PAUL STREET, KAMLOOPS, B.C., on behalf of **652853 B.C. LTD., (INC. 652853), 330 - 522 SEVENTH STREET, NEW WESTMINSTER, B.C., V3M 5T5**, the owners of a registered charge (or agent of the owner of a registered charge) (full name, address, occupation) apply to deposit reference/explanatory plan of:

**LEASE OF PART OF THE BASEMENT AND PART OF THE FIRST FLOOR OF A
TWO STOREY BUILDING WITH BASEMENT SITUATED ON LOT 1, PLAN 16715,
SECTION 16, TOWNSHIP 22, RANGE 11, W6M, K.D.Y.D.**

I enclose:

ASSIGNED PLAN NO.

KAP 71953

1. The reference/explanatory plan.
2. The reproductions of the plan required by section 67(s).
3. Fee of \$ 50.00.

01 02/10/01 11:58:43 01 KL
S/S/OT PLANS

563375
\$50.00

Dated the 30th day of September, 2002.

Dmaide
AUTHORIZED AGENT

- NOTE: (i) Under Section 67(u) the following reproductions of the plan must accompany this application:
- (a) one blue linen original (alternatively white linen or original transparency).
 - (b) one duplicate transparency.
 - (c) one whiteprint is required as a worksheet for the land title office.
- (ii) The following further requirements may be necessary:
- (a) If the parent property is in an Agricultural Land Reserve, a release is required unless the parent property is less than 2.0 acres (app. 0.8094 hectares) or where, for permitted uses, an approving officer has signed the plan under section 1(1)(a) and (b) of the Subdivision and Land Use Regulations (B.C. Reg. 7/81) under the **Agricultural Land Commission Act**.
 - (b) Where a notice respecting a grant under the **Home Purchase Assistance Act** is endorsed on title, an extra white print must accompany the application, unless the Ministry of Lands, Parks and Housing agrees otherwise in writing. This extra print must contain the following endorsement:
"The eligible residence as defined by the **Home Purchase Assistance Act** is located on lot _____ created by this plan.
- B.C.L.S. or solicitor for owner"
- (c) Controlled access approval must be evident on the plan where parent property adjoins a highway that is designated as a controlled access highway.
 - (d) Where the plan refers to a restrictive covenant to be made under section 219, the instrument containing the covenant must be tendered with the plan.

(45)

-9 JUN 2005 11 08

KX073323

064.75
2**LAND TITLE ACT
FORM C**

(Section 219.81)

Province of
British Columbia01 05/06/09 11:11:55 01 KL 836934
CHARGE \$64.75**GENERAL INSTRUMENT - PART 1**

(This area for Land Title Office use)

PAGE 1 of 3

APPLICATION: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)

Client #10570

~~Linda Higgins, Legal Assistant~~ Sivertz, Kiehlbauch & Zachernuk~~CASSADY & COMPANY~~ (Cassidy & Company)

Barristers and Solicitors

P.O. Box 190, Salmon Arm, B.C., V1E 4N3

~~330-522 Seventh St, New Westminster, BC V3M 5T5~~~~Telephone (604) 533-7090~~ File #C167-05

Signature of applicant, applicant's solicitor or agent

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:*
- (PID) (LEGAL DESCRIPTION)

✓ 008-545-944 Lot 1 Section 16 Township 22 Range 11 West of the 6th meridian, KDYD Plan 16715

3. NATURE OF INTEREST:*
- DESCRIPTION

DOCUMENT REFERENCE
(page and paragraph)

PERSON ENTITLED TO INTEREST

Modification of
Lease No. KT107849~~Entire~~
Entire Instrument

Lessee

4. TERMS: Part 2 of this instrument consists of (select one only)

(a) Filed Standard Charge Terms

☐ D.F. No.

(b) Express Charge Terms

☒ Annexed as Part 2

(c) Release

☐ There is no Part 2 of this instrument

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in Item 3 is released or discharged as a charge on the land described in Item 2.

5. ✓ LESSOR: TRANSFEROR:

✓ VIC DOUGLAS HOLDINGS LTD. (109876), of 1277 Trans Canada Highway, Sorrento, B.C. V0E 2W0

6. ✓ LESSEE: TRANSFEREE:

652853 B.C. LTD. (0652853), 330-522 Seventh Street, New Westminster, B.C. V3M 5T5

This is Exhibit " F " referred to in the
affidavit of L. Grilbaini
sworn before me at Vancouver
this 28 day of March, 2011.

(46)

7. ADDITIONAL OR MODIFIED TERMS:*
N/A

8. EXECUTION(S): This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Execution Date

Officer Signature(s)



CHERRY INGLIS, Notary Public
102 - 2101 Nicola Avenue
R.Q. Box 999, Merritt, BC V1K 1S6
Tel : (250) 378-4208
Fax : (250) 378-2767

(as to the signature of
652853 B.C. Ltd.)

Y

M

D

05

05

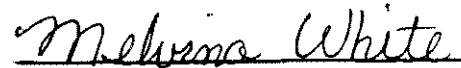
06

Party(ies) Signature(s)

~~XXXXXXXXXXXXXXXXXXXX~~
~~VIC DOUGLAS HOLDINGS LTD.~~
~~XXXXXXXXXXXXXXXXXXXX~~
by its authorized signatory:

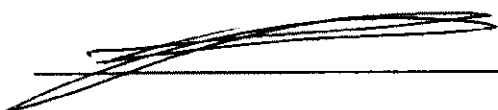
Print Name:

652853 B.C. LTD. by its authorized
signatory:


MELVINA WHITE

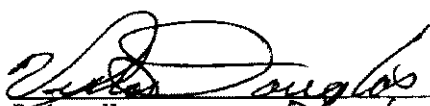
VIC DOUGLAS HOLDINGS LTD.

By its authorized signatory:



LORNE D. KIEHLBAUCH
BARRISTER & SOLICITOR
P.O. Box 190, Salmon Arm, BC V1E 4N3

05 05 18


Print Name: Vic Douglas

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

TERMS OF INSTRUMENT

WHEREAS:

- A. By Lease Agreement bearing dated October 1, 2002, and registered in the Kamloops Land Title Office under number KT107849 on October 1, 2002, the Lessor did lease and demise the premises therein defined upon the terms and conditions therein set out (the "Lease");
- B. The Lease contains an option to renew, granting to the Lessee a further term of five years, which the Lessee has exercised;
- C. The parties have agreed to modify the Lease on the terms and conditions hereinafter set out.

NOW THEREFORE, the parties agree as follows:

- 1. The Lessor acknowledges and agrees that the Lessor has exercised its option to renew the Lease, in accordance with its terms.
- 2. The Lease is amended as follows:
 - (a) the term of the Lease shall be five (5) years from and after May 1, 2005 until April 2010, and paragraph 2.01 is amended accordingly;
 - (b) paragraph 3.02 is amended to read as follows:

"The Tenant shall pay monthly rent in the amount of \$3,925.00 in advance."
 - (c) paragraph 5.08 is amended to read:

"To permit the Lessee to use the kitchen located in the restaurant adjoining the Premises without charge, so that the Lessee may and can provide food services to its patrons, and for all purposes the said kitchen shall be considered part of the demised premises."
 - (d) paragraph 7.06 is deleted.
 - (e) the following be added as clause 4.5:

"This Lease is subordinate to every mortgage and the Lessee will subordinate this Lease to every mortgage that comes into being after the date of this Lease and will execute promptly and in registerable form a document in confirmation of the subordination if requested by the Landlord, in which the Lessee will also agree with the mortgagee that if the mortgagee becomes a mortgagee in possession or takes action to realize the security of the mortgage, the Lessee will attorn to the mortgagee as a tenant upon all the terms of this Lease but only if the mortgagee agrees in writing to accept the attornment and permit the Lessee, if not in default, to continue in occupation of the Premises until termination of the Lease. The Lessee appoints the Lessor its agent or attorney (at the Lessor's option) to execute the documents referred to in this clause."
- 3. The parties confirm and ratify the Lease as amended.
- 4. This Agreement shall enure to the benefit of and be binding upon the parties hereto, and their respective successors and permitted assigns.

END OF DOCUMENT

This is Exhibit "G" referred to in the
affidavit of L. Grillandini.....
sworn before me at Vancouver.....
this 28 day of March, 2011.
.....

(49)

2 JUL 2008 09 31

LB0222555

22 JUL 2008 09 31

C-66.15 (m)
C-LB0222554

LAND TITLE ACT

FORM B

(Section 219(1))

Province of

British Columbia

TZ 08/07/22 09:35:51 01 KL

056269

CHARGE

132.30

MORTGAGE - PART 1

(This area for Land Title Office use)

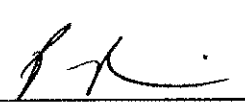
PAGE 1 of 3 pages

1. APPLICATION: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)

Schinnour Matkin & Baxter, Barristers & Solicitors

A, 5799 - 3rd Street SE, Calgary, Alberta T2H 1K1

(403) 451-8558


Philip K. Matkin, Applicant's Solicitor

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF THE MORTGAGED LAND:*

[PID]

[legal description]

003-654-770

Lot 6 Section 16 Township 22 Range 11 W6M Kamloops

Division Yale District Plan 31558

008-545-944

Lot 1 Section 16 Township 22 Range 11 W6M Kamloops

Division Yale District Plan 16715

3. BORROWER(S) (MORTGAGOR(S)): (including postal address(es) and postal code(s))*

0726028 B.C. LTD. (Inc. No. BC0726028) having an office at 243 - 7080 River Road,
Richmond, BC V6X 1X5

4. LENDER(S) (MORTGAGEE(S)): (including occupation(s), postal address(es) and postal code(s))*

MAPLES AND WHITE SANDS INVESTMENT LTD. (Inc. No. A0074217) having its
registered office at Suite A, 5799 - 3rd Street SE, Calgary, AB T2H 1K1

5. PAYMENT PROVISIONS:**

(a) Principal Amount:	(b) Interest Rate:	(c) Interest Adjustment Date:	Y	M	D
\$14,100,000.00	15% per annum	N/A			
(d) Interest Calculation Period:	(e) Payment Dates:	(f) First Payment Date:			
Quarterly	Quarterly	N/A			
(g) Amount of each periodic payment:	(h) Interest Act (Canada) Statement. The equivalent rate of interest calculated half yearly not in advance is N/A% per annum	(i) Last Payment Date:	08	09	30
N/A					
(j) Assignment of Rents which the applicant wants registered? YES ☒ NO ☐ If YES, page and paragraph number: SEE SCHEDULE	(k) Place of payment: POSTAL ADDRESS AS SHOWN IN ITEM 4	(l) Balance Due Date:	08	09	30

SUBMITTED BY: KERSHAW
KUROYAMA REGISTRY

6. MORTGAGE contains ☐ Floating charge on land? YES ☐ NO ☒	7. MORTGAGE secures a current or running account? YES ☒ NO ☐
8. INTEREST MORTGAGED: Freehold ☒ Other (specify) ☐ *	
9. MORTGAGE TERMS: Part 2 of this mortgage consists of (select one only): (a) Prescribed Standard Mortgage Terms ☒ (b) Filed Standard Mortgage Terms ☐ D F Number: (c) Express Mortgage Terms ☐ (annexed to the mortgage as Part 2) A selection of (a) or (b) includes any additional or modified terms referred to in item 10 or in a schedule annexed to this mortgage	
10. ADDITIONAL OR MODIFIED TERMS:* N/A	
11. PRIOR ENCUMBRANCES PERMITTED BY LENDER:* N/A	
12. EXECUTION(S): ** This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms	

Officer Signature(s)

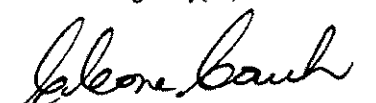
Execution Date

Borrower(s) Signature(s)

Y	M	D
08	07	18

0726028 B.C. LTD. by its
authorized signatory(ies):


Daniel L. Baxter
 Notary Public in and for the
 Province of Alberta
 A, 5799 - 3rd Street SE
 Calgary, AB T2H 1K1


 Cleone Couch

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1979, c. 116, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.

** If space insufficient, continue executions on additional page(s) in Form D.

(51)

LAND TITLE ACT
FORM ESCHEDULE

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON
THE FREEHOLD TRANSFER FORM, MORTGAGE FORM OR GENERAL DOCUMENT FORM

5. PAYMENT PROVISIONS:**

(i) **ASSIGNMENT OF RENTS**

The Mortgagor does hereby assign, transfer and set over unto the Mortgagee, all leases or rental agreements whether written or oral of the Lands or any portion thereof which are now in force or hereafter come into existence and the rentals payable thereunder and all benefits and advantages to be derived from the same, to hold and receive the same unto the Mortgagee. The Borrower and Mortgagor covenant and agree that there is no existing default under any of the said leases and agreements now in force and that the Mortgagor will perform all of its obligations under the same, that the Mortgagor will only accept the payment of rent due and payable under any of the said leases and agreements as and when it falls due under the terms thereof, and will not accept the surrender or amend or vary the same in any way whatsoever without the prior written consent of the Mortgagee. Nothing contained in this section shall be deemed to have the effect of making the Mortgagee responsible for the collection of the said rents or any part thereof, or for the performance of any covenants, terms or conditions either by the lessor or lessee contained in the said leases and agreements, and the Mortgagee shall not by virtue of this section be deemed a mortgagee in possession of the Lands. Until default shall have been made in payment of any instalment of principal or of interest as provided in this Mortgage, or until the breach of any covenants contained in this Mortgage, the Mortgagor shall be entitled to receive all rents payable under the said leases and agreements, but immediately upon default or breach aforesaid, the Mortgagee upon notice to the tenants under the said leases and agreements shall be entitled to all rents falling due subsequent to the date of service of such notice pursuant to the terms of this section.

END OF DOCUMENT

This is Exhibit "H" referred to in the
affidavit of L. Grilindisi

sworn before me at Vancouver

this 28 day of March, 2011

(53)

19 OCT 2010 11 51

LB414127

Form 17
(Section 154, 155 (1), 241)
Application

TAXL
(13)

DEBTOR: 0726028 B C LTD

NATURE OF CHARGE: LIEN

LEGAL DESCRIPTION: AGAINST THE INTEREST OF 0726028 B C LTD IN:

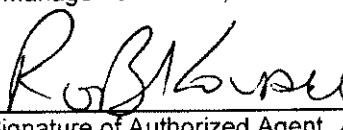
PARCEL IDENTIFIER: 008-545-944

LOT 1 SECTION 16 TOWNSHIP 22 RANGE 11 WEST OF THE 6TH MERIDIAN KAMLOOPS
DIVISION YALE DISTRICT PLAN 16715

Full name, address and telephone number of person presenting application:

Rob Kovacs, Agent for HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA, Ministry of Finance, Receivables Management Office, PO Box 9446 Stn Prov Govt,
Victoria, B.C., V8W 9V6 250
250 387 9893

Contact Person: Rob Kovacs
Telephone 250 387 9893



Signature of Authorized Agent
File Number: 23 789 09883.000 1

TAXATION (RURAL AREA) ACT LIEN FORM

TAKE NOTICE THAT, pursuant to Section 30 of the Taxation (Rural Area) Act, HER MAJESTY THE QUEEN IN RIGHT OF BRITISH COLUMBIA claims a lien and charge on the debtor's interest in the property described below, in respect to taxes, costs, and other amounts imposed under the Act. The particulars of the lien and charge claimed are as follows:

1. Full name, address and occupation of person liable to pay the tax

0726028 B C LTD
C/O CLEONE COUCH
300-808 4 AVE SW
CALGARY AB
T2P 3E8

mm 10/19/2010 11:54:14 AM 1 3
Charge 1 \$0.00

2. Legal description of the land (including parcel identifier number, if any)

AGAINST THE INTEREST OF 0726028 B C LTD IN:

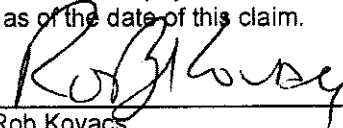
PARCEL IDENTIFIER: 008-545-944

LOT 1 SECTION 16 TOWNSHIP 22 RANGE 11 WEST OF THE 6TH MERIDIAN KAMLOOPS
DIVISION YALE DISTRICT PLAN 16715

3. Amount of lien \$ 19,238.38

AND I HEREBY CERTIFY that the amount stated above is due and payable to Her Majesty the Queen in Right of the Province of British Columbia and is unpaid as of the date of this claim.

October 14, 2010



Rob Kovacs
Agent for Administrator

This is Exhibit "I" referred to in the
affidavit of L. Grillandisi...
sworn before me at Vancouver...
this 28 day of March, 2011
.....

(55)

19 OCT 2010 11 51

LB414128

Form 17
(Section 154, 155 (1), 241)
Application

DEBTOR: 0726028 B C LTD

NATURE OF CHARGE: LIEN

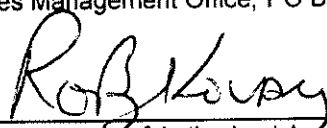
LEGAL DESCRIPTION: AGAINST THE INTEREST OF 0726028 B C LTD IN:

PITC
TAXL
(13)

PARCEL IDENTIFIER: 003-654-770

LOT 6 SECTION 16 TOWNSHIP 22 RANGE 11 WEST OF THE 6TH MERIDIAN KAMLOOPS
DIVISION YALE DISTRICT PLAN 31558

Full name, address and telephone number of person presenting application:

Rob Kovacs, Agent for HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA, Ministry of Finance, Receivables Management Office, PO Box 9446 Stn Prov Govt,
Victoria, B.C., V8W 9V6 250
250 387 9893Contact Person: Rob Kovacs
Telephone 250 387 9893Signature of Authorized Agent
File Number: 23 789 09746.012 1

TAXATION (RURAL AREA) ACT LIEN FORM

TAKE NOTICE THAT, pursuant to Section 30 of the Taxation (Rural Area) Act, HER MAJESTY THE
QUEEN IN RIGHT OF BRITISH COLUMBIA claims a lien and charge on the debtor's interest in the
property described below, in respect to taxes, costs, and other amounts imposed under the Act. The
particulars of the lien and charge claimed are as follows:

1. Full name, address and occupation of person liable to pay the tax

0726028 B C LTD
C/O CLEONE COUCH
300-808 4 AVE SW
CALGARY AB
T2P 3E8mm 10/19/2010 11:54:20 AM 1 3
Charge 1 \$0.00

2. Legal description of the land (including parcel identifier number, if any)

AGAINST THE INTEREST OF 0726028 B C LTD IN:

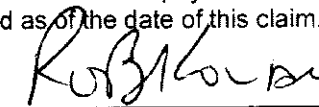
PARCEL IDENTIFIER: 003-654-770

LOT 6 SECTION 16 TOWNSHIP 22 RANGE 11 WEST OF THE 6TH MERIDIAN KAMLOOPS
DIVISION YALE DISTRICT PLAN 31558

3. Amount of lien \$ 3949.36

AND I HEREBY CERTIFY that the amount stated above is due and payable to Her Majesty the Queen in
Right of the Province of British Columbia and is unpaid as of the date of this claim.

October 14, 2010


Rob Kovacs
Agent for Administrator