

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

AMERICAN CORPORATION AND 1000199992 ONTARIO CORP.

Respondents

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

APPLICATION RECORD

April 9, 2024

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Lawyers for the Applicant

TO: THE SERVICE LIST

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Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
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DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

AMERCAN CORPORATION AND 1000199992 ONTARIO CORP.

Respondents

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

**NOTICE OF APPLICATION
(Appointing Receiver)**

TO THE RESPONDENTS:

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

THIS APPLICATION will come on for a hearing

- In person
- By telephone conference
- By video conference,

at the following location

via Zoom videoconference on April 17, 2024 at 10:30 a.m. before the Ontario Superior Court of Justice (Commercial List) at 330 University Avenue, Toronto, Ontario before a judge presiding over the Commercial List.

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

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

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: _____

Issued by: _____
Local Registrar

Address of Court Office: 330 University Avenue, 9th Floor
Toronto ON M5G 1R7

TO: AMERICAN CORPORATION
5 Vernham Avenue
North York, ON M2L 2B1

Respondent

AND TO: 1000199992 ONTARIO CORP.
26 Bilbermar Drive
Richmond Hill, ON L4S 1B8

Respondent

AND TO: THE SERVICE LIST

APPLICATION

1. The applicant, DUCA Financial Services Credit Union Ltd. (“**DUCA**”), makes application for:
 - (a) an order substantially in the form as the draft order included at Tab 4 of the application record served herewith (the “**Receivership Order**”),¹ among other things:
 - (i) abridging the time for service of the notice of application and the application record and validating service thereof;
 - (ii) appointing MNP Ltd. (“**MNP**”) as receiver (in such capacity, the “**Receiver**”), without security, of all the present and future assets, undertakings, and properties of AmerCan Corporation (“**AmerCan**”) and 1000199992 Ontario Corp. (“**1000**” and, together with AmerCan, the “**Borrowers**”) acquired for, or used in relation to a business carried on by the Borrowers, including all proceeds thereof (the “**Property**”), which Property includes, without limitation, the real property described hereto in **Schedule “A”** (the “**Real Property**”), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c C.43, as amended (the “**CJA**”);
 - (iii) empowering the Receiver upon its appointment to, among other things:

¹ A blackline of the Receivership Order against the Commercial List User’s Committee Model Order is included at Tab 5 of the application record served herewith.

- (A) take possession and exercise control over the Property;
 - (B) manage, operate, and carry on the business of the Borrowers (the “**Business**”);
 - (C) market and sell any or all of the Business or the Property, including the Real Property;²
 - (D) settle, extend, or compromise any indebtedness owing to the Debtor;
 - (E) borrow funds on a priority basis under Receiver’s certificates to fund the costs of the receivership;
 - (F) initiate, prosecute, and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Borrowers, the Property, or the Receiver, and to settle or compromise any such proceedings; and
 - (G) take any steps reasonably incidental to the exercise of the aforementioned powers or the performance of any statutory obligations;
- (iv) awarding the Applicant its costs of this proceeding, including legal fees, disbursements, and HST thereon, on a full indemnity basis; and
- (b) such further and other relief as counsel may advise and this Honourable Court may deem just.

² Capitalized terms used but not defined have the meanings given to them in the Bogdanovich Affidavit.

2. **THE GROUNDS FOR THIS APPLICATION ARE:**

The Debtors' Indebtedness and the DUCA Loan and Security

- (a) The complete factual basis for this application is set forth in the affidavit of Ivan Bogdanovich, sworn April 4, 2024 (the “**Bogdanovich Affidavit**”), included at Tab 2 of the application record served herewith.
- (b) Pursuant to the DUCA Loan Documents, DUCA advanced a loan to the Borrowers in the principal aggregate amount of \$7,080,000 (the “**DUCA Loan**”) to assist in the acquisition of 1.47 acres of land located at 6532 and 6544 Winston Churchill Boulevard in Mississauga, Ontario (otherwise referred to herein as the Real Property), which was to be developed into a subdivision containing 20 semi-detached homes and one single detached home (the “**Project**”).
- (c) The Borrowers are indebted to DUCA pursuant to the terms of the DUCA Loan Documents in the total amount of CAD \$7,281,653.91 as of April 2, 2024, including interest accrued to such date (but excluding all fees, costs and expenses) (the “**Indebtedness**”). Fees, costs, expenses and interest for which the Borrowers are liable have accrued and will continue to accrue until the Indebtedness is paid in full.
- (d) On July 12, 2022, a charge/mortgage was granted by 1000 in favour of DUCA in respect of the Real Property (the “**Mortgage**”). The Mortgage is in the principal amount of \$8,000,000, bearing interest at a rate of Prime Rate Plus 10% per annum. 1000 also registered a general assignment of rents in favour of DUCA (the “**1000**”).

Rent Assignment”). The Mortgage and the 1000 Rent Assignment are registered on title to the Real Property.

- (e) The Borrowers’ obligations to DUCA are secured by, among other things: (a) the first-ranking Mortgage and 1000 Rent Assignment granted by 1000 in respect of the Real Property; (b) the 1000 GSA and the AmerCan GSA granted by 1000 and AmerCan, respectively, in respect of all other personal Property; (c) the 1000 Insurance Assignment and the AmerCan Insurance Assignment; and (d) the Cash Collateral Agreement.
- (f) DUCA’s security interests in 1000 and AmerCan’s personal property are perfected by registrations under the *Personal Property Security Act* (Ontario) (“**Ontario PPSA**”).
- (g) The Borrower’s obligations are also guaranteed by a guarantee executed by Fansey Wang (“**Mr. Wang**” and, together with AmerCan and 1000, the “**Obligors**”) dated July 11, 2022 in favour of DUCA (the “**Guarantee**”), in which Mr. Wang, among other things, unconditionally and irrevocably guaranteed payment and performance by the Borrowers to DUCA of all the debts, liabilities and obligations at any time owing by the Borrowers to DUCA on account of the DUCA Loan and the Commitment Letter or remaining unpaid or unsatisfied by the Borrowers to DUCA in respect thereof to an unlimited amount, together with interest thereon and costs as provided for therein.

The Borrowers are in Default under the DUCA Loan Documents

(h) The Borrowers are in default of their obligations to DUCA under the DUCA Loan Documents because, among other reasons (each, a “**Default**” and, collectively, the “**Defaults**”):

(i) on the Maturity Date, the Indebtedness became immediately due and payable, and the Borrowers have failed to repay the Indebtedness, which is a default pursuant to the Commitment Letter and the other DUCA Loan Documents; and

(ii) the Borrowers have caused or allowed charges to be registered on title to the Real Property in favour of WPC GP I Inc. / Windsor Private Capital Limited Partnership (“**WPC**”) and Cameron Stephens Mortgage Capital Ltd. (“**Cameron Stephens**”) without DUCA’s prior consent, which is a breach of the terms of the Commitment Letter and the other DUCA Loan Documents. Specifically:

(A) on November 28, 2023, a charge/mortgage was registered by 1000 in favour of WPC in the principal amount of \$5,000,000;

(B) on December 6, 2023, the following specific encumbrances on title to the Real Property were registered: (a) a charge/mortgage registered by 1000 in favour of Cameron Stephens in the principal amount of \$27,500,000, (b) a postponement from AmerCan in favour of Cameron Stephens, and (c) a postponement from Dragon Holding Global Real Estate Funds in favour of Cameron Stephens.

- (i) The foregoing Defaults have not been cured and are continuing.

The Appointment of the Receiver is Just and Appropriate

- (j) DUCA has chosen to bring this application to appoint the Receiver to protect the value of its security and in an effort to minimize any loss that DUCA may suffer in respect of the DUCA Loan.
- (k) DUCA has considered the enforcement remedies available to it and has formed the view that the appointment of the Receiver by this Court is an expedient and appropriate remedy to preserve and realize the value of the Property. The basis for DUCA's decision is as follows:
 - (i) the Real Property is encumbered by the registered interests of multiple secured parties and it would be beneficial to all parties for the Real Property to be sold in a transparent, court-supervised process; and
 - (ii) a court-supervised sale process will provide stability and will maximize value for all stakeholders.
- (l) DUCA has given the Borrowers proper notice of the Defaults, made demand upon the Obligors for repayment of the Indebtedness, and delivered to the Obligors Notices of Intention to Enforce a Security pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "244 Notices"). The ten (10) day notice period prescribed by the 244 Notices has elapsed. To date, the Borrowers have failed to repay the Indebtedness.

- (m) Under the terms of the Commitment Letter and the GSAs, DUCA is entitled to appoint a receiver in respect of the Property of the Borrowers.
- (n) As the first-ranking mortgagee, DUCA should be permitted to control the enforcement process to ensure that its security position is protected. In DUCA's view, the timely appointment of the Receiver is necessary to allow DUCA to protect its security position, address the interests of the various stakeholders, and preserve the Property, particularly given that:
 - (i) there is a pending application to appoint a receiver over the Real Property brought by a subsequent mortgagee, Cameron Stephens (Court File No. CV-23-00710795-00CL), which DUCA understands has been held in abeyance; and
 - (ii) on March 1, 2024, Cameron Stephens, by its solicitors, issued a demand on the Borrowers, among others, noting a default in payment of the monies due under Stephens Mortgage and enclosing a notice of sale under the *Mortgages Act*. The notice demanded payment of \$50,682,422.01, which is to be paid on or before April 8, 2024. If payment is not received by that date, Cameron Stephens has indicated that it intends to sell the Real Property.
- (o) MNP has consented to its appointment as Receiver, subject to obtaining a Receivership Order on terms that are satisfactory to MNP.
- (p) The appointment of the Receiver is just and appropriate in the circumstances.

- (q) DUCA believes that the appointment of the Receiver will preserve the value of the Property.
- (r) It is anticipated that the marketing and sale of the Real Property and other Property will take some time, and that expenditures will be required in the interim for which the Receiver will likely not have sufficient funds at its disposal. It is therefore appropriate for this Court to authorize the Receiver to borrow funds on a priority basis under Receiver's certificates to fund the costs of the Receivership, subject to the monetary limit set forth therein.
- (s) The enforcement of the Mortgage and the sale of the Real Property in this receivership proceeding is intended to maximize value for the benefit of all of the Borrowers' creditors, while ensuring that DUCA's rights as first mortgagee are preserved.

Other Grounds

- (t) the DUCA Loan Documents are governed by the laws of the Province of Ontario;
- (u) the Borrowers conduct a significant portion of their business, and the ongoing Project, in Mississauga;
- (v) those further grounds as set out in the Bogdanovich Affidavit, to be filed;
- (w) section 243 of the BIA, and the BIA generally;
- (x) sections 11, 96 and 101 of the CJA, and the CJA generally;

- (y) rules 1.04, 1.05, 2.01, 2.03, 3.02, 14.05(3)(g), 16, 17.02 (a) and (f), 38, 40.01 and 45.01 of the Rules of Civil Procedure; and
- (z) such further and other grounds as counsel may advise and this Honourable Court may permit.

3. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the application:

- (a) the Bogdanovich Affidavit, sworn April 4, 2024;
- (b) the consent of MNP to act as Receiver dated April 4, 2024; and
- (c) such other material as counsel may advise and this Honourable Court may permit.

April 9, 2024

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Lawyers for the Applicant

SCHEDULE “A”

DESCRIPTION OF THE REAL PROPERTY

Municipal Address

6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario

Legal Description of the Real Property

Firstly: PIN 13243-0378 (LT) being Part of Lot 9, Concession 11 (New Survey) Trafalgar, designated as Part 1, Plan 43R37427; City of Mississauga.

Secondly: PIN 13243-0269 (LT) being Parcel Block 19-1, Section 43M932, Block 19, Plan 43M932; City of Mississauga.

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

-and-

**AMERICAN CORPORATION AND 1000199992 ONTARIO
CORP.**

Applicant

Respondents

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at Toronto

NOTICE OF APPLICATION
(Appointing Receiver)

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Lawyers for the Applicant

TAB 2

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

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section 101 of the *Courts of Justice Act*, R.S.O. 1990, c C.43, as amended**

**AFFIDAVIT OF IVAN BOGDANOVICH
(Sworn April 5, 2024)**

I, Ivan Bogdanovich, of the City of Toronto, in the Province of Ontario MAKE
OATH AND SAY:

1. I am Director of the Special Assets Group of DUCA Financial Services Credit Union Ltd. (“**DUCA**”), the applicant in these proceedings. I have been directly involved in matters relating to the Indebtedness and, consequently, am familiar with the various loan and security documents entered into among DUCA as senior secured lender, AmerCan Corporation (“**AmerCan**”) and 1000199992 Ontario Corp. (“**1000**”) as borrowers (collectively, the

“**Borrowers**”), and Fansy Wang as guarantor (“**Mr. Wang**” or the “**Guarantor**”, and together with the Borrowers, the “**Obligors**”).

2. Given my direct involvement with the Borrowers and the Guarantor, as well as the DUCA Loan Documents, and having read the documents referred to herein and attached as exhibits, I have personal knowledge of the matters set forth herein. Where the facts set forth herein are stated to be based on information received from others, I have identified the source of the information and believe it to be true.

A. Overview

3. I swear this affidavit in support of DUCA’s application for an order (the “**Receivership Order**”) among other things, appointing MNP Ltd. (“**MNP**”) as receiver and manager (in such capacity, the “**Receiver**”), without security, of the Property.¹

4. DUCA is a Canadian operating credit union headquartered in Toronto, Ontario. DUCA is established under the *Credit Union and Caisses Populaires Act*, 1994 and is regulated by the Financial Services Regulatory Authority of Ontario. DUCA provides financial solutions such as loans, investments, savings, credit and debit cards, online banking, and other related services.

5. The Borrowers are indebted to DUCA pursuant to the terms of the DUCA Loan Documents in the total amount of CAD\$7,281,653.91 as of April 2, 2024, including interest accrued to such date (but excluding all fees, costs, and expenses) (the “**Indebtedness**”). Fees,

¹ Capitalized terms that used in this affidavit but not defined are defined below.

costs, and expenses and interest have accrued and will continue to accrue until the Indebtedness is paid in full.

6. The Borrowers' obligations to DUCA are secured by, among other things: (a) the first-ranking Mortgage and 1000 Rent Assignment granted by 1000 in respect of the Real Property; (b) the 1000 GSA and the AmerCan GSA granted by 1000 and AmerCan, respectively, in respect of all other personal Property; (c) the 1000 Insurance Assignment and the AmerCan Insurance Assignment; and (d) the Cash Collateral Agreement. The Borrower's obligations are also guaranteed by the Guarantor pursuant to the terms and conditions of the Guarantee.

7. On the Maturity Date, the Indebtedness became immediately due and payable and the Security granted in connection with the Commitment Letter became enforceable.

8. After notifying the Borrowers that they were in default under the Commitment Letter (discussed below), DUCA further notified the Borrowers that the Maturity Date under the DUCA Loan was January 11, 2024.

9. In addition to failing to pay the Indebtedness on the Maturity Date or at anytime thereafter, the Borrowers are also in default of their obligations to DUCA because, among other reasons, the Borrowers have caused or allowed charges to be registered on title to the Real Property (the "**Unauthorized Mortgages**") in favour of WPC GP I Inc. / Windsor Private Capital Limited Partnership ("**WPC**") and Cameron Stephens Mortgage Capital Ltd. ("**Cameron Stephens**", and together with WPC, the "**Unauthorized Mortgagees**") without DUCA's prior consent, which is a breach of the terms of the Commitment Letter and the other DUCA Loan Documents.

10. As described in greater detail below, Cameron Stephens has commenced the Notice of Sale proceedings against 1000 in respect of the Real Property. As the first-ranking mortgagee,

DUCA should be permitted to control the enforcement of its mortgage to realize on the value of the Real Property, and to ensure that its security position is protected. For this and other reasons, DUCA seeks the immediate appointment of the Receiver and imposition of the stay of proceedings.

11. DUCA has given the Borrowers notice of the aforementioned defaults, made demand upon the Borrowers for repayment in full of the Indebtedness, and delivered to each of the Borrowers a Notice of Intention to Enforce a Security (collectively, the “**244 Notices**” and each a “**244 Notice**”) pursuant to the *Bankruptcy and Insolvency Act* (Canada) (“**BIA**”). The ten (10) day notice period prescribed by section 244 of the BIA has elapsed. To date, the Borrowers have failed to repay the Indebtedness.

12. Under the terms of the Commitment Letter and the GSAs, DUCA is entitled to appoint a receiver in respect of the Property of the Borrowers. DUCA brings this application to appoint MNP as Receiver of the Property to protect the value of DUCA’s security and in an effort to minimize any loss that DUCA will suffer in respect of the DUCA Loan.

13. DUCA believes that the appointment of the Receiver will preserve the value of the Property, including the Real Property, and allow for the implementation of an orderly sale or liquidation of such Property for the benefit of all stakeholders under the supervision of this Court.

B. The Companies

(i) AmerCan

14. AmerCan is incorporated pursuant to the *Canada Business Corporations Act* and its registered office address is located in Toronto, Ontario. A copy of AmerCan’s federal profile report (currency date of February 28, 2024) is attached as **Exhibit “A”** (the “**AmerCan Profile Report**”).

15. AmerCan is a corporation owned or controlled by Fansey Wang, the guarantor. It is a real estate investment and development company that assembles local planning, design and construction teams to manage developments in different markets under holding companies that are owned by Mr. Wang/AmerCan.

(ii) 1000

16. 1000 is an Ontario corporation. Its registered office is located in Richmond Hill, Ontario. 1000 is also owned or controlled by Mr. Wang.

17. 1000 is the registered owner of land located at 6532 and 6544 Winston Churchill Boulevard in Mississauga, Ontario (the “**Real Property**”), which was to be redeveloped into a subdivision containing 20 semi-detached homes and one single detached home (the “**Project**”). A copy of 1000’s Ontario profile report (currency date of March 8, 2024) is attached as **Exhibit “B”** (the “**1000 Profile Report**”) and a legal description of the Real Property is attached as **Exhibit “C”**.

(iii) Fansey Wang

18. Mr. Wang is an individual residing in the city of Toronto, while in Canada, and in the city of Boston, while in the United States. He is the Guarantor of the Borrowers’ obligations under the DUCA Loan Documents.

19. As of July 11, 2022, Mr. Wang was the President and Secretary of AmerCan, and the President of 1000.²

² We note that the AmerCan Ontario corporate profile report indicates that Mr. Wang was the Chief Officer or Manager of AmerCan. However, AmerCan has been inactive in Ontario since December 19, 2008.

C. The DUCA Loan and Security Documents

(i) *The Commitment Letter*

20. Pursuant to a commitment letter dated as of June 8, 2022 among DUCA, as senior secured lender, AmerCan and 1000, as borrowers, and Mr. Wang, as guarantor (the “**Commitment Letter**”), DUCA advanced a first mortgage loan in the principal amount of \$7,080,000 (the “**DUCA Loan**”) to the Borrowers for the purpose of acquiring the Real Property to be redeveloped as the Project. A copy of the Commitment Letter is attached as **Exhibit “D”**.

21. Pursuant to the Commitment Letter and the related Mortgage, 1000 granted to DUCA a first-ranking charge registered on title to the Real Property as security for, among other things, the payment and performance of the Indebtedness.

22. The Commitment Letter provides that:

- (a) notwithstanding compliance with the covenants or any of the terms and conditions of the Commitment Letter, the DUCA Loan shall be payable on demand;
- (b) interest shall accrue at the greater of (a) 4.95% *per annum* and (b) the Prime Rate *per annum* in effect from time to time plus 2.00% *per annum* calculated monthly not in advance both before and after maturity, default, and judgment; and
- (c) the maturity date was one year from the closing date (which is defined therein as the date of the loan advance which shall be no later than July 20, 2022), subject to automatic renewal for 30 day periods provided that, among other things, the Borrowers are not in default under the DUCA Loan (the “**Maturity Date**”).

(ii) The Guarantee

23. As an additional assurance, Mr. Wang executed a guarantee agreement dated as of July 11, 2022 (the “**Guarantee**”) in favour of DUCA, in which Mr. Wang, among other things, unconditionally and irrevocably guaranteed payment and performance by the Borrowers to DUCA of all the debts, liabilities and obligations at any time owing by the Borrowers to DUCA on account of the DUCA Loan and the Commitment Letter or remaining unpaid or unsatisfied by the Borrowers to DUCA in respect thereof to an unlimited amount, together with interest thereon and costs as provided for therein.

24. A copy of the Guarantee is attached as **Exhibit “E”**.

(iii) The Mortgage and 1000 Rent Assignment

25. On July 12, 2022, a charge/mortgage was granted by 1000 in favour of DUCA in respect of the Real Property and registered on title to the Real Property as Instrument No. PR4083453 (the “**Mortgage**”). A copy of the Mortgage is attached as **Exhibit “F”**.

26. The Mortgage is in the principal amount of \$8,000,000, bearing interest at a rate of Prime Rate Plus 10% per annum.

27. 1000 also registered a general assignment of rents in favour of DUCA dated as of July 11, 2022 (the “**1000 Rent Assignment**”), pursuant to which 1000 irrevocably transferred, assigned, and set over to DUCA all rents reserved and payable under the leases to hold and receive the same unto DUCA, its successors, and assigns.

28. The 1000 Rent Assignment is registered on title to the Real Property as Instrument No. PR4083458. A copy of the 1000 Rent Assignment is attached as **Exhibit “G”**.

(iv) The GSAs

29. As security for the payment of the Indebtedness, AmerCan and 1000 each executed a general security agreement dated as of July 11, 2022 in favour of DUCA (the “**AmerCan GSA**” and the “**1000 GSA**” and, collectively, the “**GSAs**”). Pursuant to the GSAs, AmerCan and 1000 granted to DUCA a security interest in each of their present and future undertaking and property, both real and personal (the “**Collateral**”) and, as further general and continuing security for the payment and performance of the Indebtedness, the Borrowers each assigned the Collateral to DUCA and mortgaged and charged the Collateral as and by way of a fixed and specific mortgage and charge to DUCA. Copies of the AmerCan GSA and the 1000 GSA are attached as **Exhibits “H” and “I”**, respectively.

30. DUCA has registered its security interest under the Ontario PPSA against each of the Borrowers. Copies of the Ontario Personal Property Security Registration System search results as against 1000 and AmerCan (currency date March 7, 2024) (the “**OPPSA Registrations**”) showing the financing statements registered in favour of DUCA are attached as **Exhibits “J” and “K”**, respectively.

(v) The Insurance Assignments

31. Pursuant to an insurance assignment dated as of July 11, 2022 made by 1000 in favour of DUCA (the “**1000 Insurance Assignment**”), the interest of 1000 as an insured under the policy described in Schedule “A” thereto (the “**1000 Policy**”) was assigned and transferred to DUCA as continuing collateral security for the payment of any and all debts, liabilities and obligations (including interest thereon) for which 1000 is or may become liable to DUCA. A copy of the 1000 Insurance Assignment is attached as **Exhibit “L”**.

32. Pursuant to an insurance assignment dated as of July 11, 2022 made by AmerCan in favour of DUCA (the “**AmerCan Insurance Assignment**”), the interest of AmerCan as an insured under the policy described in Schedule “A” thereto was assigned and transferred to DUCA as continuing collateral security for the payment of any and all debts, liabilities and obligations (including interest thereon) for which 1000 is or may become liable to DUCA. A copy of the AmerCan Insurance Assignment is attached as **Exhibit “M”**.

(vi) The Cash Collateral Agreement

33. Pursuant to a cash collateral agreement dated as of July 11, 2022 (the “**Cash Collateral Agreement**”), the Borrowers assign, transfer, convey, set over, hypothecate, pledge and grant a security interest to DUCA in the cash or cash equivalents that will be delivered to DUCA from time to time as security for the obligations and liabilities of the Borrowers arising under the Commitment Letter. A copy of the Cash Collateral Agreement is attached as **Exhibit “N”**.

(vii) The Assignment and Postponement of Loans

34. The assignment and postponement of loans dated as of July 11, 2022 (the “**Assignment and Postponement of Loans**”), made by Mr. Wang, Dragon Holding Global Real Estate Funds, and certain other individual creditors (collectively, the “**AmerCan Creditors**”), provides that, among other things:

- (a) any claim of DUCA in respect of the Loans (defined therein as all present and future loans made by DUCA to AmerCan) shall take precedence over and be fully paid in priority to the Debt (defined therein as all present and future shareholder loans made or to be made by the AmerCan Creditors to AmerCan), and repayment thereof is thereby expressly postponed in favour of DUCA; and

- (b) the AmerCan Creditors postpone in favour of DUCA all their right, title and interest in the Security (defined therein as security for the Debt).

35. A copy of the Assignment and Postponement of Loans is attached as **Exhibit “O”**.

(viii) The Subordination Agreements

36. Pursuant to a subordination, postponement and standstill agreement dated July 11, 2022, DUCA was granted a security position in priority to AmerCan against all of 1000’s present and after-acquired property, assets and undertakings as a condition to extending credit to 1000 (the “**AmerCan Subordination**”). A copy of the AmerCan Subordination is attached as **Exhibit “P”**.

37. Pursuant to a subordination, postponement and standstill agreement dated July 11, 2022, DUCA was granted a security position in priority to Dragon Holding Global Real Estate Funds against all of the Borrowers’ present and after-acquired property, assets and undertakings as a condition to extending credit to the Borrowers (the “**Dragon Holding Subordination**”). A copy of the Dragon Holding Subordination is attached as **Exhibits “Q”**.

38. Together, the Commitment Letter, Guarantee, Mortgage, 1000 Rent Assignment, 1000 Insurance Assignment, AmerCan Insurance Assignment, Cash Collateral Agreement, Assignment and Postponement of Loans and AmerCan Subordination are referred to collectively as the “**DUCA Loan Documents**”.

D. Other PPSA Registrants of the Borrowers

39. The PPSA registration results disclose the following additional registrations against AmerCan, all of whom will be provided with notice of this application:

- (a) Cameron Stephens located at 1700-320 Bay Street, Toronto, Ontario, M5H 4A6, which was registered subsequent to the registration in favour of DUCA and describes the collateral as a general security agreement relating to the property known as “Baby Tar Island” in the St. Lawrence River, Ontario;
- (b) Cameron Stephens located at 25 Adelaide Street East, Suite 600, Toronto, Ontario, M5C 3A1, which was registered subsequent to the registration in favour of DUCA and does not bear a specific collateral description; and
- (c) C&K Mortgage Services Inc. located at 1670 Bayview Avenue, Suite 400, Toronto, Ontario, M4G 3C2, which was registered prior the registration in favour of DUCA and describes the collateral as a guarantee and postponement of claim in connection with the guarantee of indebtedness of 1000162801 Ontario Corp. to C&K.

40. The PPSA registration results disclose an additional registration against 1000 in favour of WPC located at 31 Oakland Avenue, Toronto, Ontario, M4V 0A9, which was registered subsequent to the registration in favour of DUCA and describes the collateral as a guarantee and postponement of claim relating to the indebtedness of Jefferson Properties Limited Partnership to WPC, a general security agreement respecting the property and proceeds derived from the lands in the city of Mississauga. WPC will also be provided with notice of this application.

E. Demand Letters and 244 Notice

41. On January 8, 2024, DUCA’s former legal counsel, Chaitons LLP, wrote to the Borrowers (the “**Chaitons Letter**”) to advise that (i) the Borrowers were in default under the Commitment Letter (as discussed further below), (ii) DUCA was not prepared to renew the DUCA

Loan; and (iii) the DUCA Loan would mature on January 11, 2024. A copy of the Chaitons Letter is attached as **Exhibit “R”**.

42. On March 14, 2024, DUCA’s external legal counsel, Fasken Martineau DuMoulin LLP (“**Fasken**”), issued the following demands for and on behalf of DUCA (collectively, the “**Borrower Demand Letters**”):

- (a) a demand letter on AmerCan (the “**AmerCan Demand Letter**”) enclosing a 244 Notice (the “**AmerCan 244 Notice**”) and notifying AmerCan of the Borrowers’ defaults under the Commitment Letter and other DUCA Loan Documents and demanding payment in full of the Indebtedness. A copy of the AmerCan Demand Letter attaching the AmerCan 244 Notice is attached as **Exhibit “S”** ; and
- (b) a demand letter on 1000 (the “**1000 Demand Letter**”) enclosing a 244 Notice (the “**1000 244 Notice**”) and notifying 1000 of the Borrowers’ defaults under the Commitment Letter and other DUCA Loan Documents and demanding payment in full of the Indebtedness. A copy of the 1000 Demand Letter attaching the 1000 244 Notice is attached as **Exhibit “T”** .

43. Notwithstanding the delivery of the Borrower Demand Letters, the AmerCan 244 Notice and the 1000 244 Notice, the Borrowers have not repaid the Indebtedness under the DUCA Loan Documents.

44. In addition to issuing the Borrower Demand Letters, Fasken, for and on behalf of DUCA, issued a demand letter (the “**Guarantor Demand Letter**”) enclosing a section 244 Notice to Mr. Wang (the “**Guarantor 244 Notice**”) on March 14, 2024 outlining the Borrowers’ defaults

under the DUCA Loan Documents and making demand under the Guarantee. A copy of the Guarantor Demand Letter attaching the 244 Notice is attached as **Exhibit “U”**.

45. Notwithstanding the delivery of the Guarantor Demand Letter and the Guarantor 244 Notice, the Guarantor has not repaid the Indebtedness.

F. The Borrowers’ Defaults

46. As set forth in the Borrower Demand Letters and discussed in further detail below, the Borrowers are in default of their obligations to DUCA under the DUCA Loan Documents.

47. Pursuant to the terms of the Commitment Letter, the Maturity Date of the DUCA Loan was one year from the Closing Date, subject to automatic renewal for 30 day periods provided that, among other things, the Borrowers are not in default. The Chaitons Letter notified the Borrowers that they were in Default (discussed below) and in breach of the terms of the Commitment Letter. At the same time, the Chaitons Letter notified the Borrowers that the Maturity Date under the Loan was January 11, 2024.

48. On the Maturity Date, the Indebtedness became immediately due and payable. Pursuant to the Commitment Letter, the failure to comply with this obligation to repay constitutes a default.

49. The Borrowers are also in default under the DUCA Loan Documents for having granted mortgages on the Real Property in favour of WPC and Cameron Stephens without DUCA’s prior consent and in breach of the terms of the Commitment Letter. Specifically:

- (a) On November 28, 2023, a charge/mortgage was registered by 1000 in favour of WPC in the principal amount of \$5,000,000. A copy of Instrument No. PR4277878 evidencing this charge/mortgage is attached as **Exhibit “V”**.
- (b) On December 6, 2023, the following specific encumbrances on title to the Real Property were registered:
 - (i) a charge/mortgage registered by 1000 in favour of Cameron Stephens in the principal amount of \$27,500,000 (the “**Stephens Mortgage**”). A copy of Instrument No. PR4281070 evidencing this charge/mortgage is attached as **Exhibit “W”**;
 - (ii) a postponement from AmerCan in favour of Cameron Stephens. A copy of Instrument No. PR4281074 evidencing this postponement is attached as **Exhibit “X”**; and
 - (iii) a postponement from Dragon Holding Global Real Estate Funds in favour of Cameron Stephens. A copy of Instrument No. PR4281075 evidencing this postponement is attached as **Exhibit “Y”**.

50. Each of these events constitute an event of default (each, a “**Default**” and, collectively, the “**Defaults**”) under the Commitment Letter and other DUCA Loan Documents.

51. In addition, DUCA believes that the Borrowers’ conduct as described herein has imperiled DUCA’s interest in the Property, including the Real Property.

G. Appointment of the Receiver is Appropriate

52. As set forth above, the Borrowers are in default of their obligations to DUCA under the DUCA Loan Documents. As of the date of swearing this affidavit, the Borrowers have failed or refused to pay the Indebtedness.

53. The GSAs provide that, among other things, upon the occurrence of an event of default, DUCA is entitled to seek the appointment of a receiver of the present and future

undertaking and property, both real and personal, of the Borrowers (including any interest, income or profits therefrom). The DUCA Commitment Letter and GSAs are governed by the laws of the Province of Ontario.

54. DUCA is of the view that the appointment of the Receiver by this Court is an expedient and appropriate remedy to preserve and realize the value of the property. DUCA is of the view that a court-supervised sale process will provide stability and will maximize value for all stakeholders. The Real Property is encumbered by the registered interests of multiple secured parties. DUCA is of the view that it would be beneficial to all parties for the Real Property to be sold in a transparent, court-supervised process.

55. As first mortgagee, DUCA should be permitted to control the enforcement process to ensure that its security position is protected. In DUCA's view, the timely appointment of the Receiver is necessary to allow DUCA to protect its security position, address the interests of the various stakeholders, and preserve the Property, particularly given that:

- (a) There is a pending application to appoint a receiver over the Real Property brought by a subsequent mortgagee, Cameron Stephens (Court File No. V-23-00710795-00CL) (the "**Stephens Receivership Application**"), which DUCA understands has been held in abeyance.
- (b) On March 1, 2024, Cameron Stephens, by its solicitors, issued a demand on the Borrowers, among others, noting a default in payment of the monies due under the Stephens Mortgage and enclosing a notice of sale under the *Mortgages Act* (the "**Notice of Sale**"). The notice demanded payment of \$50,682,422.01, which is to be paid on or before April 8, 2024. If payment is not received by that date Cameron

Stephens has indicated that it intends to sell the Real Property. A copy of the Notice of Sale is attached as **Exhibit “Z”**.

56. DUCA has issued the 244 Notices and the notice period thereunder has elapsed. DUCA is entitled to enforce its rights and remedies under the DUCA Loan Documents, which include, without limitation, the appointment of a receiver.

57. MNP has consented to its appointment as Receiver. A copy of MNP’s written consent is attached as **Exhibit “AA”**.

58. The order sought in this application also empowers the Receiver, if appointed, to borrow funds on a priority basis under receiver’s certificates, on the usual terms, to fund the costs of the receivership. It is anticipated that the marketing and sale of the Real Property and other Property will take some time, and that expenditures will be required in the interim for which the Receiver will likely not have sufficient funds at its disposal.

59. The enforcement of the Mortgage and the sale of the Real Property in this receivership proceeding is intended to maximize value for the benefit of all of the Borrowers’ creditors, while ensuring that DUCA’s rights as first mortgagee are preserved.

SWORN REMOTELY BY Ivan Bogdanovich of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on April 5, 2024, in accordance with O. Reg. 431.20, Administering Oath or Declaration Remotely

DocuSigned by:
Montana Licari
AB05A91538BF496...

MONTANA LICARI

Commissioner for Taking Affidavits, etc.

Ivan Bogdanovich

Digitally signed by Ivan Bogdanovich
Date: 2024.04.05 11:35:43 -04'00'


IVAN BOGDANOVICH

This is Exhibit “A” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI




Government
of Canada

Gouvernement
du Canada

[Canada.ca](#) → [Innovation, Science and Economic Development Canada](#) → [Corporations Canada](#)
→ [Search for a Federal Corporation](#)

Federal Corporation Information - 372563-4

 Beware of scams and other suspicious activities. See [Corporations Canada's alerts](#).

Note

This information is available to the public in accordance with legislation (see [Public disclosure of corporate information](#)).

[Order copies of corporate documents](#)

Corporation Number

372563-4

Business Number (BN)

866306772RC0001

Corporate Name

AMERCAN CORPORATION


Status

Active

Governing Legislation

Canada Business Corporations Act - 2000-02-28

[Order a Corporate Profile](#) [[View PDF Sample](#)] [[View HTML Sample](#)].

[Find existing extra-provincial registrations of this corporation on Canada's Business registries](#) 

Registered Office Address

980 Yonge Street, Suite 1001
Toronto ON M4W 3V8

i Note

Active CBCA corporations are required to update this information within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Directors

Minimum 1

Maximum 9

Lichen Xu
26 Bilbermar Dr
Richmond Hill ON L4S 1B8
Canada

i Note

Active CBCA corporations are required to update director information (names, addresses, etc.) within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Individuals with significant control

No information has been filed.

[Learn more about when this information must be filed.](#)

i Note

Active CBCA corporations are required to update this information annually (with their annual return) and within 15 days of a change in their ISC register via the Online Filing Centre. A corporation key is required. If you are not authorized to update this information, you can contact either the corporation or Corporations Canada. We will inform the corporation of its reporting obligations.

Annual Filings

Anniversary Date (MM-DD)

02-28

Date of Last Annual Meeting

2022-05-04

Annual Filing Period (MM-DD)

02-28 to 04-28

Type of Corporation

Non-distributing corporation with 50 or fewer shareholders

Status of Annual Filings

2024 - Due to be filed

2023 - Filed

2022 - Filed

Corporate History

Corporate Name History

2000-02-28 to 2009-10-16

AMERICAN CORPORATION

2009-10-16 to Present

AMERICAN CORPORATION

Certificates and Filings**Certificate of Incorporation**

2000-02-28

Certificate of Dissolution

2008-12-19

Certificate of Revival

2009-10-16

[Order copies of corporate documents](#)

Start New Search

[Return to Search Results](#)

Date Modified:

2024-02-28

This is Exhibit “B” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI



Profile Report

1000199992 ONTARIO CORP. as of March 08, 2024

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	1000199992 ONTARIO CORP.
Ontario Corporation Number (OCN)	1000199992
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	May 10, 2022
Registered or Head Office Address	26 Bilbermar Drive, Richmond Hill, Ontario, L4S 1B8, Canada

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Director(s)

Minimum Number of Directors 1
Maximum Number of Directors 15

Name LICHEN XU
Address for Service 26 Bilbermar Dr., Richmond Hill, Ontario, L4S 1B8, Canada
Resident Canadian Yes
Date Began May 10, 2022

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Officer(s)

Name

LICHEN XU

Position

President

Address for Service

26 Bilbermar Dr., Richmond Hill, Ontario, L4S 1B8, Canada

Date Began

May 10, 2022

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Additional historical information may exist in paper or microfiche format.

Corporate Name History

Name

1000199992 ONTARIO CORP.

Effective Date

May 10, 2022

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: Fanseay WANG	July 06, 2022
CIA - Initial Return PAF: Lichen XU	June 07, 2022
BCA - Articles of Incorporation	May 10, 2022

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

This is Exhibit “C” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

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Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

Municipal Address

6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario

Legal Description of the Real Property

Firstly: PIN 13243-0378 (LT) being Part of Lot 9, Concession 11 (New Survey) Trafalgar, designated as Part 1, Plan 43R37427; City of Mississauga.

Secondly: PIN 13243-0269 (LT) being Parcel Block 19-1, Section 43M932, Block 19, Plan 43M932; City of Mississauga.

This is Exhibit “D” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

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Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

June 8, 2022

AmerCan Corporation and
1000199992 Ontario Corp.
6532 and 6544 Winston Churchill Boulevard
Mississauga, Ontario L5N 3W4

Attention: Fanseday Wang

Dear Mr. Wang,

We are pleased to advise that DUCA Financial Services Credit Union Ltd. (the “**Lender**”) has approved a first mortgage loan (the “**Loan**”) upon the terms and conditions described in this commitment letter (the “**Commitment**”) which upon execution shall bind the Lender, AmerCan Corporation (“**AmerCan**”) and 1000199992 Ontario Corp. (“**Ontario Corp.**” and collectively with AmerCan, the “**Borrowers**” and each, a “**Borrower**”) and Fanseday Wang (the “**Guarantor**”).

LOAN AMOUNT

\$7,080,000

Notwithstanding compliance with the covenants and all of the terms and conditions of this Commitment, the Loan is payable **ON DEMAND**.

PROPERTY

Approximately 1.47 acres of land located at 6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario (collectively, the “**Property**”), to be redeveloped into a subdivision containing 20 semi-detached homes and one single detached home (the “**Project**”).

PURPOSE

The Loan shall be used to assist in the acquisition of the Property and shall at all times be used for this purpose and for no other purpose without the prior written consent of the Lender.

CLOSING DATE

The date of the Loan advance which shall be no later than July 20, 2022 (the “**Closing Date**”).

TERM

One (1) year from the Closing Date (the “**Maturity Date**”).

Notwithstanding the foregoing, the Borrowers may request up to two (2) extensions to the Maturity Date for a period of six (6) months each, which shall be at the sole discretion of the Lender and shall, at minimum, require: (a) that there has been no default by the Borrowers and/or the Guarantor under this Commitment and/or the Security, (b) payment of a fully earned extension fee to the Lender in the amount of \$12,390 per extension and (c) the replenishment of the Interest Reserve Amount (as hereinafter defined) from the Borrowers’ own cash resources for each extended term.

INTEREST RATE

The greater of (a) 4.95% per annum and (b) the Prime Rate per annum in effect from time to time plus 2.00% per annum calculated monthly not in advance both before and after maturity, default and judgment. On the date of this Commitment the Prime Rate is 3.20% per annum and the interest rate applicable to the Loan is 5.20% per annum.

“**Prime Rate**” means the annual rate of interest announced from time to time by the Lender as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada and designated by the Lender as its prime rate.

REPAYMENT

Payments of interest only shall be paid by the Borrowers by consecutive monthly instalments commencing one month from the Closing Date and ending on the Maturity Date.

The Borrowers shall open an account with the Lender and deposit the sum of \$1.00 into a membership share account and a one-time commercial account opening fee of \$30.00 will be required.

The Borrowers authorize the Lender to automatically debit the Borrowers’ account with the Lender for all payments hereunder. The Lender’s pre-authorized debit form is required together with a void cheque.

The Borrowers authorize the Lender to automatically debit the Interest Reserve Account for all payments hereunder provided that, if at any time the Interest Reserve Amount (as hereinafter defined) is not enough to pay interest that is due during the term of the Loan, the Borrowers shall pay such deficiencies directly to the Lender on the dates on which monthly instalments on the Loan are payable hereunder.

PREPAYMENT

At any time after six (6) months from the Closing Date and provided that the Borrowers or the Guarantor are not in default under this Commitment and/or the Security, the Borrowers may prepay the whole or any part of the Loan outstanding on any payment date without notice, bonus or penalty. Notwithstanding the foregoing, in the event that the Loan is refinanced with a construction loan from the Lender on or prior to the Maturity Date, the Borrowers may prepay the whole of the Loan outstanding without notice, bonus or penalty from the initial advance of such construction loan.

Notwithstanding the foregoing if the Loan is not repaid on or before the Maturity Date, then the Borrowers agree to pay to the Lender in addition to all amounts owing to the Lender, three months interest at the rate of interest chargeable hereunder on the principal amount outstanding on the Maturity Date.

SECURITY

The Loan shall be secured by the following security (the “**Security**”):

- (a) a first collateral mortgage and charge registered in the principal amount of \$8,000,000 with a face interest rate of the Prime Rate plus 10% per annum on title to the Property which is intended to secure the obligations under this Commitment and all present and future amounts that may be owing by the Borrowers to the Lender (the “**Charge**”);
- (b) a first ranking general assignment of leases and rents and revenues from the Property;
- (c) a general security agreement providing a first ranking security interest against all the Borrowers’ present and future assets, property and undertaking;

- (d) an assignment of the Borrowers' insurance policies;
- (e) a joint and several environmental indemnity to be provided by the Borrowers and the Guarantor;
- (f) an unconditional guarantee and postponement of claim by the Guarantor of all debts, liabilities and obligations owing by the Borrowers to the Lender under this Commitment and the Security outstanding on the date of demand plus interest and costs. This guarantee and postponement of claim is in addition to the Guarantor's obligations under the environmental indemnity;
- (g) a trustee and beneficial owner agreement if the Borrowers hold the Property as nominee and bare trustee for the use, benefit and advantage of another person or persons;
- (h) a pledge of cash collateral agreement in respect of the Interest Reserve Amount;
- (i) a postponement, subordination and permanent standstill agreement from AmerCan and/or its affiliate thereof in respect of AmerCan's existing loan in the maximum principal amount of \$1,400,000 in a form satisfactory to the Lender in its sole discretion;
- (j) a postponement, subordination and permanent standstill agreement from Dragon Holding Global Real Estate Funds in respect of its existing loan in the maximum principal amount of \$2,600,000 in a form satisfactory to the Lender in its sole discretion;
- (k) a postponement, subordination and permanent standstill of all shareholder and/or related party loans from the shareholder(s) and/or related parties of the Borrowers, including without limitation, the existing loans set out in Schedule "B" attached hereto, in each case, in a form satisfactory to the Lender in its sole discretion; and
- (l) such other pledges, assignments, security agreements and documents as the Lender or its solicitors may deem necessary.

All documentation shall be in form and substance as required by the Lender or its solicitors.

TITLE

The Borrowers shall have good and marketable fee simple title to the Property. The Lender shall be first in priority in respect of the Property over all other encumbrances whatsoever to the full extent of the Loan. Title insurance is mandatory.

TAXES

With respect to municipal taxes, school taxes and local improvement rates ("**Taxes**") levied against the Property, (a) the Lender may deduct from any Loan advance an amount sufficient to pay the Taxes which have become or will become due and payable and are unpaid at the date of such advance; (b) subject to subparagraph (c) below, the Borrowers will pay all Taxes as they fall due and will provide the Lender with receipts confirming payment of same as it may require; (c) on request by the Lender, the Borrowers shall pay to the Lender in monthly instalments on the dates on which monthly instalments on the Loan are payable hereunder, sums which in the sole opinion of the Lender will be sufficient to enable it to pay the whole amount of Taxes on or before the due date for payment thereof or, if such amount is payable in instalments, on or before the due date for payment of the first instalment thereof; (d) the Lender agrees to apply such deduction and payments to the Taxes levied against the Property so long as the Borrowers are not in default under this Commitment or the Security, but nothing herein contained shall obligate the Lender to apply such payments on account of Taxes more often than yearly; provided, however, that if before any sum so paid to the Lender shall have been so applied, there shall be default by the Borrowers

in respect of any monthly payments on the Loan, the Lender may apply such sum in or towards payment of the principal and/or interest in default; the Borrowers shall transmit to the Lender the assessment notices, tax bills and other notices affecting the imposition of Taxes forthwith upon receipt; and (e) the Lender shall allow the Borrowers interest on the average monthly balance standing in the account from time to time to the credit of the Borrowers for payment of Taxes, at a rate per annum and at such times as the Lender may determine in its sole discretion, and the Borrowers shall be charged interest at the Interest Rate on the debit balance, if any, of Taxes in the account outstanding after payment of Taxes by the Lender until such debit balance is fully repaid.

INSURANCE

The Borrowers shall insure the Property and keep it insured against the following in each case to the extent applicable:

- (a) Loss or damage by fire and other insurable hazards defined in an "all risks" insurance policy for the full replacement cost;
- (b) Comprehensive boiler and pressure vessel insurance for the full replacement cost or such lesser amount as shall be acceptable to the Lender;
- (c) Business interruption or rental loss insurance acceptable to the Lender for an indemnity period of not less than 12 months and with coverage of not less than 100% of the resulting loss of rent or other revenue received from the operation of the Property; and
- (d) Public liability insurance on a comprehensive basis to an amount not less than \$5,000,000 on an occurrence basis, or such other amount as the Lender may reasonably request, adding the Lender as an additional insured.

The policy to be maintained shall not contain any co-insurance clauses, shall be in form and with an insurer satisfactory to the Lender and shall include the agreement of the insurer that the policy will not be cancelled without at least 30 days' prior written notice of intended cancellation to the Lender. The Lender shall be named in all policies of insurance as first mortgagee, as the case may be, upon the terms of the standard Insurance Bureau of Canada mortgage clause or as loss payee as its interest may appear, and as additional insured with respect to public liability insurance.

The Lender may in its sole discretion, at the Borrowers' expense, retain an insurance consultant to review the insurance coverage to ensure that it meets the Lender's requirements.

ENVIRONMENTAL AND OTHER PROVISIONS

The Borrowers represent and warrants to the Lender that: (a) to the best of the Borrowers' knowledge and belief, no environmental hazard exists on the Property or on adjacent land; (b) no claim, complaint or notice of any action has been made or issued relating to an environmental hazard on the Property; (c) the Property is being used in compliance with applicable laws; and (d) the Borrowers do not own any real property abutting the Property. The Borrowers shall give the Lender immediate notice of any change in circumstances which would render any of the above representations untrue; and shall ensure that the Property and all improvements thereon comply in all respects with all applicable laws, including those in respect of zoning, use, occupancy, construction liens, subdivision, parking, historical designation, fire, access, loading facilities, landscaping, pollution of the environment, toxic materials or other environmental hazards, building construction and public health and safety; and shall ensure that there will be no outstanding work orders against the Property or any part thereof.

In the event that the Property does not comply with all applicable environmental and other laws on the

Closing Date or at any other time during the term of the Loan, the Borrowers will forthwith remediate and cure any non-compliance, including removal of any hazardous substances, to the entire satisfaction of the Lender, failing which the Borrowers shall be in default under this Commitment and the Security.

COSTS AND FEES

Whether or not the Loan transaction contemplated hereby is completed, the Borrowers shall pay the legal fees and disbursements of the Lender's solicitors, and the costs incurred by the Lender or its consultants in connection with this Commitment, the Loan and the Security including those related to fire and title insurance, appraisal and environmental reports, survey, inspection, monitoring and reserve advances. Such fees, disbursements and costs may be deducted from any Loan advance.

APPLICATION FEE

A fee of \$25,000 is earned and has been received by the Lender. This fee is non-refundable and is earned by the Lender as compensation for costs incurred, including time expended in processing, approving and providing this Commitment, but excluding the Costs and Fees referred to above.

COMMITMENT FEE

A fee of \$30,000 is earned on the date of acceptance of this Commitment and payable on the earlier of July 20, 2022 and the date of the advance of the Loan. If this fee is not paid prior to the date of the advance of the Loan, it shall be deducted from the Loan advance.

ANNUAL REVIEW FEE

The Lender shall conduct a review of the Loan and the Property each year during the term of the Loan. The first annual review will be performed on or before May 31, 2023. A minimum annual review fee of \$1,500 will be charged by the Lender to the Borrowers.

BREACH FEE

In addition to any rights of the Lender pursuant to the Security or otherwise, the Borrowers shall pay to the Lender a minimum fee of \$500 in respect of each covenant breached by the Borrowers and/or the Guarantor pursuant to this Commitment and the Security. If such fee is not paid forthwith on request by the Lender, such fee shall be added to the Loan, bear interest at the Interest Rate and be secured by the Security.

CONDITIONS PRECEDENT TO ADVANCE

The Lender's obligation to advance the Loan is conditional upon receipt by it of the following, all in form and substance satisfactory to the Lender or its solicitors:

- (a) a duly executed copy of this Commitment, together with the Commitment Fee;
- (b) duly executed copies of the Security registered where required;
- (c) a certificate or binder of insurance satisfactory to the Lender;
- (d) an appraisal of the Property for not less than \$12,125,000 on an "as is" basis prepared for the Lender by an approved appraiser, the assumptions, findings and conclusions of which are satisfactory to the Lender in its sole discretion which must be addressed to the Lender or accompanied by a letter from the appraiser permitting the Lender to rely thereon;

- (e) a Phase 1 environmental site assessment (the “**ESA Report**”) satisfactory to the Lender in its sole discretion, which must be addressed to the Lender or accompanied by a letter from the consultant permitting the Lender to rely thereon;
- (f) a peer review report of the ESA Report from Watters Environmental Group satisfactory to the Lender in its sole discretion, which peer review report must be addressed to the Lender or accompanied by a letter from Watters Environmental Group permitting the Lender to rely thereon;
- (g) confirmation that all Taxes are current;
- (h) corporate documentation to the Lender’s and its solicitors’ satisfaction, where applicable including, without limitation, an organizational chart outlining the beneficial ownership of the Borrowers and the Property, status certificate, officer’s certificate, resolution, articles of incorporation, corporate minute book registers and the most recent Form 1 filed with the ministry for the Borrowers;
- (i) an authorization, including a Canada Revenue Agency Business Consent Form, by the Borrowers authorizing the Lender to contact at any time its external accountant/auditor and any government agency with respect to, without limitation, financial statements, income taxes, payroll deductions, worker’s compensation and HST;
- (j) the Borrowers’ solicitor’s corporate and enforceability opinion in respect of the Borrowers satisfactory to the Lender and its solicitors;
- (k) a legal opinion from the Lender’s solicitors satisfactory to the Lender confirming based on title insurance that (i) the Borrowers have good and marketable title to the Property; and (ii) the Charge constitutes a good and valid first charge on the Property;
- (l) if either Borrower is a bare trustee, a copy of the declaration of trust or nominee agreement;
- (m) the Borrowers shall deposit with the Lender, from its own cash resources, the sum of \$370,000 (the “**Interest Reserve Amount**”) to pay interest during the term of the Loan. The Interest Reserve Amount shall be deposited into an account with the Lender for the purpose of paying monthly interest payments under this Commitment (the “**Interest Reserve Account**”) and shall be pledged and charged to the Lender as security for the Loan. If the Interest Reserve Amount is not enough to pay interest that is due during the term of the Loan including, without limitation, as a result of a change to the Prime Rate, the Borrowers covenant and agree to forthwith provide to the Lender an amount sufficient to pay interest on the Loan until the Maturity Date, as may be amended from time to time. In the event that the Maturity Date is extended, subject to and in accordance with the provisions of this Commitment, the Borrowers shall replenish the Interest Reserve Amount to pay the interest that is due during the extension term. If the Interest Reserve Amount is not enough to pay interest that is due during the extension term including, without limitation, as a result of a change to the Prime Rate, the Borrowers covenant and agree to forthwith provide to the Lender an amount sufficient to pay interest on the Loan until the expiration of the extension term, as may be amended from time to time;
- (n) notice to reader financial statements prepared by independent chartered accountants acceptable to the Lender for AmerCan together with copies of all notices of assessment to confirm all taxes are paid up-to-date;

- (o) supporting documents satisfactory to the Lender in its sole discretion in respect of the assets and liabilities stated in the financial statements of AmerCan provided to the Lender;
- (p) satisfactory credit bureau reports for AmerCan and the Guarantor;
- (q) current net worth statement, together with copies of all notices of assessment for the past year to confirm all taxes are paid up-to-date for the Guarantor;
- (r) supporting documents satisfactory to the Lender in its sole discretion in respect of the personal net worth statement of the Guarantor provided to the Lender;
- (s) a site inspection conducted by a representative of the Lender, satisfactory to the Lender in its sole discretion;
- (t) receipt and satisfactory review of an executed copy of the agreement of purchase and sale with respect to the Borrowers' acquisition of the Property, together with any amendments, side letters and documentation relating to the receivership and any obligations to be agreed upon thereto, satisfactory to the Lender and its solicitors;
- (u) copies of all plans and specifications for the Project and the Property, satisfactory to the Lender in its sole discretion;
- (v) receipt and satisfactory review of a report from an independent planning consultant acceptable to the Lender, in its sole discretion, confirming that the Project is in compliance with the City of Mississauga's Official Plan and By-Laws, together with the consultant's commentary relating to (i) the feasibility and timing of obtaining a draft plan of subdivision, site plan approval and minor variance approvals, as applicable, and (ii) the current allowable land uses for the Property and buildable density of the Project. Such report must be addressed to the Lender or accompanied by a letter from the consultant permitting the Lender to rely thereon;
- (w) an account with the Lender opened by the Borrowers into which the Interest Reserve Amount and the Loan advance will be deposited and from which all monthly payments required hereunder will be paid;
- (x) any and all required identification and other due diligence materials required with respect to the Borrowers and the Guarantor to allow the Lender to comply with its obligations under all applicable anti-money laundering and anti-terrorism laws and regulations to which the Lender may be subject, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada); and
- (y) such other information, documentation, opinions and registrations as the Lender or its solicitors may request.

RIGHT OF TERMINATION

The Lender shall have the right to terminate its agreement to provide the Loan to the Borrowers and be relieved of all obligations in connection with this Commitment or the Security in the event any of the following events should occur:

- (a) the Borrowers or the Guarantor fail or is unable or unwilling for any reason whatsoever to comply with any of the terms and conditions set out in this Commitment within the time indicated for such

compliance;

- (b) the Borrowers or the Guarantor fail or refuse to execute any documentation requested by the Lender's solicitors or to deliver such documentation to them;
- (c) the Loan has not been fully advanced on or before July 20, 2022;
- (d) the Borrowers refuse to accept the Loan proceeds when advanced;
- (e) the Borrowers or the Guarantor shall become bankrupt, or subject to proceedings under the *Companies' Creditors Arrangement Act* (Canada), or subject to bankruptcy, receivership or insolvency proceedings;
- (f) there has been, in the Lender's sole opinion, a material adverse change in the condition of the Property, the Borrowers or the Guarantor or in the actual or anticipated revenues from the Property;
- (g) any construction material containing asbestos has been used or will be used in the Property or there are PCBs or other contaminants or hazardous materials on the Property;
- (h) the Borrowers have not complied with all the provisions of the *Construction Act* (Ontario) to the satisfaction of the Lender's solicitors;
- (i) any representation made by the Borrowers or the Guarantor in this Commitment or the Security is not accurate as of the date of any Loan advance or during the term of the Loan;
- (j) the Lender's solicitors, acting reasonably, are not satisfied with the title to the Property; or
- (k) the Lender has not successfully syndicated the Loan prior to the date of the Loan advance.

If in accordance with the foregoing, the Lender elects to terminate its agreement to provide the Loan to the Borrowers prior to the advance of the entire Loan, the amount advanced, if any, together with interest thereon at the rate set out herein shall become immediately due and payable.

REPORTING REQUIREMENTS

For the purposes of the Lender's annual review of the Loan and Property, the Borrowers and the Guarantor shall provide the following statements and information (collectively, the "**Statements**") to the Lender on or before April 30 in each year end:

- (a) notice to reader financial statements prepared by independent accountants acceptable to the Lender for the Borrowers, together with notices of assessment to confirm all taxes are paid up-to-date;
- (b) updated net worth statement for the Guarantor together with supporting information to support asset values and income as requested by the Lender, together with copies of all notices of assessment to confirm all taxes are paid up-to-date;
- (c) current Taxes bill with confirmation that all required Taxes have been paid;
- (d) current insurance policy indicating the Lender as first mortgagee and as loss payee as its interest

may appear, as the case may be, and as additional insured with respect to public liability insurance; and

- (e) such other information pertinent to the Property as the Lender may request.

The Borrowers hereby further covenant and agree to deliver to the Lender:

- (a) semi-annual written status reports for the Property and the Project, which shall include the status of all approvals, permits and agreements together with an update on the draft plan of subdivision, site plan approval and any minor variance approvals for the Project, the form and content of which shall be satisfactory to the Lender in its sole discretion;
- (b) semi-annual written status reports for the development project located near Yonge Street and Jefferson Side Road, Richmond Hill, Ontario and marketed as "Richmond Hill Grace", which shall include the status of all approvals, permits and agreements, the form and content of which shall be satisfactory to the Lender in its sole discretion; and
- (c) such other information pertinent to the other present and future projects of the Borrowers in Canada as the Lender may request.

LATE REPORTING

In the event that any of the Statements are not provided to the Lender within the time limited therefor, a minimum late reporting fee of \$500 will be charged by the Lender to the Borrowers each month (or part thereof) such Statements remain undelivered. The Lender may also declare such failure to be a default under this Commitment entitling the Lender to exercise its rights and remedies consequent upon default. The Lender may request the Borrowers or the Guarantor to provide the Lender with updated Statements at any time during a fiscal year of the Borrowers. The failure to provide the updated Statements may be deemed by the Lender to be a default under this Commitment.

AUTOMATIC RENEWAL ON MATURITY

On the Maturity Date at a time (1) when an amount remains owing under the Loan for principal, (2) the Borrowers are not in default under this Commitment or the Security, and (3) the Borrowers have not agreed to a renewal or extension on terms satisfactory to the Lender, the Loan shall automatically renew for a period of 30 days from the Maturity Date at an interest rate equal to the interest rate on the Maturity Date plus 3.0% per annum, and the monthly payment for principal and interest, as applicable, shall be adjusted accordingly. The Loan shall automatically renew for additional thirty-day periods unless the Lender provides at least 15 days' notice to the Borrowers of the Lender's intent not to renew prior to the end of any renewal period.

CONSTRUCTION FINANCING

The Borrowers and the Guarantor covenant and agree with the Lender to provide the Lender with a right of first refusal to provide or to match the material terms of any proposed construction financing in connection with the development of the Project.

TIME

Time is of the essence hereof.

AMENDMENT

This Commitment shall only be amended by agreement in writing executed by all the parties hereto.

WAIVER

Any failure by the Lender to exercise any rights or remedies under this Commitment or any Security shall not constitute a waiver thereof.

GOVERNING LAW

This Commitment shall be governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

SURVIVAL

The terms and conditions of this Commitment shall survive the execution and registration of the Security and there shall be no merger of these provisions or conditions in the Security; provided that in the event of any conflict between the provisions of this Commitment and the Security, the provisions of this Commitment shall prevail to the extent necessary to remove such conflict. Notwithstanding the foregoing, in the event that the Security contains remedies which are in addition to the remedies set forth in this Commitment, the existence of such additional remedies in the Security shall not constitute a conflict or inconsistency with the provisions of the Commitment.

NOTICES

Any notice or demand or other written communication hereunder shall be given by facsimile, letter or by electronic means of communication as set out in the execution block of this Commitment as the same may be updated by notice in writing from time to time by any of the parties hereto. A facsimile communication shall be deemed received on the Business Day following its transmission. A letter shall be deemed received when delivered to the receiving party at the address shown on page 1 hereof. An electronic communication shall be deemed received on the day of transmittal if a Business Day and before 5:00 P.M. (Eastern Daylight Time) or, if not, on the next Business Day. Each party shall be bound by any notice given as provided hereunder and entitled to act in accordance therewith. "**Business Day**" means any day other than a Saturday, Sunday or any statutory or civic holiday observed in the Province of Ontario.

INTERPRETATION

In this Commitment (a) words denoting the singular include the plural and vice versa and words denoting any gender include all genders; (b) the word "including" shall mean "including, without limitation,."; (c) any reference to a statute shall mean the statute in force as at the date hereof, together with all regulations promulgated thereunder, as the same may be amended, re-enacted, consolidated and/or replaced from time to time, and any successor statute thereto; (d) any reference to this Commitment, the Security or other concomitant agreement or instrument shall include all amendments, addenda, modifications, extensions, renewals, restatements, supplements or replacements thereto from time to time; (e) any reference to the Lender, the Borrowers, the Guarantor and any other person shall include their respective heirs, estate trustees, legal representatives, successors and assigns; and reference to a "person" shall include an individual, general or limited partnership, joint venture, sole proprietorship, corporation, unincorporated association, trust, trustee, estate trustee, legal representative or any federal, provincial, municipal or other form of government; and reference to a "corporation" shall include a company or other form of body corporate; (f) all dollar amounts are expressed in Canadian dollars; (g) the division of this Commitment into separate sections and the insertion of headings is for convenience of reference only and shall not affect the construction or interpretation of this Commitment; and (h) if more than one person is named as, or otherwise becomes liable for or assumes the obligations and liabilities of the Borrowers or

the Guarantor, then the obligations and liabilities of all such persons shall be joint and several. This Commitment is intended to supplement and not derogate from the Security or any other concomitant document.

ADDITIONAL LOAN TERMS

The additional loan terms attached as Schedule "A" to this commitment letter shall form a part thereof as if incorporated herein.

LENDER APPROVED SOLICITORS

Philip Taylor
Chaitons LLP
5000 Yonge Street, 10th Floor
Toronto, Ontario
416-218-1125
philip@chaitons.com

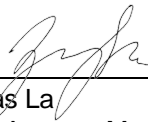
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ACCEPTANCE

The terms of this Commitment are open for acceptance by the Borrowers and the Guarantor by executing the original hereof where indicated below and delivering it to the Lender's head office at 5255 Yonge Street, 4th Floor, Toronto, Ontario M2N 6P4, on or before five (5) Business Days immediately following the date of this Commitment, after which date and time this Commitment shall lapse and become null and void.

Yours truly,

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Per: 
Name: Douglas La
Title: Senior Account Manager, Commercial Banking and Construction

Per: 
Name: Constance Kang
Title: Director, Commercial Credit

Address for Service:
5255 Yonge Street, 4th Floor
Toronto, Ontario M2N 6P4
Email: commercialadmin@duca.com

ACCEPTED on: June 13th, 2022.

AMERICAN CORPORATION

Per: 
Name: Fansay Wang
Title: President

I have authority to bind the Corporation.

Address for Service:
5 Vernham Avenue, North York, ON M2L 2B1
Email:
fansaywang@gmail.com

1000199992 ONTARIO CORP.

Per: Fanseay Wang

Name:

Title: President



I have authority to bind the Corporation.

Address for Service: 26 Bilbermar Drive, Richmond Hill, ON L4S 1B8

Email: james@grandgracedevelopment.com

The undersigned Guarantor has read, understands and accepts the terms and conditions of this Commitment.

ACCEPTED on: June 13th, 2022.



Witness

Fanseay Wang

Address for Service:

1001 - 980 Yonge Street, Toronto, ON M4W 3V8

Email: Fanseayw@grandgracedevelopment.com



SCHEDULE "A"
ADDITIONAL LOAN TERMS

ACCELERATION OF LOAN

Subject to the prepayment provisions set out in this Commitment, If any acceleration or prepayment of all or any portion of the Loan should occur prior to the Maturity Date for any reason whatsoever (whether as a result of default under this Commitment or the Security, by operation of law or otherwise) then an amount equal to the greater of (A) three months' interest at the Interest Rate on the Loan then outstanding; and (B) the positive difference, if any, between (i) the present value on the date of such acceleration or prepayment of all future monthly payments which the Borrowers would otherwise be required to pay under the Loan during the remainder of the term of the Loan absent such prepayment or acceleration, including the unpaid principal of the Loan which would otherwise be due upon the Maturity Date absent such acceleration or prepayment, with such present value being determined by the use of a discount rate equal to the yield to maturity, plus ½ %, on the date of such acceleration or prepayment of Government of Canada bonds having the term to maturity closest to what otherwise would have been the remainder of the term of the Loan absent such acceleration or prepayment; and (ii) the Loan principal on the date of such prepayment (the "**Prepayment Charge**") shall immediately become due and payable and shall be secured by the Security. If there is more than one Government of Canada bond with a maturity equally close to what otherwise would have been the remaining term of the Loan absent the repayment by reason of such acceleration or prepayment, as the case may be, the selection of the applicable bond shall be made by the Lender, acting reasonably. The Borrowers acknowledge that the Prepayment Charge represents reasonable and fair compensation for the loss that the Lender may sustain from any acceleration or prepayment of the Loan or any part thereof prior to the Maturity Date. Provided that nothing herein contained shall create any right to prepay all or any portion of the Loan at any time or under any circumstances prior to the Maturity Date.

ANNOUNCEMENTS

The Borrowers irrevocably acknowledges and agrees that, at any time following the Closing Date, the Lender may announce the closing of the transaction and include details of the transaction in its external public communications, which communications may (a) disclose the Borrowers' name, the amount and purpose of the Loan, the Closing Date and any other non-confidential facts related to the relationship between the parties; and (b) be made in any and all media or formats now or hereafter known or developed.

APPOINTMENT OF RECEIVER

In the event that the Borrowers or the Guarantor shall be in default in the observance or performance of any of the terms, conditions, covenants or payments contained in this Commitment or the Security, the Lender may, by notice in writing, appoint any person to be a receiver, a manager or a receiver and manager of the Property upon and subject to terms more particularly set out in the Security.

APPRAISALS AND ASSESSMENT

All appraisals, inspections, assessments and information with respect to the Property provided to the Lender are provided only for the purpose of assisting it in determining whether to grant the Loan, and no acceptance, use of or adoption of such appraisals, inspections, assessments or information by the Lender shall be construed as any agreement by it as to the value or condition of the Property. The Borrowers are responsible for all appraisal and assessment fees.

ASSIGNMENT

Neither the Borrowers nor the Guarantor shall have the right to assign any of its respective rights or obligations under this Commitment or in respect of the Loan to any person. The Borrowers and the

Guarantor agree that the Lender may transfer and assign, without their consent and without notice to them, the Lender's rights and obligations under this Commitment, the Loan, the Security and any related documentation (the "**Mortgage Loan and Security**") to any person. The Lender may also syndicate, securitize or grant participation interests in the Mortgage Loan and Security without the consent of the Borrowers and the Guarantor or notice to them. The Borrowers and the Guarantor agree that the Lender may disclose confidential information relating to the Mortgage Loan and Security, including any financial information provided by them at any time or otherwise relating to the Property and any plans, drawings or other documentation or information regarding the Property, to any person in connection with any of the transactions contemplated in this paragraph.

CAPITALIZED WORDS

Unless otherwise defined herein, all capitalized words and expressions shall have the same meanings as defined in the commitment letter to which these additional loan terms are attached.

CONDOMINIUM PROVISIONS

If any part of the Property is a condominium unit, the Borrowers shall promptly observe and perform all of its covenants, duties and obligations under or pursuant to the *Condominium Act* (Ontario) and the declaration, by-laws and rules of the condominium corporation, and in accordance with terms more particularly set out in the Security.

CONSENT TO DISCLOSURE

The Borrowers and the Guarantor, if any, hereby expressly consent and authorize the Lender to collect, use or disclose to third parties such personal information as required and as permitted pursuant to *Personal Information Protection and Electronic Documents Act* (Canada) or any regulations thereunder. The Borrowers hereby consent (such consent to remain in force as long as the Loan is outstanding) to any government body or authority or other person having information relating to HST or any other amount required to be paid by the Borrowers, where the failure to pay such other amount could give rise to a claim ranking or capable of ranking in priority to the Security, to release such information to the Lender at any time upon its request. The Borrowers shall provide signed third-party authorizations in support of the foregoing at any time upon the Lender's request, whether prior to or after disbursement of the Loan.

DEFAULT

In the event that the Borrowers or the Guarantor do not perform or comply with any of the provisions of this Commitment or the Security or any other agreement between the Borrowers or the Guarantor and the Lender relating to the Loan, such non-performance or failure to comply shall constitute a default under the terms of this Commitment and the Security and the Lender shall have the right to immediately demand payment of any amounts advanced, together with interest at the rate set out in this Commitment, as well as any other amounts due under this Commitment or the Security.

DEMOLITION

The Borrowers shall not demolish all or any portion of the Property without the Lender's prior written consent.

INSPECTION

The Lender shall have the right at any reasonable time or times to fully inspect the Property, so long as any monies remain outstanding under the Loan.

INTEREST ON INTEREST

Interest shall be payable on all past due interest from the due date of such interest at the Interest Rate, both before and after default, demand, maturity and judgment until paid. Any overdue interest shall be payable on demand. If such overdue interest and compound interest are not paid within one month from the time of default, a rest will be made and compound interest at the Interest Rate will be payable on the aggregate amount then due, both before and after maturity, default and judgment, and so on from time to time until paid.

LENDER'S EXPENSES AND ADMINISTRATION FEES

The Borrowers shall pay all costs, charges and expenses incurred by the Lender in connection with the operation or enforcement of the Commitment or the Security, including costs of registration of financing statements or financing change statements and searches in connection therewith, periodic property inspections and Taxes verifications and other similar costs, and any fees or charges of agents or other persons retained by the Lender for the purpose of conducting such activities on its behalf. In addition the Borrowers shall pay the administration fees in connection with the administration of the Loan by the Lender, including the provision of mortgage statements and discharges, processing late payments, and cheques or automatic debits which are dishonoured or not accepted, the amount of each such administration fee being a liquidated amount to cover administrative costs and not a penalty. If the Borrowers fails to pay any such costs, charges or expenses upon demand, they will be added to the outstanding Loan and shall be secured by the Security.

LENDER'S RECORDS

The Lender shall keep accounts showing the status of the Loan and records of the sums borrowed, principal and interest repayments and all other sums due under this Commitment. In the absence of manifest error, the Lender's records shall constitute conclusive evidence of the Borrowers' indebtedness to the Lender hereunder.

PAYMENTS TO GOVERNMENT AUTHORITIES

During the term of the Loan the Borrowers shall pay, when due, all amounts owing to any government authority which, if unpaid, would give such authority recourse for such amounts ranking in priority to the Security; the failure to pay any such amount, when due, shall constitute a default under this Commitment and the Security.

SALE OR OWNERSHIP CHANGE

The Borrowers shall not sell, assign or otherwise dispose of the Property without the prior written consent of the Lender. If a Borrower is a corporation, it shall not make any changes to its authorized capital or its allocation or ownership which would result in a change of voting control or beneficial ownership of the corporation, without the prior written consent of the Lender.

SUBSEQUENT FINANCING / ENCUMBRANCES

The Borrowers shall not enter into any further financing arrangements, including, without limitation, by way of guarantee, or permit any further encumbrance on the Property or any of its property and assets without the prior written consent of the Lender, which consent may be withheld in the Lender's sole discretion.

SCHEDULE "B"
EXISTING LOANS

<u>Loans in CAD</u>	<u>2021</u> <u>\$ CAD</u>
Sun Sharior	513,200
Ye Fang Ying	407,500
	920,700
 <u>Loans in USD</u>	 <u>\$ USD</u> <u>\$ CAD</u>
Chen Tian Hong	1,550,000
Zhang Bao Xian	1,000,000
Sun Sharior	9,303,729
Dragon Holding	3,000,000
	14,853,729 19,236,154

This is Exhibit “E” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

DATED: July 11, 2022

LENDER: DUCA FINANCIAL SERVICES CREDIT UNION LTD. (“**DUCA**”)

GUARANTOR: FANSEAY WANG (the “**Guarantor**”)

BORROWER: 1000199992 ONTARIO CORP. AND AMERICAN CORPORATION (collectively, the “**Borrower**”)

DEBT: \$7,080,000 (the “**Loan**”)

LIMIT OF LIABILITY: Unlimited (the “**Limited Amount**”)

RECITALS:

- A. DUCA has made or is making the Loan to the Borrower pursuant to a commitment letter governing the Loan between the Borrower and DUCA as the same may be amended from time to time (the “**Commitment Letter**”).
- B. The Guarantor has agreed to provide this Guarantee to DUCA.

IN CONSIDERATION of DUCA agreeing to make the Loan to the Borrower and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Guarantor covenants and agrees with DUCA as follows:

1. **Guarantee.** The Guarantor hereby unconditionally and irrevocably guarantees payment and performance by the Borrower to DUCA of all the debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to DUCA on account of the Loan and the Commitment Letter or remaining unpaid or unsatisfied by the Borrower to DUCA in respect thereof (the “**Outstanding Balance**”) to the Limited Amount together with interest thereon and costs as provided for herein (collectively, the “**Obligations**”).
2. **Indemnity.** If any or all of the Obligations are not duly performed by the Borrower and are not performed under Section 1 hereof for any reason whatsoever, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless DUCA from and against all losses resulting from the failure of the Borrower to perform such Obligations.
3. **Primary Obligation.** If any or all of the Obligations are not duly performed by the Borrower and are not performed under Section 1 hereof or DUCA is not indemnified under Section 2 hereof, in each case, for any reason whatsoever, such Obligations will, as a separate and distinct obligation, be performed by the Guarantor as primary obligor.
4. **Guarantee Absolute.** The liability of the Guarantor hereunder shall be absolute and unconditional and shall not be affected by:
 - (a) any lack of validity or enforceability of any agreements between DUCA and the Borrower or any change in the time, manner or place of payment of or in any other term of such agreements or the failure on the part of the Borrower to carry out any of its obligations under such agreements;
 - (b) any impossibility, impracticability, frustration of purpose, illegality, *force majeure* or act of

- government;
- (c) the bankruptcy, winding-up, liquidation, dissolution or insolvency of the Borrower or any party to any agreement to which DUCA is a party in respect of the Commitment Letter;
- (d) any lack or limitation of power, incapacity or disability on the part of the Borrower or DUCA, or of the directors, partners or agents thereof, or any other irregularity, defect or informality on the part of the Borrower in its obligations to DUCA; or
- (e) any other law, regulation or other circumstance which might otherwise constitute a defence available to, or a discharge of the Borrower in respect of any or all of the Obligations.

The liability of the Guarantor hereunder shall be for the full amount of the Obligations without apportionment, limitation or restriction of any kind. If more than one person (which for the purposes of this Guarantee means any means any individual, general or limited partnership, joint venture, sole proprietorship, corporation, unincorporated association, trust, trustee, estate trustee, legal representative or governmental authority) is named as or otherwise becomes liable for or assumes the obligations and liabilities of the Guarantor hereunder, then the obligations and liabilities of all such persons shall be joint and several.

5. **No Release.** The liability of the Guarantor hereunder shall not be released, discharged, limited or in any way affected by anything done, suffered or permitted by DUCA in connection with any duties or liabilities of the Borrower to DUCA or any security therefor including any loss or release of or in respect of any security received by DUCA. Without limiting the generality of the foregoing and without releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantor's liability hereunder, DUCA may discontinue, reduce, increase or otherwise vary the credit of the Borrower in any manner whatsoever without the consent of or notice to the Guarantor and may, either with or without consideration and at any time:

- (a) make any change in the time, manner or place of payment under, or in another term of any agreement between the Borrower and DUCA;
- (b) grant time, renewals, extensions, indulgences, releases and discharges to the Borrower;
- (c) take or abstain from taking or enforcing securities or collateral from the Borrower or from perfecting securities or collateral of the Borrower;
- (d) accept compromises from the Borrower;
- (e) apply all money at any time received from the Borrower or from securities upon such part of the Obligations as DUCA may see fit or change any such application in whole or in part from time to time as DUCA may see fit; and
- (f) otherwise deal with the Borrower and all other persons and securities as DUCA may see fit.

6. **Continuing Guarantee.** This Guarantee shall be a continuing guarantee of the Obligations and shall apply to and secure any ultimate balance due or remaining due to DUCA and shall not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to DUCA. The Guarantor shall not be released or discharged from any of its obligations hereunder except upon payment of the total amount guaranteed hereunder together with interest thereon as provided for herein. This Guarantee shall continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by DUCA upon the occurrence of any action or event including the insolvency, bankruptcy or reorganization of the Borrower or otherwise, all as though such payment had not been made. Any account settled or stated in writing by or between DUCA and the Borrower shall be *prima facie* evidence that the balance or amount thereof appearing due to DUCA is so due. This Guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by DUCA, and any present or future obligation to DUCA incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Borrower; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by DUCA to be cancelled.

7. **Demand.** The Guarantor shall make payment to DUCA of the total amount guaranteed hereunder forthwith after demand therefor is made to the Guarantor. DUCA shall not be bound or obligated to exhaust its recourse against the Borrower or other persons or any securities or collateral it may hold or take any other action before being entitled to demand payment from the Guarantor hereunder. In any claim by DUCA against the Guarantor, the Guarantor may not assert any set-off or counterclaim that either the Guarantor or the Borrower may have against DUCA.
8. **Interest and Costs.** The Guarantor shall pay interest to DUCA at the interest rate provided for in the Commitment Letter on the unpaid portion of all amounts payable by the Guarantor under this Guarantee, such interest to accrue from and including the date of demand by DUCA on the Guarantor. The Guarantor shall pay all reasonable costs and expenses incurred by DUCA in enforcing this Guarantee.
9. **Release.** If more than one person guarantees any of the Obligations of the Borrower to DUCA under this Guarantee or any other instrument, DUCA may release any of those persons on any terms DUCA chooses and each person executing this Guarantee who has not been released shall remain liable to DUCA under this Guarantee as if the person so released had never guaranteed any of the obligations of the Borrower.
10. **Assignment, Postponement and Subrogation.** All debts and liabilities, present and future, of the Borrower to the Guarantor are hereby assigned to DUCA and postponed to the Obligations, and all money received by the Guarantor in respect thereof shall be held in trust for DUCA and forthwith upon receipt shall be paid over to DUCA, the whole without in any way lessening or limiting the liability of the Guarantor hereunder and this assignment and postponement is independent of the Guarantee and shall remain in full force and effect until, in the case of the assignment, the liability of the Guarantor under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and paid in full. The Guarantor will not be entitled to subrogation until the Obligations are performed and paid in full.
11. **Benefit of the Guarantee.** The Guarantor acknowledges and agrees that DUCA may hold the Loan, this Guarantee and any and all related documents as custodian and agent for all persons having an ownership interest in the Loan from time to time and this Guarantee shall enure to the benefit of DUCA and each such person and their respective successors and assigns. The Guarantor agrees that all enforcement actions or proceedings may be brought by DUCA under the Loan and this Guarantee on behalf of all persons having an ownership interest in the Loan and waives any requirement that any such person be a party thereto. This Guarantee shall be binding upon the Guarantor and its heirs, estate trustees, legal representatives, successors and assigns. Where any reference is made in this Guarantee to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to a trust, such reference shall be construed and applied for all purposes as if it referred to an act to be performed by, an appointment to be made by, an obligation or liability of, an asset or right of, a discharge or release to be provided by, a suit or proceeding to be taken by or against or a covenant, representation or warranty (other than relating to the constitution or existence of the trust) by or with respect to the trustees of the trust. Subject to the terms of the Commitment Letter, this Guarantee may be transferred or assigned by DUCA without restriction and without notice to or the consent of the Guarantor.
12. **Entire Agreement.** The Commitment Letter and this Guarantee constitutes the entire agreement between the Guarantor and DUCA with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between such parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties with respect to the subject matter of this Guarantee except as expressly set forth herein or the Commitment Letter. DUCA shall not be bound

by any representations or promises made by the Borrower to the Guarantor and possession of this Guarantee by DUCA shall be conclusive evidence against the Guarantor that the Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with. The Guarantor has reviewed all of the security held by DUCA in respect of the Commitment Letter as of the date of this Guarantee.

13. **Amendments and Waivers.** No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantor and DUCA. No waiver of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.
14. **Severability.** If any provision of this Guarantee is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.
15. **Notices.** Any demand, notice or other communication to be made or given to the Guarantor in connection with this Guarantee may be made or given by personal delivery, by registered mail or by facsimile transmission addressed to the last known address of the Guarantor as shown in DUCA's records. Any demand, notice or communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof, and if given by registered mail, on the third business day in Ontario following deposit thereof in the mail, and if given by facsimile transmission, on the first business day in Ontario following the transmittal thereof.
16. **Governing Law.** This Guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein without application of any principle of conflict of laws which may result in laws other than the laws in force in Ontario applying to this Guarantee; and the Guarantor consents to the jurisdiction of the courts of Ontario and irrevocably agrees that, subject to DUCA's election in its sole discretion, all actions or proceedings arising out of or relating to this Guarantee shall be litigated in such courts and the Guarantor unconditionally accepts the non-exclusive jurisdiction of such courts and waives any defense of *forum non-conveniens*, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Guarantee, provided nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of DUCA to bring proceedings against the Guarantor or the Borrower in the courts of any other jurisdiction.
17. **Counterparts.** This Guarantee may be executed in any number of counterparts each of which shall be deemed an original with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed counterpart of a signature page of this Guarantee by telecopy, PDF or other similar electronic means shall be effective as delivery of a manually executed counterpart of this Guarantee.

[The remainder of this page is blank. The signature page follows.]



IN WITNESS WHEREOF the Guarantor has executed this Guarantee and acknowledges receipt of a fully executed copy thereof on the date first written above.

Witness

A large, stylized handwritten signature in blue ink is written over a horizontal line. The signature is highly cursive and loops around the line.

DocuSigned by:
A smaller, more legible handwritten signature in black ink is written over a horizontal line.
14670E1160DF4B2...
Fansey Wang

CANADA)	IN THE MATTER OF a loan
)	(the " Loan ") to be provided
Province of Ontario)	by DUCA Financial Services Credit Union Ltd.
)	to AmerCan Corporation and 1000199992
)	Ontario Corp. (collectively, the " Borrower ")

TO WIT:

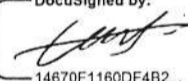
I, Fanseday Wang, of the City of Toronto, in the Province of Ontario, SOLEMNLY DECLARE THAT:

1. I am the President of AmerCan Corporation and a guarantor of the Loan and, as such, have knowledge of the matters deposed to herein.
2. The loan and security documents and other documents relating to the Loan were executed by me, Fanseday Wang, in my personal capacity.
3. I confirm that I, Fanseday Wang, am one and the same person as Fengxi Fanseday Wang.
4. I am of the full age of eighteen years.

AND I MAKE this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the *Canada Evidence Act*.

SL
 State of Massachusetts
 DECLARED BY Fanseday Wang, City of
 stated as being located in the Boston
 in the Province of Ontario, before me in the
City of Toronto, in the Province of Ontario
 on this 7th day of July, 2022,
 in accordance with O. Reg 431/20,
 Administering Oath or Declaration Remotely

 A COMMISSIONER, ETC.
 SUSAN D. ROSEN

DocuSigned by:

 14670F1160DF4B2...

 Fanseday Wang

This is Exhibit “F” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

Properties

PIN 13243 - 0269 LT Interest/Estate Fee Simple
 Description PCL BLOCK 19-1, SEC 43M932; BLK 19, PL 43M932; CITY OF MISSISSAUGA
 Address MISSISSAUGA

PIN 13243 - 0378 LT Interest/Estate Fee Simple
 Description PART LOT 9 CONCESSION 11 (NEW SURVEY) TRAFALGAR, DESIGNATED AS PART 1, PLAN 43R37427; CITY OF MISSISSAUGA
 Address 6532 AND 6544 WINSTON CHURCHILL BOUL
 MISSISSAUGA

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name 1000199992 ONTARIO CORP.
 Address for Service 26 Bilbermar Drive
 Richmond Hill, Ontario
 L4S 1B8

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
 This document is not authorized under Power of Attorney by this party.

Chargee(s)*Capacity**Share*

Name DUCA FINANCIAL SERVICES CREDIT UNION LTD.
 Address for Service 5255 Yonge Street, 4th Floor
 Toronto, ON M2N 6P4

Statements

Schedule: See Schedules

Provisions

Principal \$8,000,000.00 Currency CDN
 Calculation Period monthly, not in advance
 Balance Due Date On Demand
 Interest Rate Prime Rate Plus 10% Per Annum
 Payments
 Interest Adjustment Date
 Payment Date
 First Payment Date
 Last Payment Date
 Standard Charge Terms
 Insurance Amount Full insurable value
 Guarantor

Signed By

Denise Borzi 5000 Yonge Street, 10th Floor acting for Signed 2022 07 11
 Toronto Chargor(s)
 M2N 7E9

Tel 416-222-8888

Fax 416-218-1860

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

Submitted By

CHAITONS LLP 5000 Yonge Street, 10th Floor 2022 07 12
 Toronto
 M2N 7E9

Tel 416-222-8888

Fax 416-218-1860

Fees/Taxes/Payment

Statutory Registration Fee	\$66.30
Total Paid	\$66.30

SCHEDULE TO COLLATERAL MORTGAGES

Any reference to the "Computer Field" in this Charge means a computer data entry field in a charge registered pursuant to Part 111 of the *Land Registration Reform Act* (Ontario) into which the terms and conditions of this Charge may be inserted.

1. **Definitions.** In this Schedule, the following terms shall have the following meanings:
- (a) "**Applicable Laws**" means all applicable federal, provincial or municipal laws, statutes, regulations, rules, by-laws, policies and guidelines, orders, permits, licences, authorizations and approvals.
 - (b) "**Bankruptcy Legislation**" means any present or future bankruptcy or insolvency legislation, including where applicable the *Bankruptcy and Insolvency Act* (Canada) and the *Companies' Creditors Arrangement Act* (Canada).
 - (c) "**Business Day**" means any day other than a Saturday, Sunday or any statutory or civic holiday observed in the Province of Ontario.
 - (d) "**Charge**" means the charge prepared in the electronic format and registered electronically pursuant to Part 111 of the LRRRA, including this Schedule and any other schedules thereto.
 - (e) "**Chargee**" means DUCA Financial Services Credit Union Ltd.
 - (f) "**Chargor**" means the person or persons indicated in the Computer Field of the Charge entitled "**Chargor(s)**".
 - (g) "**Costs**" means all fees, costs, charges and expenses of the Chargee of and incidental to (a) the negotiation, preparation, execution and registration of the Charge and any other instruments connected therewith and every renewal or discharge thereof; (b) the collection of any amounts payable hereunder, enforcement of any covenants contained herein and the realization of the security herein contained; (c) procuring or attempting to procure payment of any Indebtedness or any other amounts due and payable hereunder including foreclosure, power of sale or execution proceedings commenced by the Chargee or any other party; (d) any inspection required to be made of the Mortgaged Premises, or review of plans, specifications and other documentation which may require the approval or consent of the Chargee; (e) all repairs and replacements required to be made to the Mortgaged Premises; (f) the Chargee having to go into possession of the Mortgaged Premises and secure, complete and equip the Fixtures or Improvements in any way in connection herewith; and (g) solicitors' costs, charges and expenses relating to any of the foregoing and any necessary examination of title to the Mortgaged Premises. For greater certainty, Costs shall (i) extend to and include legal costs incurred by the Chargee; (ii) be payable forthwith by the Chargor; and (iii) be a charge on the Mortgaged Premises. Costs include interest at the highest interest rate applicable to the Indebtedness on all such fees, costs, charges and expenses.
 - (h) "**Event of Default**" has the meaning ascribed thereto in Section 12.
 - (i) "**Fixtures**" includes all fixtures, buildings, erections, appurtenances, plants and improvements, fixed or otherwise, now or hereafter put on the Lands, including all fences, furnaces, oil burners, water heaters, electric light fixtures, window blinds, screen and storm doors and windows, and all air-conditioning, plumbing, cooling, ventilating, cooking, refrigeration and heating equipment and all other apparatus and equipment appurtenant to the Mortgaged Premises.
 - (j) "**Improvement**" includes any construction, installation, alteration, addition, repair or demolition to any part of the Mortgaged Premises.
 - (k) "**Indebtedness**" means all obligations, debts and liabilities, whether present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed now or at any time hereafter owing by the Chargor to the Chargee, whether as principal or surety, whether alone or jointly with any other person and in whatever name, style or form, whether otherwise secured or not and whether arising from dealings between the Chargee and the Chargor or from other dealings or proceedings by which the Chargee may become a creditor of the Chargor and whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and all interest, compound interest, damages and Costs, and all premiums of insurance upon the Improvements and Fixtures, Taxes and other amounts paid by the Chargee in accordance with the provisions of this Charge.
 - (l) "**LRRRA**" means the *Land Registration Reform Act* (Ontario)
 - (m) "**Lands**" means the lands and premises described in the Computer Field of the Charge entitled "Properties".
 - (n) "**Lien**" means any mortgage, charge, pledge, hypothec, assignment, lien, lease, sublease, easement, preference, priority, trust or other security interest or encumbrance of any kind or nature whatsoever with respect to any property or asset, including any title reservations, limitations, provisos or conditions.
 - (o) "**Mortgaged Premises**" means the Lands, Fixtures and Improvements.
 - (p) "**Permitted Encumbrances**" means (a) Liens for Taxes not at the time due; and (b) any other Liens disclosed by the registered title to the Lands provided the same (i) do not, in the Chargee's opinion, in the aggregate, materially impair the development, management, ownership, operation, value or marketability of the Mortgaged Premises or any part thereof; (ii) are materially complied with by the Chargor and the Mortgaged Premises; and (iii) do not, in the Chargee's opinion, pose any threat to the Mortgaged Premises.

- (q) “**person**” means any individual, general or limited partnership, joint venture, sole proprietorship, corporation, unincorporated association, trust, trustee, estate trustee, legal representative or governmental authority.
- (r) “**Prime**” and “**Prime Rate**” when referred to in the Computer Field of the Charge entitled “Interest Rate” means the annual rate of interest announced from time to time by DUCA Financial Services Credit Union Ltd. as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada and designated by the Chargee as its prime rate.
- (s) “**Principal Amount**” means the amount indicated in the Computer Field of the Charge entitled “Principal”.
- (t) “**Receiver**” shall include one or more of a receiver and a receiver and manager of all or any portion of the Mortgaged Premises appointed by the Chargee pursuant to this Charge.
- (u) “**Taxes**” means all taxes, rates and other impositions whatsoever which are now or may hereafter be imposed, charged or levied by any authority creating a lien or charge on the Mortgaged Premises or any part thereof.
- (v) “**Transfer**” means (a) any conveyance, assignment, transfer, sale, granting or creation of an option or trust with respect to, or other disposition of (directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, and whether or not for consideration or of record) any legal or beneficial interest in the Mortgaged Premises or any part thereof; or (b) any change in the effective voting control of any person comprising the Chargor or any beneficial or unregistered owner of any part of the Mortgaged Premises from that existing as of the date of this Charge (including any change of ownership of 50% or more of the voting securities representing an interest in any such person) and shall include any agreement to do or complete any of the matters referred to in (a) or (b) above.
2. **Implied Covenants.** The implied covenants deemed to be included in the Charge by sections 7(1) 1. iii., and 7(1) 2. of the LRRRA are hereby varied by deleting therefrom the words “except as the records of the land registry office disclose” and substituting therefor “except Permitted Encumbrances”. The implied covenant deemed to be included in the Charge by section 7(1) I. vii. of the LRRRA is hereby varied to provide that “the Chargor or the Chargor’s successors will, before and after default, execute and deliver such further assurances of the Mortgaged Premises and do such other acts, at the Chargor’s expense, as may be required by the Chargee”. The implied covenants deemed to be included in a charge under section 7(1) of the LRRRA are in addition to and shall not be interpreted to supersede or replace any of the covenants contained in this Charge which are covenants by the Chargor, for the Chargor and the Chargor’s successors and assigns with the Chargee and the Chargee’s successors and assigns. In the event of any conflict between any of the covenants implied by the LRRRA, and any other covenant or provision contained herein, the covenant or provision contained herein shall prevail.
3. **Successors.** Notwithstanding the definition of the word “successor” in the LRRRA, the word “successor” as used in this Charge shall include an heir, executor, administrator, estate trustee, personal representative or successor.
4. **Charge.** In consideration of the sum of \$10.00 and other good and valuable consideration (the receipt and sufficiency whereof are hereby acknowledged by the Chargor) and as a continuing security for the payment to the Chargee of the Indebtedness and to secure the performance of all the obligations of the Chargor hereunder, the Chargor hereby charges the Mortgaged Premises with payment to the Chargee of any ultimate outstanding balance of the Indebtedness due and remaining unpaid and the performance of the Chargor’s obligations hereunder, provided that such security shall be limited to the aggregate of the Principal Amount, Costs and any other amounts payable hereunder, and with the powers of sale hereinafter expressed.
5. **Defeasance.** Provided this Charge to be void upon payment in full on demand of all the Indebtedness and the performance in full of all the obligations of the Chargor hereunder up to a maximum amount of the aggregate of the Principal Amount, Costs and any other amounts payable hereunder, together with Taxes and performance of statute labour, and observance and performance of all covenants, provisos and conditions herein contained.
6. **Demand.** In the event that the Chargor is called upon to pay any Indebtedness in accordance with its terms or if any Event of the Default has occurred which has not been remedied, the Chargor shall be obligated to pay and the Chargee shall be entitled to forthwith make demand for payment of all such Indebtedness and any other monies secured hereby.
7. **Covenants of Chargor.** The Chargor hereby covenants, agrees and declares as follows:
- (a) The Chargor has good title in fee simple to the Mortgaged Premises free of all encumbrances other than the Permitted Encumbrances.
- (b) The Chargor has the right to convey the Mortgaged Premises to the Chargee.
- (c) On default, the Chargee shall have quiet possession of the Mortgaged Premises, free from all encumbrances other than the Permitted Encumbrances.
- (d) The Chargor will execute at the Chargor’s expense such further assurances of the Mortgaged Premises as may be requisite.

- (e) The Chargor has done no act to encumber the Mortgaged Premises, except the Permitted Encumbrances.
 - (f) The Chargor shall pay as they fall due all Permitted Encumbrances and Taxes and shall not suffer any construction, statutory or other liens or rights of retention, other than Permitted Encumbrances, to remain outstanding upon any of the Mortgaged Premises. The Chargor shall, within one month from the date fixed for payment of the last instalment of Taxes in each year, furnish the Chargee, if requested by it, with receipted tax bills showing all such Taxes for the year have been paid in full.
 - (g) The Chargor will insure, with insurance companies satisfactory to the Chargee, the Mortgaged Premises to the amount of not less than their full replacement cost in dollars of lawful money of Canada. Such insurance shall have "Extended Coverage" and "Replacement Cost" endorsements and include not only insurance against loss or damage by fire, but also insurance against loss or damage by war, the enemy, explosion, tempest, tornado, cyclone, lightning and such other risks or hazards as the Chargee may reasonably require at any time and from time to time and, if requested by the Chargee, against loss or damage from any other cause with insurers approved by the Chargee, and the Chargor will pay all premiums necessary for such purposes as the same shall become due. The Chargee may require any such insurance to be cancelled and new insurance to be effected with insurance companies satisfactory to the Chargee. The loss under all policies or contracts of insurance shall be payable to the Chargee as mortgagee or as its interest may appear and such policies or contracts shall contain the Insurance Bureau of Canada standard mortgage clause and shall be in terms satisfactory to the Chargee. Evidence of continuation of all such insurance having been effected shall be produced to the Chargee, if requested by it, at least three Business Days before the expiration thereof, otherwise the Chargee may provide therefor and charge the premium paid to the Chargor and the same shall be payable forthwith and shall also be a charge upon the Mortgaged Premises.
 - (h) All Fixtures are and shall, immediately on being placed upon the Mortgaged Premises, become fixtures and a part of the Mortgaged Premises, and form a part of this security; and the Chargor hereby grants and releases to the Chargee all its claims upon the Mortgaged Premises subject to the aforesaid proviso for defeasance.
 - (i) The Chargee may distrain for arrears of interest, if any, and for overdue principal and any other sum payable hereunder. The Chargor waives the right to claim exceptions and agrees that the Chargee shall not be limited in the amount for which it may distrain.
 - (j) The Chargee may make any payment or cure any default under any Permitted Encumbrance and may pay and satisfy the whole or any part of any liens, Taxes, charges or encumbrances now or hereafter existing in respect of the Mortgaged Premises. In the event of the Chargee making any such payment or curing a default or satisfying any such liens, Taxes, charges or encumbrances it shall be entitled to all the equities and securities of the person or persons so paid and is hereby authorized to retain any discharge thereof without registration for so long as it may think fit so to do.
 - (k) The Chargor will keep the Mortgaged Premises in good condition and repair and shall not permit any act of waste to be committed upon the Mortgaged Premises; the Chargee may, whenever it deems it necessary or desirable, by its agent enter upon and inspect the same and in the event of a default hereunder the reasonable cost of such inspection shall be payable by the Chargor to the Chargee. If the Chargor neglects to keep the Mortgaged Premises in good condition and repair or commits or permits any act of waste on the Mortgaged Premises (as to which the Chargee shall be sole judge), the Chargee may make such repairs and replacements as it deems necessary.
 - (l) The Chargor shall diligently and continuously construct in a good and workmanlike manner any unfinished Fixtures and, in the event that any material amount of work is not done on such Fixtures for a period of ten consecutive days, the Chargee or its representatives may enter into the Mortgaged Premises and do any or all work which they may consider necessary or desirable to complete such Fixtures or to protect the same from deterioration.
 - (m) The Chargor shall not make any material Improvement, whether financed by the Chargee or otherwise, without the prior written consent of the Chargee and except in accordance with contracts, plans and specifications approved by the Chargee in writing prior to the commencement of work on the Improvement.
 - (n) The Chargor shall at all times comply with all Applicable Laws relating to it and the Mortgaged Premises, including all applicable zoning by-laws, rent control legislation and construction lien legislation.
8. **Quiet Possession.** Until default of payment, the Chargor shall have quiet possession of the Mortgaged Premises.
9. **Waivers.** The Chargee may waive any breach by the Chargor of any of the provisions contained in this Charge or any default by the Chargor in the observance or performance of any covenant or condition required to be observed or performed by the Chargor hereunder, provided that no such waiver by the Chargee shall extend to or be taken in any manner to affect any subsequent breach or default or the rights resulting therefrom.
10. **Performance of Covenants.** If the Chargor shall fail to perform any covenant on its part herein contained, the Chargee may in its absolute discretion perform any such covenant capable of being

performed by it. If any such covenant requires the payment of money or if the Mortgaged Premises shall become subject to any encumbrance ranking in priority to the lien hereof other than a Permitted Encumbrance, the Chargee may make such payment or pay or discharge such encumbrance, but shall be under no obligation to do so. All sums so paid by the Chargee shall immediately be payable by the Chargor to the Chargee and shall constitute a charge upon the Mortgaged Premises. No such performance or payment shall relieve the Chargor from any default hereunder or any consequences of such default.

11. **Continuing and Additional Security.** The security hereby constituted is a continuing security for the payment of all Indebtedness and the fulfillment of all the obligations of the Chargor hereunder and such security is in addition to any other security now or hereafter held by the Chargee. The taking of any action or proceedings or refraining from so doing, or any other dealings with any other security for the monies secured hereby, shall not release or affect the obligations of the Chargor hereunder or the charges created hereby.
12. **Default.** The security hereby created shall become enforceable in each of the following events (each event being herein called an "Event of Default"):
- (a) if the Chargee shall make an authorized and proper demand for payment of any Indebtedness or any other monies hereby secured and payment in full has not been received by the Chargee within the time limited therefor;
 - (b) if the Chargor defaults in the performance or observance of any other covenant or condition herein contained and such default shall continue for 15 days after written notice thereof to the Chargor by the Chargee;
 - (c) if there is any material misrepresentation or misstatement contained in any certificate or document delivered by the Chargor or any representative of the Chargor to the Chargee in connection with this Charge or the Indebtedness;
 - (d) if a petition is filed under any Bankruptcy Legislation against the Chargor or an authorized assignment made or a Receiver appointed under any Bankruptcy Legislation or by or on behalf of a secured creditor of the Chargor or a proposal made to the creditors of the Chargor under any Bankruptcy Legislation;
 - (e) if any execution, distress, sequestration or any other process of any court becomes enforceable against any of the property of the Chargor, or if a distress or like process is levied upon any of such property;
 - (f) if the Chargor commits any act of bankruptcy;
 - (g) if any portion of the Mortgaged Premises is expropriated by any governmental body or authority which the Chargee (in its sole discretion) considers material;
 - (h) if a Transfer is made or permitted without the prior written consent of the Chargee in its sole discretion; or
 - (i) if a Lien shall be created, issued, incurred or permitted to exist (by operation of law or otherwise and whether prior or subordinate to the security of this Charge) on any part of the Mortgaged Premises or any interest therein (except in favour of the Chargee as security for the Indebtedness) without the prior written consent of the Chargee in its sole discretion.
13. **Remedies.** Upon the happening of any Event of Default, in addition to any other rights or remedies available to it hereunder or at common law or in equity or pursuant to any statute, the Chargee shall have the following rights and powers:
- (a) To enter upon and possess all or any part of the Mortgaged Premises;
 - (b) To preserve and maintain the Mortgaged Premises and make such replacements thereof and additions thereto as it shall deem advisable;
 - (c) On default of payment for at least 15 days the Chargee or its agents or representatives may on giving the notice, if any, required hereby enter on and/or lease the Mortgaged Premises or on default of payment for at least 15 days may on at least 35 days' notice sell the Mortgaged Premises. In the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable, it is agreed that notice may be effectually given by giving it in accordance herewith; and such notice shall be sufficient although not addressed to any person or persons by name or designation and notwithstanding that any person to be affected thereby may be unknown, unascertained or under disability. The Chargee may sell the Mortgaged Premises or any part thereof by public auction or private sale, for such price as can reasonably be obtained therefor, and on such terms as to credit and otherwise, and with such conditions of sale and stipulations as to title or evidence or commencement of title or otherwise, as it shall in its discretion deem proper, and in the event of any sale on credit or for part cash and part credit, the Chargee shall not be accountable for or charged with any monies until actually received. The Chargee may rescind or vary any contract of sale and may buy in and resell the Mortgaged Premises or any part thereof without being answerable for loss occasioned thereby. No purchaser or lessee shall be bound to inquire into the legality, regularity or propriety of any sale or lease or be affected by notice of any irregularity or impropriety of any kind; and no lack of default or want of notice or other requirement or any irregularity or impropriety of any kind shall invalidate any sale or lease hereunder. The Chargee may sell or lease without entering into actual possession of the Mortgaged Premises and when it desires to take possession it may break locks and bolts and while in possession or upon any

- sale or lease the Chargee shall be accountable only for monies which are actually received by it. Sales may be made from time to time of parts of the Mortgaged Premises to satisfy any portion of the Indebtedness or other sums owing hereunder and leaving the Indebtedness or the residue thereof secured hereunder on the remaining Mortgaged Premises. The Chargor hereby appoints the Chargee its true and lawful attorney and agent to make application under the *Planning Act* (Ontario) and to do all things and execute all documents to effectually complete such sale. The Chargee may lease or take sale proceedings hereunder notwithstanding that other mortgage proceedings have been taken or are then pending; and
- (d) To appoint by instrument any person or persons to be a Receiver of all or any portion of the undertaking, property and assets of the Chargor forming the Mortgaged Premises and all rents, issues, incomes and profits to be derived therefrom, to fix the Receiver's remuneration and from time to time to remove any Receiver so appointed and appoint another or others in its stead.

14. Receiver. Any Receiver shall have all of the powers of the Chargee set forth in this Charge and, in addition, shall have the following powers:

- (a) To lease all or any portion of the Mortgaged Premises and for this purpose execute contracts in the name of the Chargor, which contracts shall be binding upon the Chargor and the Chargor hereby irrevocably constitutes such Receiver as its attorney for such purposes;
- (b) To take possession of the Mortgaged Premises, collect all rents, issues, incomes and profits derived therefrom and realize upon any additional or collateral security granted by the Chargor to the Chargee and for that purpose may take any proceedings in the name of the Chargor or otherwise; and
- (c) To carry on or concur in carrying on the business which the Chargor is conducting on and from the Mortgaged Premises and for that purpose the Receiver may borrow money on the security of the Mortgaged Premises in priority to this Charge.

Any Receiver appointed pursuant to the provisions hereof shall be deemed to be the agent of the Chargor for the purposes of (i) carrying on and managing the business and affairs of the Chargor; and (ii) establishing liability for all the acts or omissions of the Receiver while acting in any capacity hereunder and the Chargee shall not be liable for such acts or omissions; provided that, without restricting the generality of the foregoing, the Chargor irrevocably authorizes the Chargee to give instructions to the Receiver relating to the performance of its duties as set out herein.

15. Application of Monies. All monies actually received by the Chargee or the Receiver pursuant hereto shall be applied, subject to any claims of creditors of the Chargor ranking in priority to the charges created by this Charge, in the following manner: (a) First, in or towards payment of all applicable Costs; (b) Second, in or towards payment or satisfaction of any remaining Indebtedness in such order as the Chargee in its sole discretion may determine; and (c) Third, any surplus shall be paid to the Chargor or as required by Applicable Law.

16. Release, Extensions. The Chargee may in its sole discretion at all times release any part or parts of the Mortgaged Premises either with or without any consideration therefor, without responsibility therefor and without thereby releasing any other part of the Mortgaged Premises or any person from its obligations under this Charge, the Indebtedness or from any of the covenants herein contained and without being accountable to the Chargor for the value thereof or for any money except that actually received by the Chargee, it being expressly agreed that every part of the Mortgaged Premises into which it is or may hereafter be divided does and shall stand charged with the whole of the amount hereby secured. The Chargee may grant time, renewals, extensions, indulgences, releases and discharges to, may take additional securities, may give any securities up, may abstain from taking securities or from perfecting securities, may accept compositions, and may otherwise deal with the Chargor and all other persons and securities as the Chargee may see fit without prejudicing the rights of the Chargee under this Charge.

17. No Change in Rights. No sale or other dealing by the Chargor with the Mortgaged Premises or any part thereof shall in any way change the liability of the Chargor or in any way alter the rights of the Chargee as against the Chargor or the Mortgaged Premises or the amount or terms of any Indebtedness or any guarantee thereof.

18. No Merger. The taking of a judgment or judgments on any of the covenants herein contained shall not operate as a merger of the said covenants.

19. Assignment of Rents. Subject to the proviso for defeasance, and as additional and separate continuing collateral security for the Chargor's obligations hereunder, the Chargor hereby assigns to the Chargee all present and future leases of the Mortgaged Premises or any part thereof, and all rents, issues, incomes and profits now or hereafter derived from the leases or the Mortgaged Premises or any part thereof, together with the benefit of all covenants, agreements and provisos contained in such leases. The Chargor will execute and deliver to the Chargee, from time to time, upon the request of the Chargee and at the expense of the Chargor, assignments in registrable form of all leases and rents relating to the Mortgaged Premises and such other notices or documents as may be required by the Chargee. Nothing in this Charge shall make the Chargee responsible for the

collection of rents payable under any lease of the Mortgaged Premises or any part thereof or for the performance of any covenants, terms or conditions contained in any such lease. The Chargee shall be liable to account only for such rents as actually come into its hands after the deduction of collection charges in respect thereof and may apply such rents to the repayment of the Indebtedness.

20. **Disclosure of Information.** The Chargor acknowledges that the Chargee may be obliged to release information relating to this Charge and the Indebtedness and any amounts advanced thereunder or secured hereby. The Chargor hereby authorizes the Chargee to release all such information and any other information it may, from time to time, be required to release by Applicable Law to those entitled to such information.
21. **Discharge.** After payment in full of all Indebtedness and Costs, the Chargee shall within a reasonable period of time after receipt of a written request therefor from the Chargor, provide the Chargor with a discharge of the Charge or an assignment or transfer of the Charge if so required and directed by the Chargor; any such discharge, assignment or transfer shall be prepared by the Chargee at the expense of the Chargor.
22. **Governing Law.** This Charge shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
23. **Notice.** Any notice required or desired to be given hereunder or under any instrument supplemental or collateral hereto shall be in writing and may be given either by personally delivering the same or by sending the same by registered mail, postage prepaid, to the Chargor or the Chargee at its address for service indicated in the Computer Field of this Charge entitled "Chargor(s)" and "Chargee(s)" respectively. Any notice so delivered shall be conclusively deemed given when personally delivered and any notice so mailed shall be conclusively deemed given on the third Business Day following the day of mailing, provided that in the event of a known disruption of postal service, notice shall be given by personal delivery only. Any address for notice or payments may be changed by notice given pursuant hereto.
24. **Condominium Provision.** If any part the Mortgaged Premises is a condominium unit (a) the Chargor shall promptly observe and perform all of its covenants, duties and obligations under or pursuant to the *Condominium Act* (Ontario) (the "CA") and the declaration, by-laws and rules of the condominium corporation created by registration of the declaration and the description relating thereto of which the condominium unit forms part (the "Condominium Corporation"); (b) the Chargor will pay promptly when due any and all contributions to common expenses and all other levies, charges and assessments made, assessed or levied by or on behalf of the Condominium Corporation payable in respect of, or charged to the owner of, the Mortgaged Premises (all such common expenses, levies, charges, assessments are called "unit charges"); (c) upon request by the Chargee from time to time, the Chargor shall provide satisfactory proof to the Chargee that all unit charges have been paid in full; (d) if the Chargor does not pay any unit charges when due, then, without limiting any of other rights and remedies of the Chargee hereunder or otherwise at law or in equity, the Chargee may (but shall not be obligated to do so) pay the same and the amount so paid shall be added to the Indebtedness and secured by this Charge and shall be payable forthwith to the Chargee upon demand; (e) promptly following receipt thereof, the Chargor shall deliver to the Chargee copies of every notice, assessment, request, claim or demand, notice of meeting and all other documentation or information of any kind relating to the condominium unit or the Condominium Corporation received by the Chargor so that the Chargee receives them at least ten days prior to the date that any response, payment or other action is required; (f) any default by the Chargor under this section (regardless of any action or proceedings taken or proposed by the Condominium Corporation) shall be an Event of Default under this Charge; (g) the Chargor hereby irrevocably assigns to the Chargee, and irrevocably authorizes and empowers the Chargee to exercise, all rights of the Chargor as the owner of the Mortgaged Premises to vote or to consent to all matters relating to the affairs of the Condominium Corporation, provided however that (i) the Chargee may at any time and from time to time give notice in writing to the Chargor and to the Condominium Corporation that the Chargee does not intend to exercise the said right to vote or consent and in that event until the Chargee revokes such notice the Chargor may exercise the right to vote or consent in respect of all matters not requiring a unanimous resolution (any such notice may be for an indeterminate period of time or for a specific meeting or matter); (ii) the Chargee's right to vote and consent do not impose any obligation on the Chargee to consult with the Chargor as to the manner in which such right to vote or consent will be exercised or not exercised or to protect the Chargor's interests and the Chargee shall not be responsible for any exercise or failure to exercise the right to vote or consent; and (iii) neither this assignment and authorization in favour of the Chargee nor the exercise by the Chargee of the right to vote or consent shall constitute the Chargee a mortgagee in possession nor give rise to any liability on the part of the Chargee; (h) this Charge includes a mortgage, charge, assignment and sublease in favour of the Chargee of any lease or rights to occupy any parking space or spaces in the Mortgaged Premises demised to or reserved or designated for exclusive use by the Chargor or its condominium unit and of any lease or right to exclusive use of any common Mortgaged Premises or special privileges in respect thereof granted to the Chargor or its condominium unit; (i) without limiting the obligations of the Chargor hereunder, the Chargor shall cause the Condominium Corporation to maintain the insurance required by this Charge with respect to all the Mortgaged Premises which are governed by

the CA for the benefit of the Chargee and shall cause the Condominium Corporation to comply fully with the terms of the required policies of insurance and the insurance provisions of the CA and the declaration, by-laws and rules of the Condominium Corporation; (j) in addition to the Events of Default set out herein, it shall be an Event of Default if (i) the government of the Mortgaged Premises by the Condominium Corporation or any part thereof by the CA is terminated; or (ii) a vote of the Condominium Corporation authorizes the sale of all or substantially of its property or assets or all or any part of its common elements which are all or any part of the Mortgaged Premises, or if any part of such common elements of the Condominium Corporation is expropriated; or (iii) the Condominium Corporation fails to comply with any provision of the CA or the declaration, by-laws or any of the rules of the Condominium Corporation; or (iv) the Condominium Corporation fails to insure the condominium units and the common elements governed by it in accordance with the CA and declaration and by-laws of the Condominium Corporation; or (v) in the Chargee's opinion, the Condominium Corporation fails to manage its property and assets in a prudent and businesslike manner and in keeping with the highest standards for similar properties in the locality in which the Mortgaged Premises are located.

25. **Multi-Residential Properties.** If the Mortgaged Premises are a multi-residential property, the Chargor represents and warrants with respect to the Mortgaged Premises as follows: (a) except as permitted by Applicable Laws in respect of residential housing (i) no demolition, conversion, renovation, repair or severance has taken place with respect to the Mortgaged Premises; and (ii) there have been no increases in the rental rate charged for any residential rental unit or units on the Mortgaged Premises; (b) in accordance with Applicable Laws in respect of residential housing (i) all rents charged with respect to the Mortgaged Premises are lawful rents and all required rebates have been paid; and (ii) all required filings have been made and were timely, accurate and complete; and (c) under Applicable Laws in respect of residential housing (i) no applications, investigations or proceedings have been commenced or made; and (ii) there are no outstanding orders or decisions made by any governmental authority with respect to the Mortgaged Premises or any residential rental unit. On request by the Chargee, the Chargor shall provide a statutory declaration by an officer or director of the Chargor that the above representations and warranties are true and correct. The Chargor shall deliver to the Chargee on request all documents required to establish the legality of rents.

The Chargor hereby authorizes all governmental authorities having jurisdiction over residential housing to release to the Chargee or its solicitors any and all information contained in their files. The Chargor shall comply with the provisions of all Applicable Laws while this Charge is continuing. Any breach of this covenant or any material incorrectness of any of the representations and warranties hereinabove contained shall be an Event of Default under this Charge.

26. **Construction.** In this Charge (a) words denoting the singular include the plural and vice versa and words denoting any gender include all genders; (b) the words "including", "includes" and "include" shall mean "including without limitation", "includes without limitation" and "include without limitation" respectively; (c) any reference to a statute shall mean the statute in force as at the date hereof, together with all regulations promulgated thereunder, as the same may be amended, re-enacted, consolidated and/or replaced from time to time, and any successor statute thereto; (d) any reference to any agreement or instrument shall include all amendments, addenda, modifications, extensions, renewals, restatements, supplements or replacements thereto from time to time; (e) reference to the Chargee, Chargor, any beneficial owner of the Mortgaged Premises, and any other person shall include their respective heirs, estate trustees, legal representatives, successors and assigns, and reference to a "corporation" shall include a company or other form of body corporate; (f) all dollar amounts are expressed in Canadian dollars; (g) the division of this Charge into separate sections and subsections, and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Charge; (h) the Chargee's right to give or withhold any consent or approval, make any determination or exercise any discretion shall be exercised by the Chargee acting reasonably unless otherwise expressly provided, except that following an Event of Default, the Chargee shall be entitled to exercise the same in its sole discretion; (i) if more than one person is named as Chargor, or otherwise becomes liable for or assumes the obligations and liabilities of the Chargor, then the obligations and liabilities of all such persons shall be joint and several; (j) time shall be of the essence; (k) all obligations of the Chargor in this Charge will be deemed to be covenants by the Chargor in favour of the Chargee; and (l) in the event of any conflict or inconsistency between any provision of this Charge and the provisions of the commitment letter governing the loan between the Chargor and the Chargee, the commitment letter will prevail to the extent of any such conflict or inconsistency. The delivery of this Charge for registration by direct electronic transmission shall have the same effect for all purposes as if this Charge was in written form, signed by the Chargor and delivered to the Chargee.

This is Exhibit “G” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI



DUCA

ASSIGNMENT OF RENTS

THIS ASSIGNMENT made this 11th day of July, 2022 (the "Assignment").

BETWEEN:

1000199992 ONTARIO CORP.
(the "Assignor")

- and -

DUCA FINANCIAL SERVICES CREDIT UNION LTD.
(the "Assignee")

WHEREAS, by a mortgage dated July 11, 2022 and registered in the Land Registry Office for the Land Titles Division of Peel as Instrument No. PR4083453 over lands and premises more particularly described in Schedule "A" hereto annexed (the "Property") the Assignor did grant and mortgage to the Assignee the Property which mortgage secures the sum of \$8,000,000 and interest as therein mentioned and is hereinafter referred to as the "Mortgage". Whenever in this assignment reference is made to the Mortgage, it shall be deemed to include any renewals or extensions thereof and any mortgage taken in substitution, replacement or reinstatement thereof or therefor, either in whole or in part;

AND WHEREAS it is a condition of the lending of the monies secured or to be secured by the Mortgage, that the Assignor should assign to the Assignee, its successors and assigns, the rents reserved and payable or intended to be reserved and payable under, and all advantages and benefits to be derived from leases of premises located on the Property now or hereafter entered into by the Assignor as landlord including, without limitation, any specific leases referred to in Schedule "B" hereto annexed (which rents, advantages and benefits are hereinafter collectively called the "Rents" and which leases and specific leases are hereinafter collectively called the "Leases") as additional security for the payment of the monies secured by the Mortgage, and for the performance of the covenants contained therein;

AND WHEREAS it is agreed that notwithstanding anything in this Assignment contained, the Assignee is not to be bound to advance the said Mortgage monies or any unadvanced portion thereof;

NOW THEREFORE THIS ASSIGNMENT WITNESSES that the Assignor, in consideration of the premises, the making of the Mortgage, and the sum of \$ 10.00 now paid by the Assignee to the

Assignor (the receipt whereof is hereby acknowledged), covenants and agrees with the Assignee as follows:

1. The Assignor hereby irrevocably transfers, assigns, and sets over to the Assignee all Rents reserved and payable under the Leases to hold and receive the same unto the said Assignee, its successors and assigns.
2. The Assignor covenants and agrees with the Assignee that the Assignor will not, without the consent in writing of the Assignee (a) permit any prepayment of Rents that will result in more than two months of Rents being prepaid under the Leases; (b) permit any material variation of the terms, covenants, provisos or conditions of any of the Leases; or (c) permit any cancellation or surrender of any of the Leases.
3. The Assignor covenants with the Assignee to perform and observe all its covenants, conditions and obligations under the Leases.
4. The Assignor covenants and agrees irrevocably with the Assignee that the Assignee shall have the right to sue for payment or enforcing anything in this Assignment herein contained (a) in its own name; (b) in the name of the Assignor; or (c) in the names of both the Assignor and Assignee jointly.
5. The Assignor agrees to assign any of the Leases to the Assignee upon request should the Assignee deem such assignment advisable for the protection of its security, such assignment to be on a form to be prepared by the Assignee's solicitors in such case.
6. PROVIDED, however, that until notified to the contrary in writing, the tenants under the Leases ("**Tenants**") shall pay the Rents reserved under the Leases (but only to the extent that the same may be due and payable thereunder) to the Assignor and any notice to the contrary required by this proviso may be effectively given by sending the same by registered mail to any Tenant at its premises on the Property or by delivering the same personally to any Tenant or an officer thereof.
7. The Assignor hereby declares that any direction or request from the Assignee to pay the Rents reserved to the Assignee shall be sufficient warrant and authority to the Tenant to make such payments, and the payments of such Rents to the Assignee shall be and operate as a discharge of the said Rents to the Tenant.
8. The Assignor covenants and agrees with the Assignee not to renew or extend any of the Leases at rents of lesser amounts than are now payable under the Leases, unless compelled to do so as the result of an arbitration award or with the consent of the Assignee.
9. The Assignee covenants and agrees with the Assignor to release this Assignment upon payment in full of the Mortgage in accordance with the terms thereof. The delivery to the Assignor of a discharge of the Mortgage shall operate as a release and reassignment of Rents.
10. The Assignor hereby covenants and agrees to and with the Assignee that this Assignment and everything herein contained shall be irrevocable without the consent of the Assignee.

11. PROVIDED that nothing in this Assignment contained shall be deemed to have the effect of making the Assignee responsible for the collection of Rents or any part thereof or for the performance of any covenants, terms or conditions either by the Assignor or by the Tenants contained in any of the Leases, and that the Assignee shall not by virtue of this Assignment be deemed a mortgagee in possession of the Property, and the Assignee shall not be liable to account for any monies other than those actually received by it by virtue of this Assignment.

12. IT IS AGREED that waiver of or failure to enforce at any time or from time to time any of the rights of the Assignee under or by virtue of this Assignment shall not prejudice the Assignee's rights in the event of the breach, default or other occasion for the exercise of such rights again occurring.

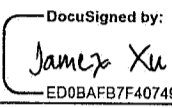
13. In the event of any conflict or inconsistency between any provision of this Assignment and the provision of the Notice of General Assignment of Rents registered against title to the Property, the provision of this Assignment shall prevail to the extent of any such conflict or inconsistency.

IT IS HEREBY DECLARED AND AGREED that this Assignment and everything herein contained shall enure to the benefit of and be binding upon the parties hereto and each of their respective heirs, estate trustees, personal legal representatives, successors and assigns.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the Assignor has executed this Agreement as of the date first written above.

1000199992 ONTARIO CORP.

DocuSigned by:

Per: ED0BAFB7F407498...
Name: Lichen Xu
Title: President

I have authority to bind the Corporation.

SCHEDULE "A"
(Description of Property)

Municipal Address:

6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario

Legal Description:

Firstly: Parcel Block 19-1, Section 43M932; Block 19, Plan 43M932; City of Mississauga (PIN 13243-0269 (LT)); and

Secondly: Part Lot 9, Concession 11 (New Survey) Trafalgar, designated as Part 1, Plan 43R37427; City of Mississauga (PIN 13243-0378 (LT)).

SCHEDULE "B"
(Specific Leases)

Nil

This is Exhibit “H” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

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Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

GENERAL SECURITY AGREEMENT

THIS AGREEMENT DATED as of this 11th of July, 2022.

1. SECURITY INTEREST

1.1 For value received, AMERICAN CORPORATION (the “**Debtor**”) hereby grants to DUCA FINANCIAL SERVICES CREDIT UNION LTD. (the “**Secured Party**”) a security interest (the “**Security Interest**”) in the present and future undertaking and property, both real and personal, of the Debtor (collectively the “**Collateral**”) and as further general and continuing security for the payment and performance of the Indebtedness, the Debtor hereby assigns the Collateral to the Secured Party and mortgages and charges the Collateral as and by way of a fixed and specified mortgage and charge to the Secured Party. Without limiting the generality of the foregoing, Collateral shall include all the right, title and interest that the Debtor now has or may hereafter have, be possessed of, be entitled to, or acquire in all property of the following kinds: all goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), accounts, chattel paper, documents of title (whether negotiable or not), equipment, instruments, intangibles, inventory, money and securities and in all proceeds and renewals thereof, accretions thereto and substitutions therefor and including the following:

- (a) all inventory of whatever kind and wherever situated;
- (b) all equipment (other than inventory) of whatever kind and wherever situated, including all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (c) all accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including guarantees, indemnities, letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor (hereinafter collectively called “**Debts**”);
- (d) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, chattel paper or documents of title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (e) all contractual rights, licences and insurance claims and all goodwill, patents, trademarks, copyrights, and other intellectual property and industrial property and any rights of renewal or extension thereof;
- (f) all monies other than trust monies lawfully belonging to others; and
- (g) all property described in any schedule now or hereafter annexed hereto.

1.2 The Security Interest granted hereby shall not extend or apply to and the Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term, including, without limitation, the Secured Party.

- 1.3 The terms “accessions”, “account”, “chattel paper”, “document of title”, “equipment”, “goods”, “instrument”, “intangible”, “inventory”, “money”, “personal property”, “proceeds” and “security” whenever used herein have the meanings given to those terms in the *Personal Property Security Act* (Ontario) (the “**P.P.S.A**”). Provided always that the term “goods” when used herein shall not include “consumer goods” of the Debtor as that term is defined in the P.P.S.A., and the term “inventory” when used herein shall include livestock and the young thereof after conception, crops that become growing crops, fish after they are caught, minerals or hydrocarbons after they are extracted and timber after it is cut. Any reference herein to the “Collateral” shall, unless the context otherwise requires, be deemed a reference to the “Collateral or any part thereof”.

2. INDEBTEDNESS SECURED

- 2.1 The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of the Debtor to the Secured Party (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is at any time and from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the “**Indebtedness**”). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that the Debtor shall continue to be liable for any Indebtedness remaining outstanding and the Secured Party shall be entitled to pursue full payment thereof.

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

- 3.1 The Debtor represents and warrants and so long as this Agreement remains in effect shall be deemed to continuously represent and warrant that,
- (a) the Collateral is genuine and owned by the Debtor free of all security interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called “**Encumbrances**”), save for the Security Interest and those Encumbrances approved in writing, prior to their creation or assumption, by the Secured Party (hereinafter collectively called “**Permitted Encumbrances**”); provided, that nothing in the foregoing definition of “Permitted Encumbrances” or otherwise in this Agreement shall (i) be construed as evidencing an intention or agreement on the part of the Secured Party that the Security Interest or the Indebtedness be or have been subordinated to any such Permitted Encumbrances; or (ii) cause any such subordination to occur.
 - (b) to the best of the knowledge, information and belief of the Debtor, (i) each Debt, chattel paper and instrument constituting the Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the “**Account Debtor**”), and the amount represented by the Debtor to the Secured Party from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable; and (ii) no Account Debtor now has any defence, set off, claims or counterclaim against the Debtor which can be asserted against the Secured Party, whether in any proceeding to enforce the Collateral or otherwise; and

- (c) the locations specified in Schedule "A" attached hereto as to the location of the business operations and records of the Debtor are accurate and complete and, with respect to goods (including inventory) constituting the Collateral, the locations specified in Schedule "A" are accurate and complete, save for goods in transit to such locations and inventory on lease or consignment; and all fixtures or goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situated at one of such locations.

4. COVENANTS OF DEBTOR

4.1 So long as this Agreement remains in effect the Debtor covenants and agrees,

- (a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to keep the Collateral free from all Encumbrances, except for the Security Interest and the Permitted Encumbrances; and not to sell, exchange, transfer, assign, lease, or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Secured Party; provided always that, until default, the Debtor may, in the ordinary course of the Debtor's business, sell or lease inventory and, subject to section 7.1 hereof, use monies available to the Debtor and the Debtor may sell or otherwise dispose of equipment which has become worn out or damaged or otherwise unsuitable for its purpose on condition that the Debtor shall substitute therefor, subject to the Security Interest, property of equal or greater value so that the Collateral shall not thereby be in any way reduced or impaired;
- (b) to notify the Secured Party in writing promptly of,
 - (i) any change in the information contained herein relating to the Debtor, the Debtor's business or the Collateral;
 - (ii) the details of any significant acquisition of Collateral;
 - (iii) the details of any claims or litigation affecting the Debtor or the Collateral;
 - (iv) any significant loss of or damage to the Collateral;
 - (v) any material default by any Account Debtor in payment or other performance of its obligations with respect to the Collateral; and
 - (vi) the return to or repossession by the Debtor of the Collateral;
- (c) to keep the Collateral in good order, condition and repair and not to use the Collateral in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;
- (d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters, information and things as may be reasonably requested by the Secured Party with respect to the Collateral in order to give effect to this agreement and to pay all costs for searches and filings in connection therewith;

- (e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Debtor or the Collateral as and when the same become due and payable;
- (f) to insure the Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as the Secured Party shall reasonably direct with loss payable to the Secured Party and the Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor;
- (g) to prevent the Collateral, save inventory sold or leased as permitted hereby, from being or becoming an accession to other property not charged by this Agreement;
- (h) to carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning the Collateral, and mark in the manner specified by the Secured Party from time to time any and all such records and the Collateral at the Secured Party's request so as to indicate the Security Interest; and
- (i) to deliver to the Secured Party from time to time promptly upon request,
 - (i) any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral;
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;
 - (iii) all financial statements prepared by or for the Debtor regarding the Debtor's business;
 - (iv) all policies and certificates of insurance relating to the Collateral; and
 - (v) such information concerning the Collateral, the Debtor and the Debtor's business and affairs as the Secured Party may reasonably request.

5. USE AND VERIFICATION OF COLLATERAL

- 5.1 Subject to compliance with the Debtor's covenants contained herein and section 7.1 hereof, the Debtor may, until default, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where the Collateral may be located and to all premises occupied by the Debtor.

6. SECURITIES

6.1 If the Collateral at any time includes shares in any affiliates of the Debtor, the Debtor authorizes the Secured Party to transfer the same or any part thereof into its own name or that of its nominee. If the Collateral at any time includes Securities, other than shares in any affiliates of the Debtor, the Debtor authorizes the Secured Party, upon default, to transfer the same or any part thereof into its own name or that of its nominee so that the Secured Party or its nominee may appear of record as the sole owner thereof. After any transfer as aforesaid, the Debtor waives all right to receive any notices or communications received by the Secured Party or its nominee as such registered owner. Subject to the foregoing, upon the request of the Secured Party, the Debtor will instruct the issuer, clearing agency, custodian or nominee to make an entry in its records of the Secured Party's security interest in the Securities so as to effect delivery to and possession by the Secured Party of those securities.

7. COLLECTION OF DEBTS

7.1 Before or after default under this Agreement, the Secured Party may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on the Collateral to the Secured Party. The Debtor acknowledges that any payments on or other proceeds of the Collateral received by the Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Agreement, shall be received and held by the Debtor in trust for the Secured Party and shall be turned over to the Secured Party upon request.

8. INCOME FROM AND INTEREST ON COLLATERAL

8.1 Until default, the Debtor reserves the right to receive any monies constituting income from or interest on the Collateral and if the Secured Party receives any such monies prior to default, the Secured Party shall either credit same against the Indebtedness or pay the same promptly to the Debtor.

8.2 After default, the Debtor will not request or receive any monies constituting income from or interest on the Collateral and if the Debtor receives any such monies, without any request by the Secured Party, the Debtor will pay the same promptly to the Secured Party.

9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

9.1 Whether or not default has occurred, the Debtor authorizes the Secured Party,

- (a) to receive any increase in or profits on the Collateral (other than money) and to hold the same as part of the Collateral. Money so received shall be treated as income for the purposes of sections 8.1 and 8.2 hereof and dealt with accordingly; and
- (b) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of the Collateral; to surrender such Collateral in exchange therefor; and to hold any such payment or distribution as part of the Collateral.

9.2 If the Debtor receives any such increase or profits (other than money) or payments or distributions, the Debtor will deliver the same promptly to the Secured Party to be held by the Secured Party as herein provided.

10. DISPOSITION OF MONIES

10.1 Subject to any applicable mandatory requirements of the P.P.S.A., all monies collected or received by the Secured Party pursuant to or in exercise of any right it possesses with respect to the Collateral shall be applied or reapplied on account of the Indebtedness in such manner as the Secured Party deems best in its sole discretion or, in the discretion of the Secured Party, may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of the Secured Party hereunder, and any surplus shall be accounted for as required by law.

11. EVENTS OF DEFAULT

11.1 The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as “**default**”:

- (a) the non-payment when due, whether by acceleration or otherwise, of any principal or interest forming part of the Indebtedness or the failure of the Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Agreement or any other agreement between the Debtor and the Secured Party;
- (b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to an individual Debtor;
- (c) the bankruptcy or insolvency of the Debtor; the filing against the Debtor of a petition in bankruptcy; the making of an authorized assignment or proposal for the benefit of Secured Partys by the Debtor; the appointment of a receiver or trustee for the Debtor or for any assets of the Debtor; or the institution by or against the Debtor of any other type of insolvency proceeding under the *Bankruptcy and Insolvency Act* (Canada) or otherwise;
- (d) the institution by or against the Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of the Debtor;
- (e) if any Encumbrance affecting the Collateral becomes enforceable against the Collateral;
- (f) if the Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;
- (g) if any execution, sequestration, extent or other process of any court becomes enforceable against the Debtor or if a distress or analogous process is levied upon the assets of the Debtor or any part thereof; or
- (h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of the Debtor pursuant to or in connection with this Agreement, or otherwise (including the representations and warranties contained herein) or as an inducement to the Secured Party to extend any credit to or to enter into this Agreement or any other agreement with the Debtor, proves to have been false or inaccurate in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against the Debtor; or if upon the date of execution of this

Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to the Secured Party at or prior to the time of such execution.

12. ACCELERATION

12.1 The Secured Party, in its sole discretion, may declare all or any part of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable without demand or notice of any kind, in the event of default, or if the Secured Party in good faith believes and has commercially reasonable grounds to believe that a material adverse change has occurred in the financial and business position of the Debtor. The provisions of this section 12.1 are not intended in any way to affect any right of the Secured Party with respect to Indebtedness which may now or hereafter be payable on demand.

13. REMEDIES

13.1 Upon default, the Secured Party may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Secured Party or not, to be a receiver (hereinafter called a “**Receiver**”, which term when used herein shall include a receiver and manager) of the Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his stead. Any Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor and not the Secured Party, and the Secured Party shall not be in any way responsible for any misconduct, negligence, or non-feasance on the part of any Receiver, his servants, agents or employees. Subject to the provisions of the instrument appointing him, any Receiver shall have power to take possession of the Collateral, to preserve the Collateral or its value, to carry on or concur in carrying on all or any part of the business of the Debtor and to sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of the Collateral. To facilitate the foregoing powers, any Receiver may, to the exclusion of all others including the Debtor, enter upon by peaceable or forcible means at any time of the day or night, use and occupy all premises owned or occupied by the Debtor wherein the Collateral may be situated, maintain the Collateral upon such premises, borrow money on a secured or unsecured basis and use the Collateral directly in carrying on the Debtor's business or as security for loans or advances to enable him to carry on the Debtor's business or otherwise, as the Receiver shall, in his discretion, determine. Except as may be otherwise directed by the Secured Party, all monies received from time to time by any Receiver in carrying out his appointment shall be received in trust for and paid over to the Secured Party. Every Receiver may, in the discretion of the Secured Party, be vested with all or any of the rights and powers of the Secured Party.

13.2 Upon default, the Secured Party may, either directly or through its agents or nominees, exercise all the powers and rights given to a Receiver by virtue of section 13.1 hereof.

13.3 The Secured Party may take possession of, collect, demand, sue on, enforce, recover and receive the Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, the Secured Party may sell, lease or otherwise dispose of the Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to the Secured Party may seem reasonable.

- 13.4 In addition to those rights granted herein and in any other agreement now or hereafter in effect between the Debtor and the Secured Party and in addition to any other rights the Secured Party may have at law or in equity, the Secured Party shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that the Secured Party shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease or otherwise dispose of the Collateral or to institute any proceedings for such purposes. Furthermore, the Secured Party shall have no obligation to take any steps to preserve rights against prior parties to any instrument or chattel paper, whether Collateral or proceeds and whether or not in the Secured Party's possession, and shall not be liable or accountable for failure to do so.
- 13.5 The Debtor acknowledges that the Secured Party or any Receiver appointed by it may take possession of the Collateral wherever it may be located and by any method permitted by law, and the Debtor agrees upon request from the Secured Party or any Receiver to assemble and deliver possession of the Collateral at such place or places as directed.
- 13.6 In the event of default, the Debtor agrees to pay all costs, charges and expenses reasonably incurred by the Secured Party or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors' and auditors' costs, other legal expenses and Receiver remuneration), in operating the Debtor's accounts, in enforcing this Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for dispositions and disposing of the Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses together with any monies owing as a result of any borrowing by the Secured Party or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.
- 13.7 Unless the Collateral in question is perishable, the Secured Party believes on reasonable grounds that the Collateral in question will decline speedily in value, the Collateral in question is of the type customarily sold on a recognized market, the cost and storage of the Collateral is disproportionately large relative to its value or a court of competent jurisdiction orders otherwise, the Secured Party will give the Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of the Collateral is to be made, as may be required by the P.P.S.A

14. MISCELLANEOUS

- 14.1 The Debtor hereby authorizes the Secured Party to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying the Collateral or any permitted Encumbrances affecting the Collateral or identifying the locations at which the Debtor's business is carried on and the Collateral and records relating thereto are situate) as the Secured Party may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve the Collateral and to realize upon the Security Interest and the Debtor hereby irrevocably constitutes and appoints any officer or director from time to time of the Secured Party the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever it may be deemed necessary or expedient.
- 14.2 Without limiting any other right of the Secured Party, whenever Indebtedness is immediately due and payable or the Secured Party has the right to declare Indebtedness to be immediately

due and payable (whether or not it has so declared), the Secured Party may, in its sole discretion, set off against such Indebtedness any and all monies then owed to the Debtor by the Secured Party in any capacity, whether or not due, and the Secured Party shall be deemed to have exercised such right of setoff immediately at the time of making its decision to do so, even though any charge therefor is made or entered on the Secured Party's records subsequent thereto.

- 14.3 Upon the Debtor's failure to perform any of its duties hereunder, the Secured Party may, but shall not be obligated to do so, perform any or all of such duties, and the Debtor shall pay to the Secured Party, forthwith upon written demand therefor, an amount equal to the expense incurred by the Secured Party in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 18% per annum.
- 14.4 The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other security as the Secured Party may see fit without prejudice to the liability of the Debtor or the Secured Party's right to hold and realize the Security Interest. Furthermore, after default, the Secured Party may demand, collect and sue on the Collateral in either the Debtor's or the Secured Party's name, at the Secured Party's option, and may endorse the Debtor's name on any and all cheques, commercial paper, and any other instruments pertaining to or constituting the Collateral.
- 14.5 No delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, the Secured Party may remedy any default by the Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Debtor. All rights and remedies of the Secured Party granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- 14.6 The Debtor waives protest, notice of protest, notice of presentment and notice of dishonour of any instrument constituting the Collateral at any time held by the Secured Party on which the Debtor is in any way liable and subject to section 13.7 hereof, notice of any other action taken by the Secured Party.
- 14.7 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, estate trustees, personal legal representatives, successors and assigns. In any action brought by an assignee of this Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against the Secured Party.
- 14.8 Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.
- 14.9 Subject to the requirements of section 13.7 hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given if

delivered by mail to the party for whom it is intended at the last known address of such party or if sent by prepaid registered mail addressed to the party for whom it is intended at the last known address of such party. Either party may notify the other pursuant hereto of any change in its address to be used for the purposes hereof.

- 14.10 This Agreement and the security created hereby is in addition to and not in substitution for any other security now or hereafter held by the Secured Party and is and is intended to be a continuing Agreement and shall remain in full force and effect until all Indebtedness contracted for or created, and any extensions or renewals thereof, together with interest accruing thereon shall be paid in full and this Agreement is discharged. If all the Indebtedness has been paid and satisfied and the Debtor has otherwise observed and performed all its obligations under this Agreement and is not then in default hereunder, then the Secured Party shall at the request and expense of the Debtor release and discharge the Security Interest and execute and deliver such deeds and other instruments as shall be requisite therefor.
- 14.11 In this Agreement (a) words denoting the singular include the plural and vice versa and words denoting any gender include all genders; (b) the word “including” shall mean “including, without limitation,”; (c) any reference to a statute shall mean the statute in force as at the date hereof, together with all regulations promulgated thereunder, as the same may be amended, re-enacted, consolidated and/or replaced from time to time, and any successor statute thereto; (d) reference to the Debtor, the Secured Party and any other person shall include their respective heirs, estate trustees, personal legal representatives, successors and assigns; (e) the division of this Agreement into separate Sections, Subsections and Schedules, and the insertion of headings is for convenience of reference only and shall not affect the construction or interpretation of this Agreement; (f) the Secured Party’s right to give or withhold any consent or approval, make any determination or exercise any discretion shall be exercised by the Secured Party acting reasonably unless otherwise expressly provided, except that following default the Secured Party shall be entitled to exercise the same in its sole discretion; (g) if more than one person is named as, or otherwise becomes liable for or assumes the obligations and liabilities of the Debtor, then the obligations and liabilities of all such persons shall be joint and several; (h) time shall be of the essence; and (i) all obligations of the Debtor in this Agreement will be deemed to be covenants by the Debtor in favour of the Secured Party.
- 14.12 In the event any provisions of this Agreement shall be deemed invalid or void, in whole or in part, by any court of competent jurisdiction, the remaining terms and provisions of this Agreement shall remain in full force and effect.
- 14.13 Nothing herein contained shall in any way obligate the Secured Party to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.
- 14.14 The Security Interest created hereby shall attach when this Agreement is signed by the Debtor and delivered to the Secured Party. The Debtor and the Secured Party acknowledge that value has been given and the Debtor has rights in the Collateral.
- 14.15 The Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term “Debtor” when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby,
- (a) shall extend to “Collateral” (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation

and to any “Collateral” thereafter owned or acquired by the amalgamated company;
and

- (b) shall secure the “Indebtedness” (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Secured Party at the time of amalgamation and any “Indebtedness” of the amalgamated company to the Secured Party thereafter arising. The Security Interest shall attach to “Collateral” owned by each company amalgamating with the Debtor, and by the amalgamated company, at the time of amalgamation, and shall attach to any “Collateral” thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

14.16 This Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario as the same may from time to time be in effect, including, where applicable, the P.P.S.A.

15. COPY OF AGREEMENT

- 15.1 The Debtor hereby acknowledges receipt of a copy of this Agreement and all financing statements in respect hereof. In the event that the Secured Party pays to the Debtor any penalties pursuant to subsection 46(7) of the P.P.S.A. then the Debtor shall indemnify and hold harmless the Secured Party from all costs, expenses, penalties or charges arising in connection with any action by or on behalf of the Debtor pursuant to subsection 46(7) of the P.P.S.A.

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DATED as of the date first written above.

AMERICAN CORPORATION

DocuSigned by:

A handwritten signature in black ink, appearing to read 'Fanshey Wang', is written over a white rectangular background.

Per: _____
14870F1160DF4B2...

Name: Fanshey Wang

Title: President and Secretary

I have authority to bind the Corporation.

SCHEDULE "A"
(Locations)

1. Business Locations

6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario
980 Yonge Street, Suite 1001, North York, Ontario

2. Location of Records relating to Collateral

6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario
980 Yonge Street, Suite 1001, North York, Ontario

3. Locations of Collateral

6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario

This is Exhibit "I" referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

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Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

GENERAL SECURITY AGREEMENT

THIS AGREEMENT DATED as of this 11th of July, 2022.

1. SECURITY INTEREST

1.1 For value received, 1000199992 ONTARIO CORP. (the “**Debtor**”) hereby grants to DUCA FINANCIAL SERVICES CREDIT UNION LTD. (the “**Secured Party**”) a security interest (the “**Security Interest**”) in the present and future undertaking and property, both real and personal, of the Debtor (collectively the “**Collateral**”) and as further general and continuing security for the payment and performance of the Indebtedness, the Debtor hereby assigns the Collateral to the Secured Party and mortgages and charges the Collateral as and by way of a fixed and specified mortgage and charge to the Secured Party. Without limiting the generality of the foregoing, Collateral shall include all the right, title and interest that the Debtor now has or may hereafter have, be possessed of, be entitled to, or acquire in all property of the following kinds: all goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), accounts, chattel paper, documents of title (whether negotiable or not), equipment, instruments, intangibles, inventory, money and securities and in all proceeds and renewals thereof, accretions thereto and substitutions therefor and including the following:

- (a) all inventory of whatever kind and wherever situated;
- (b) all equipment (other than inventory) of whatever kind and wherever situated, including all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (c) all accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including guarantees, indemnities, letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor (hereinafter collectively called “**Debts**”);
- (d) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, chattel paper or documents of title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (e) all contractual rights, licences and insurance claims and all goodwill, patents, trademarks, copyrights, and other intellectual property and industrial property and any rights of renewal or extension thereof;
- (f) all monies other than trust monies lawfully belonging to others; and
- (g) all property described in any schedule now or hereafter annexed hereto.

1.2 The Security Interest granted hereby shall not extend or apply to and the Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term, including, without limitation, the Secured Party.

- 1.3 The terms “accessions”, “account”, “chattel paper”, “document of title”, “equipment”, “goods”, “instrument”, “intangible”, “inventory”, “money”, “personal property”, “proceeds” and “security” whenever used herein have the meanings given to those terms in the *Personal Property Security Act* (Ontario) (the “**P.P.S.A**”). Provided always that the term “goods” when used herein shall not include “consumer goods” of the Debtor as that term is defined in the P.P.S.A., and the term “inventory” when used herein shall include livestock and the young thereof after conception, crops that become growing crops, fish after they are caught, minerals or hydrocarbons after they are extracted and timber after it is cut. Any reference herein to the “Collateral” shall, unless the context otherwise requires, be deemed a reference to the “Collateral or any part thereof”.

2. INDEBTEDNESS SECURED

- 2.1 The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of the Debtor to the Secured Party (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is at any time and from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the “**Indebtedness**”). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that the Debtor shall continue to be liable for any Indebtedness remaining outstanding and the Secured Party shall be entitled to pursue full payment thereof.

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

- 3.1 The Debtor represents and warrants and so long as this Agreement remains in effect shall be deemed to continuously represent and warrant that,
- (a) the Collateral is genuine and owned by the Debtor free of all security interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called “**Encumbrances**”), save for the Security Interest and those Encumbrances approved in writing, prior to their creation or assumption, by the Secured Party (hereinafter collectively called “**Permitted Encumbrances**”); provided, that nothing in the foregoing definition of “Permitted Encumbrances” or otherwise in this Agreement shall (i) be construed as evidencing an intention or agreement on the part of the Secured Party that the Security Interest or the Indebtedness be or have been subordinated to any such Permitted Encumbrances; or (ii) cause any such subordination to occur.
 - (b) to the best of the knowledge, information and belief of the Debtor, (i) each Debt, chattel paper and instrument constituting the Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the “**Account Debtor**”), and the amount represented by the Debtor to the Secured Party from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable; and (ii) no Account Debtor now has any defence, set off, claims or counterclaim against the Debtor which can be asserted against the Secured Party, whether in any proceeding to enforce the Collateral or otherwise; and

- (c) the locations specified in Schedule "A" attached hereto as to the location of the business operations and records of the Debtor are accurate and complete and, with respect to goods (including inventory) constituting the Collateral, the locations specified in Schedule "A" are accurate and complete, save for goods in transit to such locations and inventory on lease or consignment; and all fixtures or goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situated at one of such locations.

4. COVENANTS OF DEBTOR

4.1 So long as this Agreement remains in effect the Debtor covenants and agrees,

- (a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to keep the Collateral free from all Encumbrances, except for the Security Interest and the Permitted Encumbrances; and not to sell, exchange, transfer, assign, lease, or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Secured Party; provided always that, until default, the Debtor may, in the ordinary course of the Debtor's business, sell or lease inventory and, subject to section 7.1 hereof, use monies available to the Debtor and the Debtor may sell or otherwise dispose of equipment which has become worn out or damaged or otherwise unsuitable for its purpose on condition that the Debtor shall substitute therefor, subject to the Security Interest, property of equal or greater value so that the Collateral shall not thereby be in any way reduced or impaired;
- (b) to notify the Secured Party in writing promptly of,
 - (i) any change in the information contained herein relating to the Debtor, the Debtor's business or the Collateral;
 - (ii) the details of any significant acquisition of Collateral;
 - (iii) the details of any claims or litigation affecting the Debtor or the Collateral;
 - (iv) any significant loss of or damage to the Collateral;
 - (v) any material default by any Account Debtor in payment or other performance of its obligations with respect to the Collateral; and
 - (vi) the return to or repossession by the Debtor of the Collateral;
- (c) to keep the Collateral in good order, condition and repair and not to use the Collateral in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;
- (d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters, information and things as may be reasonably requested by the Secured Party with respect to the Collateral in order to give effect to this agreement and to pay all costs for searches and filings in connection therewith;

- (e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Debtor or the Collateral as and when the same become due and payable;
- (f) to insure the Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as the Secured Party shall reasonably direct with loss payable to the Secured Party and the Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor;
- (g) to prevent the Collateral, save inventory sold or leased as permitted hereby, from being or becoming an accession to other property not charged by this Agreement;
- (h) to carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning the Collateral, and mark in the manner specified by the Secured Party from time to time any and all such records and the Collateral at the Secured Party's request so as to indicate the Security Interest; and
- (i) to deliver to the Secured Party from time to time promptly upon request,
 - (i) any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral;
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;
 - (iii) all financial statements prepared by or for the Debtor regarding the Debtor's business;
 - (iv) all policies and certificates of insurance relating to the Collateral; and
 - (v) such information concerning the Collateral, the Debtor and the Debtor's business and affairs as the Secured Party may reasonably request.

5. USE AND VERIFICATION OF COLLATERAL

- 5.1 Subject to compliance with the Debtor's covenants contained herein and section 7.1 hereof, the Debtor may, until default, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where the Collateral may be located and to all premises occupied by the Debtor.

6. SECURITIES

6.1 If the Collateral at any time includes shares in any affiliates of the Debtor, the Debtor authorizes the Secured Party to transfer the same or any part thereof into its own name or that of its nominee. If the Collateral at any time includes Securities, other than shares in any affiliates of the Debtor, the Debtor authorizes the Secured Party, upon default, to transfer the same or any part thereof into its own name or that of its nominee so that the Secured Party or its nominee may appear of record as the sole owner thereof. After any transfer as aforesaid, the Debtor waives all right to receive any notices or communications received by the Secured Party or its nominee as such registered owner. Subject to the foregoing, upon the request of the Secured Party, the Debtor will instruct the issuer, clearing agency, custodian or nominee to make an entry in its records of the Secured Party's security interest in the Securities so as to effect delivery to and possession by the Secured Party of those securities.

7. COLLECTION OF DEBTS

7.1 Before or after default under this Agreement, the Secured Party may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on the Collateral to the Secured Party. The Debtor acknowledges that any payments on or other proceeds of the Collateral received by the Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Agreement, shall be received and held by the Debtor in trust for the Secured Party and shall be turned over to the Secured Party upon request.

8. INCOME FROM AND INTEREST ON COLLATERAL

8.1 Until default, the Debtor reserves the right to receive any monies constituting income from or interest on the Collateral and if the Secured Party receives any such monies prior to default, the Secured Party shall either credit same against the Indebtedness or pay the same promptly to the Debtor.

8.2 After default, the Debtor will not request or receive any monies constituting income from or interest on the Collateral and if the Debtor receives any such monies, without any request by the Secured Party, the Debtor will pay the same promptly to the Secured Party.

9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

9.1 Whether or not default has occurred, the Debtor authorizes the Secured Party,

- (a) to receive any increase in or profits on the Collateral (other than money) and to hold the same as part of the Collateral. Money so received shall be treated as income for the purposes of sections 8.1 and 8.2 hereof and dealt with accordingly; and
- (b) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of the Collateral; to surrender such Collateral in exchange therefor; and to hold any such payment or distribution as part of the Collateral.

9.2 If the Debtor receives any such increase or profits (other than money) or payments or distributions, the Debtor will deliver the same promptly to the Secured Party to be held by the Secured Party as herein provided.

10. DISPOSITION OF MONIES

10.1 Subject to any applicable mandatory requirements of the P.P.S.A., all monies collected or received by the Secured Party pursuant to or in exercise of any right it possesses with respect to the Collateral shall be applied or reapplied on account of the Indebtedness in such manner as the Secured Party deems best in its sole discretion or, in the discretion of the Secured Party, may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of the Secured Party hereunder, and any surplus shall be accounted for as required by law.

11. EVENTS OF DEFAULT

11.1 The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as “**default**”:

- (a) the non-payment when due, whether by acceleration or otherwise, of any principal or interest forming part of the Indebtedness or the failure of the Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Agreement or any other agreement between the Debtor and the Secured Party;
- (b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to an individual Debtor;
- (c) the bankruptcy or insolvency of the Debtor; the filing against the Debtor of a petition in bankruptcy; the making of an authorized assignment or proposal for the benefit of Secured Partys by the Debtor; the appointment of a receiver or trustee for the Debtor or for any assets of the Debtor; or the institution by or against the Debtor of any other type of insolvency proceeding under the *Bankruptcy and Insolvency Act* (Canada) or otherwise;
- (d) the institution by or against the Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of the Debtor;
- (e) if any Encumbrance affecting the Collateral becomes enforceable against the Collateral;
- (f) if the Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;
- (g) if any execution, sequestration, extent or other process of any court becomes enforceable against the Debtor or if a distress or analogous process is levied upon the assets of the Debtor or any part thereof; or
- (h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of the Debtor pursuant to or in connection with this Agreement, or otherwise (including the representations and warranties contained herein) or as an inducement to the Secured Party to extend any credit to or to enter into this Agreement or any other agreement with the Debtor, proves to have been false or inaccurate in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against the Debtor; or if upon the date of execution of this

Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to the Secured Party at or prior to the time of such execution.

12. ACCELERATION

12.1 The Secured Party, in its sole discretion, may declare all or any part of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable without demand or notice of any kind, in the event of default, or if the Secured Party in good faith believes and has commercially reasonable grounds to believe that a material adverse change has occurred in the financial and business position of the Debtor. The provisions of this section 12.1 are not intended in any way to affect any right of the Secured Party with respect to Indebtedness which may now or hereafter be payable on demand.

13. REMEDIES

13.1 Upon default, the Secured Party may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Secured Party or not, to be a receiver (hereinafter called a “**Receiver**”, which term when used herein shall include a receiver and manager) of the Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his stead. Any Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor and not the Secured Party, and the Secured Party shall not be in any way responsible for any misconduct, negligence, or non-feasance on the part of any Receiver, his servants, agents or employees. Subject to the provisions of the instrument appointing him, any Receiver shall have power to take possession of the Collateral, to preserve the Collateral or its value, to carry on or concur in carrying on all or any part of the business of the Debtor and to sell, lease or otherwise dispose of or concur in selling, leasing or otherwise disposing of the Collateral. To facilitate the foregoing powers, any Receiver may, to the exclusion of all others including the Debtor, enter upon by peaceable or forcible means at any time of the day or night, use and occupy all premises owned or occupied by the Debtor wherein the Collateral may be situated, maintain the Collateral upon such premises, borrow money on a secured or unsecured basis and use the Collateral directly in carrying on the Debtor's business or as security for loans or advances to enable him to carry on the Debtor's business or otherwise, as the Receiver shall, in his discretion, determine. Except as may be otherwise directed by the Secured Party, all monies received from time to time by any Receiver in carrying out his appointment shall be received in trust for and paid over to the Secured Party. Every Receiver may, in the discretion of the Secured Party, be vested with all or any of the rights and powers of the Secured Party.

13.2 Upon default, the Secured Party may, either directly or through its agents or nominees, exercise all the powers and rights given to a Receiver by virtue of section 13.1 hereof.

13.3 The Secured Party may take possession of, collect, demand, sue on, enforce, recover and receive the Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, the Secured Party may sell, lease or otherwise dispose of the Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to the Secured Party may seem reasonable.

- 13.4 In addition to those rights granted herein and in any other agreement now or hereafter in effect between the Debtor and the Secured Party and in addition to any other rights the Secured Party may have at law or in equity, the Secured Party shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that the Secured Party shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease or otherwise dispose of the Collateral or to institute any proceedings for such purposes. Furthermore, the Secured Party shall have no obligation to take any steps to preserve rights against prior parties to any instrument or chattel paper, whether Collateral or proceeds and whether or not in the Secured Party's possession, and shall not be liable or accountable for failure to do so.
- 13.5 The Debtor acknowledges that the Secured Party or any Receiver appointed by it may take possession of the Collateral wherever it may be located and by any method permitted by law, and the Debtor agrees upon request from the Secured Party or any Receiver to assemble and deliver possession of the Collateral at such place or places as directed.
- 13.6 In the event of default, the Debtor agrees to pay all costs, charges and expenses reasonably incurred by the Secured Party or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors' and auditors' costs, other legal expenses and Receiver remuneration), in operating the Debtor's accounts, in enforcing this Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for dispositions and disposing of the Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses together with any monies owing as a result of any borrowing by the Secured Party or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.
- 13.7 Unless the Collateral in question is perishable, the Secured Party believes on reasonable grounds that the Collateral in question will decline speedily in value, the Collateral in question is of the type customarily sold on a recognized market, the cost and storage of the Collateral is disproportionately large relative to its value or a court of competent jurisdiction orders otherwise, the Secured Party will give the Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of the Collateral is to be made, as may be required by the P.P.S.A

14. MISCELLANEOUS

- 14.1 The Debtor hereby authorizes the Secured Party to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying the Collateral or any permitted Encumbrances affecting the Collateral or identifying the locations at which the Debtor's business is carried on and the Collateral and records relating thereto are situate) as the Secured Party may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve the Collateral and to realize upon the Security Interest and the Debtor hereby irrevocably constitutes and appoints any officer or director from time to time of the Secured Party the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever it may be deemed necessary or expedient.
- 14.2 Without limiting any other right of the Secured Party, whenever Indebtedness is immediately due and payable or the Secured Party has the right to declare Indebtedness to be immediately

due and payable (whether or not it has so declared), the Secured Party may, in its sole discretion, set off against such Indebtedness any and all monies then owed to the Debtor by the Secured Party in any capacity, whether or not due, and the Secured Party shall be deemed to have exercised such right of setoff immediately at the time of making its decision to do so, even though any charge therefor is made or entered on the Secured Party's records subsequent thereto.

- 14.3 Upon the Debtor's failure to perform any of its duties hereunder, the Secured Party may, but shall not be obligated to do so, perform any or all of such duties, and the Debtor shall pay to the Secured Party, forthwith upon written demand therefor, an amount equal to the expense incurred by the Secured Party in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 18% per annum.
- 14.4 The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other security as the Secured Party may see fit without prejudice to the liability of the Debtor or the Secured Party's right to hold and realize the Security Interest. Furthermore, after default, the Secured Party may demand, collect and sue on the Collateral in either the Debtor's or the Secured Party's name, at the Secured Party's option, and may endorse the Debtor's name on any and all cheques, commercial paper, and any other instruments pertaining to or constituting the Collateral.
- 14.5 No delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, the Secured Party may remedy any default by the Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Debtor. All rights and remedies of the Secured Party granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- 14.6 The Debtor waives protest, notice of protest, notice of presentment and notice of dishonour of any instrument constituting the Collateral at any time held by the Secured Party on which the Debtor is in any way liable and subject to section 13.7 hereof, notice of any other action taken by the Secured Party.
- 14.7 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, estate trustees, personal legal representatives, successors and assigns. In any action brought by an assignee of this Agreement and the Security Interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against the Secured Party.
- 14.8 Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.
- 14.9 Subject to the requirements of section 13.7 hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given if

delivered by mail to the party for whom it is intended at the last known address of such party or if sent by prepaid registered mail addressed to the party for whom it is intended at the last known address of such party. Either party may notify the other pursuant hereto of any change in its address to be used for the purposes hereof.

- 14.10 This Agreement and the security created hereby is in addition to and not in substitution for any other security now or hereafter held by the Secured Party and is and is intended to be a continuing Agreement and shall remain in full force and effect until all Indebtedness contracted for or created, and any extensions or renewals thereof, together with interest accruing thereon shall be paid in full and this Agreement is discharged. If all the Indebtedness has been paid and satisfied and the Debtor has otherwise observed and performed all its obligations under this Agreement and is not then in default hereunder, then the Secured Party shall at the request and expense of the Debtor release and discharge the Security Interest and execute and deliver such deeds and other instruments as shall be requisite therefor.
- 14.11 In this Agreement (a) words denoting the singular include the plural and vice versa and words denoting any gender include all genders; (b) the word “including” shall mean “including, without limitation,”; (c) any reference to a statute shall mean the statute in force as at the date hereof, together with all regulations promulgated thereunder, as the same may be amended, re-enacted, consolidated and/or replaced from time to time, and any successor statute thereto; (d) reference to the Debtor, the Secured Party and any other person shall include their respective heirs, estate trustees, personal legal representatives, successors and assigns; (e) the division of this Agreement into separate Sections, Subsections and Schedules, and the insertion of headings is for convenience of reference only and shall not affect the construction or interpretation of this Agreement; (f) the Secured Party’s right to give or withhold any consent or approval, make any determination or exercise any discretion shall be exercised by the Secured Party acting reasonably unless otherwise expressly provided, except that following default the Secured Party shall be entitled to exercise the same in its sole discretion; (g) if more than one person is named as, or otherwise becomes liable for or assumes the obligations and liabilities of the Debtor, then the obligations and liabilities of all such persons shall be joint and several; (h) time shall be of the essence; and (i) all obligations of the Debtor in this Agreement will be deemed to be covenants by the Debtor in favour of the Secured Party.
- 14.12 In the event any provisions of this Agreement shall be deemed invalid or void, in whole or in part, by any court of competent jurisdiction, the remaining terms and provisions of this Agreement shall remain in full force and effect.
- 14.13 Nothing herein contained shall in any way obligate the Secured Party to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.
- 14.14 The Security Interest created hereby shall attach when this Agreement is signed by the Debtor and delivered to the Secured Party. The Debtor and the Secured Party acknowledge that value has been given and the Debtor has rights in the Collateral.
- 14.15 The Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term “Debtor” when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby,
- (a) shall extend to “Collateral” (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation

and to any “Collateral” thereafter owned or acquired by the amalgamated company;
and

- (b) shall secure the “Indebtedness” (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Secured Party at the time of amalgamation and any “Indebtedness” of the amalgamated company to the Secured Party thereafter arising. The Security Interest shall attach to “Collateral” owned by each company amalgamating with the Debtor, and by the amalgamated company, at the time of amalgamation, and shall attach to any “Collateral” thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

14.16 This Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Ontario as the same may from time to time be in effect, including, where applicable, the P.P.S.A.

15. COPY OF AGREEMENT

15.1 The Debtor hereby acknowledges receipt of a copy of this Agreement and all financing statements in respect hereof. In the event that the Secured Party pays to the Debtor any penalties pursuant to subsection 46(7) of the P.P.S.A. then the Debtor shall indemnify and hold harmless the Secured Party from all costs, expenses, penalties or charges arising in connection with any action by or on behalf of the Debtor pursuant to subsection 46(7) of the P.P.S.A.

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DATED as of the date first written above.

1000199992 ONTARIO CORP.

Per: _____
Name: Lichen Xu
Title: President

I have authority to bind the Corporation.

SCHEDULE "A"
(Locations)

1. Business Locations

6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario
26 Bilbermar Drive, Richmond Hill, Ontario

2. Location of Records relating to Collateral

6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario
26 Bilbermar Drive, Richmond Hill, Ontario

3. Locations of Collateral

26 Bilbermar Drive, Richmond Hill, Ontario



DATED as of the date first written above.

1000199992 ONTARIO CORP.

DocuSigned by:
Lichen Xu
Per: _____
Name: Lichen Xu
Title: President

I have authority to bind the Corporation.

This is Exhibit “J” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

RUN NUMBER : 068
RUN DATE : 2024/03/08
ID : 20240308162213.52

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(1676)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : 1000199992 ONTARIO CORP.

FILE CURRENCY : 07MAR 2024

ENQUIRY NUMBER 20240308162213.52 CONTAINS 7 PAGE(S), 3 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME
WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER
SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

FASKEN MARTINEAU DUMOULIN LLP - CORPORATE SEARCHES
333 BAY STREET
TORONTO ON M5H 2T6

CONTINUED... 2

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj6 05/2022)

Ontario 

RUN NUMBER : 068
RUN DATE : 2024/03/08
ID : 20240308162213.52

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(1677)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000199992 ONTARIO CORP.
FILE CURRENCY : 07MAR 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
797890545

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	3		20231006 1319 1590 3793	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 DEBTOR NAME BUSINESS NAME 1000199992 ONTARIO CORP.

04 DEBTOR ADDRESS 5 VERNHAM AVENUE TORONTO ONTARIO CORPORATION NO. ON M2L 2B1

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 DEBTOR NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 DEBTOR ADDRESS

08 SECURED PARTY / LIEN CLAIMANT WPC GP I INC.

09 SECURED PARTY / LIEN CLAIMANT ADDRESS 31 OAKLAND AVENUE TORONTO ON M4V 0A9

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
	X	X	X	X			X

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL GUARANTEE AND POSTPONEMENT OF CLAIM RELATING TO THE INDEBTEDNESS OF
14 COLLATERAL JEFFERSON PROPERTIES LIMITED PARTNERSHIP TO THE SECURED PARTY AND
15 DESCRIPTION GENERAL SECURITY AGREEMENT WITH RESPECT TO THE PROPERTY AND PROCEEDS

16 REGISTERING HARRIS, SHEAFFER LLP MJB/DC 230460

17 REGISTERING ADDRESS YONGE SHEPPARD CENTRE 4881 YONGE STREET, TORONTO ON M2N 5X3

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 068
RUN DATE : 2024/03/08
ID : 20240308162213.52

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 3
(1678)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000199992 ONTARIO CORP.
FILE CURRENCY : 07MAR 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
797890545

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	002	3		20231006 1319 1590 3793		

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
-------------	---------------	------------------	---------	---------

02	DEBTOR NAME	BUSINESS NAME				
03						ONTARIO CORPORATION NO.
04		ADDRESS				

DEBTOR NAME	DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
-------------	---------------	------------------	---------	---------

05	DEBTOR NAME	BUSINESS NAME				
06						ONTARIO CORPORATION NO.
07		ADDRESS				

08 SECURED PARTY / LIEN CLAIMANT WINDSOR PRIVATE CAPITAL LIMITED PARTNERSHIP

09 ADDRESS 31 OAKLAND AVENUE TORONTO ON M4V 0A9

COLLATERAL CLASSIFICATION	CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
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MOTOR VEHICLE	YEAR	MAKE	MODEL	V.I.N.
---------------	------	------	-------	--------

13 GENERAL DERIVED FROM THE LANDS DESCRIBED AS PART LOT 9 CONCESSION 11 (NEW
14 COLLATERAL SURVEY) TRAFALGAR, DESIGNATED AS PART 1, PLAN 43R37427, IN THE CITY
15 DESCRIPTION OF MISSISSAUGA, BEING ALL OF PIN 13243-0378 AND PCL BLOCK 19-1, SEC

16 REGISTERING AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

4

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)

Ontario 

RUN NUMBER : 068
RUN DATE : 2024/03/08
ID : 20240308162213.52

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 4
(1679)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000199992 ONTARIO CORP.
FILE CURRENCY : 07MAR 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
797890545

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	003	3		20231006 1319 1590 3793		

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 DEBTOR NAME BUSINESS NAME ONTARIO CORPORATION NO.

04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 DEBTOR NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

10 COLLATERAL CLASSIFICATION CONSUMER GOODS MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL 43M932, BLK 19, PL 43M932, CITY OF MISSISSAUGA, BEING ALL OF PIN

14 COLLATERAL 13243-0269

15 DESCRIPTION

16 REGISTERING AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

5

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(en)fv 05/2022



RUN NUMBER : 068
RUN DATE : 2024/03/08
ID : 20240308162213.52

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 5
(1680)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000199992 ONTARIO CORP.
FILE CURRENCY : 07MAR 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
784707885

CAUTION PILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	1		20220707 1613 1590 0530	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME 1000199992 ONTARIO CORP.

04 ADDRESS 26 BILBERMAR DRIVE RICHMOND HILL ONTARIO CORPORATION NO. ON L4S 1B8

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT DUCA FINANCIAL SERVICES CREDIT UNION LTD

09 ADDRESS 5255 YONGE STREET, 4TH FLOOR TORONTO ON M2N 6P4

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
			X	X			

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL COLLATERAL DESCRIPTION

16 REGISTERING AGENT CHAITONS LLP (JW/74049)

17 ADDRESS 5000 YONGE STREET, 10TH FLOOR TORONTO ON M2N 7E9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 6

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 068
RUN DATE : 2024/03/08
ID : 20240308162213.52

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 6
(1681)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000199992 ONTARIO CORP.
FILE CURRENCY : 07MAR 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
784707894

01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD
001 1 20220707 1614 1590 0531 P PPSA 5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME 1000199992 ONTARIO CORP.

04 ADDRESS 26 BILBERMAR DRIVE RICHMOND HILL ONTARIO CORPORATION NO. ON L4S 1B8

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT DUCA FINANCIAL SERVICES CREDIT UNION LTD

09 ADDRESS 5255 YONGE STREET, 4TH FLOOR TORONTO ON M2N 6P4

10 COLLATERAL CLASSIFICATION CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X X X X

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL COLLATERAL DESCRIPTION

16 REGISTERING AGENT CHAITONS LLP (JW/74049)

17 ADDRESS 5000 YONGE STREET, 10TH FLOOR TORONTO ON M2N 7E9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 7

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(cr)fv 05/2022



RUN NUMBER : 068
RUN DATE : 2024/03/08
ID : 20240308162213.52

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 7
(1682)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : 1000199992 ONTARIO CORP.
FILE CURRENCY : 07MAR 2024

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
797890545	20231006	1319	1590	3793
784707885	20220707	1613	1590	0530
784707894	20220707	1614	1590	0531

3 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj6 05/2022)

Ontario 

This is Exhibit “K” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

RUN NUMBER : 068
RUN DATE : 2024/03/08
ID : 20240308162118.06

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(1669)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE
OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : AMERICAN CORPORATION

FILE CURRENCY : 07MAR 2024

ENQUIRY NUMBER 20240308162118.06 CONTAINS 7 PAGE(S), 4 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

FASKEN MARTINEAU DUMOULIN LLP - CORPORATE SEARCHES
333 BAY STREET
TORONTO ON M5H 2T6

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crfj6 05/2022)

CONTINUED... 2

Ontario 

RUN NUMBER : 068
RUN DATE : 2024/03/08
ID : 20240308162118.06

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 2
(1670)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : AMERICAN CORPORATION
FILE CURRENCY : 07MAR 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
797537331

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	01	002		20230926 1703 1462 7761	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME AMERICAN CORPORATION

04 ADDRESS 5 VERNHAM AVENUE NORTH YORK ONTARIO CORPORATION NO. 001570503 ON M2L2B1

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT CAMERON STEPHENS MORTGAGE CAPITAL LTD.

09 ADDRESS 1700-320 BAY STREET TORONTO ON M5H4A6

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
	X	X	X	X			

11 MOTOR VEHICLE YEAR MAKE MODEL V.I.N.

13 GENERAL COLLATERAL DESCRIPTION GENERAL SECURITY AGREEMENT RELATING TO THAT PROPERTY KNOWN AS BABY TAR ISLAND AND DESCRIBED AS ISLAND 105 PLAN 120 IN THE ST. LAWRENCE RIVER IN FRONT TOWNSHIP OF ESCOTT, ONTARIO AND SUBORDINATION AND

16 REGISTERING AGENT GARFINKLE, BIDERMAN LLP (AWB/CJC - 6243-679)

17 ADDRESS 1 ADELAIDE ST. EAST, SUITE 801 TORONTO ON M5C2V9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 3

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 068
RUN DATE : 2024/03/08
ID : 20240308162118.06

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 3
(1671)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : AMERICAN CORPORATION
FILE CURRENCY : 07MAR 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
797537331

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	02	002		20230926 1703 1462 7761	P PPSA	5

02 DEBTOR NAME DATE OF BIRTH BUSINESS NAME FIRST GIVEN NAME INITIAL SURNAME

03 DEBTOR NAME BUSINESS NAME ADDRESS ONTARIO CORPORATION NO.

05 DEBTOR NAME DATE OF BIRTH BUSINESS NAME FIRST GIVEN NAME INITIAL SURNAME

06 DEBTOR NAME BUSINESS NAME ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / LIEN CLAIMANT ADDRESS

10 COLLATERAL CLASSIFICATION CONSUMER GOODS MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO. FIXED MATURITY DATE

11 MOTOR VEHICLE YEAR MAKE MODEL VIN

13 GENERAL COLLATERAL DESCRIPTION ASSIGNMENT RE JEFFERSON PROPERTIES LIMITED PARTNERSHIP AND 2011836 ONTARIO CORP. DEBT

16 REGISTERING AGENT GARFINKLE, BIDERMAN LLP (AWB/CJC - 6243-679)
17 ADDRESS 1 ADELAIDE ST. EAST, SUITE 801 TORONTO ON M5C2V9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 4

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(cr)1fv 05/2022



RUN NUMBER : 068
RUN DATE : 2024/03/08
ID : 20240308162118.06

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 4
(1672)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : AMERICAN CORPORATION
FILE CURRENCY : 07MAR 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
788814585

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	1		20221128 0959 1590 0037	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME AMERICAN CORPORATION

04 ADDRESS 980 YONGE STREET, SUITE 1001 TORONTO ONTARIO CORPORATION NO. ON M4W 3V8

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT CAMERON STEPHENS MORTGAGE CAPITAL LTD.

09 ADDRESS 25 ADELAIDE STREET EAST, SUITE 600 TORONTO ON M5C 3A1

COLLATERAL CLASSIFICATION

CONSUMER	GOODS	INVENTORY	EQUIPMENT	ACCOUNTS	OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
	X	X	X	X	X	X			

11 MOTOR YEAR MAKE MODEL V.I.N.

12 VEHICLE

13 GENERAL COLLATERAL DESCRIPTION

16 REGISTERING AGENT SCHNEIDER RUGGIERO SPENCER MILBURN LLP

17 ADDRESS 1000-120 ADELAIDE STREET WEST TORONTO ON M5H 3V1

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 5

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 068
RUN DATE : 2024/03/08
ID : 20240308162118.06

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 5
(1673)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : AMERICAN CORPORATION
FILE CURRENCY : 07MAR 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
784707813

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
	001	1		20220707 1613 1590 0529	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 DEBTOR NAME BUSINESS NAME AMERICAN CORPORATION ONTARIO CORPORATION NO.
04 ADDRESS 980 YONGE STREET, SUITE 1001 TORONTO ON M4W 3V8

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 DEBTOR NAME BUSINESS NAME ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT DUCA FINANCIAL SERVICES CREDIT UNION LTD

09 ADDRESS 5255 YONGE STREET, 4TH FLOOR TORONTO ON M2N 6P4

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO FIXED MATURITY DATE
X	X	X	X	X			

11 MOTOR VEHICLE YEAR MAKE MODEL V.I.N.

12 GENERAL COLLATERAL DESCRIPTION

16 REGISTERING AGENT CHAITONS LLP (JW/74049)

17 ADDRESS 5000 YONGE STREET, 10TH FLOOR TORONTO ON M2N 7E9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY ***

CONTINUED... 6

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 068
 RUN DATE : 2024/03/08
 ID : 20240308162118.06

PROVINCE OF ONTARIO
 MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE
 CERTIFICATE

REPORT : PSSR060
 PAGE : 6
 (1674)

TYPE OF SEARCH : BUSINESS DEBTOR
 SEARCH CONDUCTED ON : AMERICAN CORPORATION
 FILE CURRENCY : 07MAR 2024

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER
 783369198

CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
01	001	1		20220527 0926 1793 9544	P PPSA	5

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME AMERICAN CORPORATION

04 ADDRESS 980 YONGE STREET, SUITE 1001 TORONTO ONTARIO CORPORATION NO. ON M4W3V8

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
 06 NAME BUSINESS NAME FANSEY WANG

07 ADDRESS 1001-980 YONGE STREET TORONTO ONTARIO CORPORATION NO. ON M4W3V8

08 SECURED PARTY / LIEN CLAIMANT C & K MORTGAGE SERVICES INC.

09 ADDRESS 1670 BAYVIEW AVENUE, SUITE 400 TORONTO ON M4G3C2

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY OR	NO. FIXED MATURITY DATE
				X	X		X

11 MOTOR YEAR MAKE MODEL V.I.N.
 12 VEHICLE

13 GENERAL GUARANTEE AND POSTPONEMENT OF CLAIM IN CONNECTION WITH THE GUARANTEE
 14 COLLATERAL OF INDEBTEDNESS OF 1000162801 ONTARIO CORP. TO THE SECURED PARTY
 15 DESCRIPTION

16 REGISTERING GARFINKLE, BIDERMAN LLP (KAG FILE NO. 2677-654)
 AGENT

17 ADDRESS 1 ADELAIDE ST. EAST, SUITE 801 TORONTO ON M5C2V9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 7

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
 REGISTRAR OF
 PERSONAL PROPERTY SECURITY/
 LE REGISTRATEUR
 DES SÛRETÉS MOBILIÈRES

(crj1fv 05/2022)



RUN NUMBER : 068
RUN DATE : 2024/03/08
ID : 20240308162118.06

PROVINCE OF ONTARIO
MINISTRY OF PUBLIC AND BUSINESS SERVICE DELIVERY
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 7
(1675)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : AMERICAN CORPORATION
FILE CURRENCY : 07MAR 2024

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
797537331	20230926	1703	1462	7761
788814585	20221128	0959	1590	0037
784707813	20220707	1613	1590	0529
783369198	20220527	0926	1793	9544

4 REGISTRATIONS ARE REPORTED IN THIS ENQUIRY RESPONSE.

CERTIFIED BY/CERTIFIÉES PAR
V. Quintanilla W.
REGISTRAR OF
PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR
DES SÛRETÉS MOBILIÈRES

(crj6 05/2022)

Ontario 

This is Exhibit “L” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

ASSIGNMENT OF INSURANCE INTEREST

THIS ASSIGNMENT made on the 11th day of July, 2022.

For valuable consideration (the receipt and sufficiency of which are hereby acknowledged) 1000199992 Ontario Corp. (the "**Corporation**") hereby assigns and transfers to DUCA Financial Services Credit Union Ltd. (the "**Lender**"), the interest of the Corporation as insured under the policy of insurance described in Schedule "A" annexed hereto (the "**Policy**"). The Policy shall stand as continuing collateral security for the payment of any and all debts, liabilities and obligations (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, for which the Corporation is or may become liable to the Lender (such debts, liabilities and obligations being hereinafter collectively called the "**Secured Obligations**").

The Corporation further covenants and agrees as follows:

1. The insurer named in the Policy is hereby directed by the Corporation to pay all monies originally payable under the Policy to the Corporation (the "**Monies**") to the Lender in accordance with this assignment at 5255 Yonge Street, 4th Floor, Toronto, Ontario, M2N 6P4. The Lender is authorized to give its receipts therefor which shall be binding upon the Corporation.
2. The Lender may collect, realize and otherwise deal with the Monies in any manner and at such time or times as may seem to it advisable and without notice to the Corporation. Any Monies received by the Corporation are received as trustee for the Lender and shall be forthwith paid over to the Lender.
3. Any Monies received by the Lender may be applied on account of such part or parts of the Secured Obligations as the Lender deems best without prejudice to its claims upon the Corporation for any deficiency.
4. The Lender may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the insurer named in the Policy, the Corporation and others and with the Monies and other securities as the Lender sees fit without prejudice to the liability to the Corporation or the Lender's right to hold or realize this security.
5. The Lender shall not be liable or accountable for any failure to collect any Monies. The Lender shall not be bound to institute proceedings for the purpose of collecting any Monies or for the purpose of preserving any rights of the Lender, the Corporation or any other person in respect thereof.
6. The Lender may charge on its own behalf, and also pay to others, reasonable sums for expenses incurred and for services rendered (expressly including legal fees and disbursements) in or in connection with collecting, realizing or obtaining payment of any Monies, and may add the amount of such sums to the Secured Obligations.
7. The Corporation shall deliver in writing to the Lender from time to time upon request by the Lender such information relating to the Policy as the Lender may require. The Lender shall be

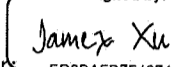
entitled from time to time to inspect any books, papers, documents or records evidencing or relating to the Policy and make copies thereof, and for such purpose the Lender shall have access to any and all premises occupied by the Corporation.

8. The Corporation shall, upon request by the Lender, do such acts and things and give such receipts, deeds, transfers, discharges or other instruments as may be necessary to enable the Lender to obtain payment of the Monies or any other amounts payable to the Lender hereunder.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the Corporation has executed this Assignment as of the date first written above.

1000199992 ONTARIO CORP.

DocuSigned by:

Per: ED0BAFB7F407498
Name: Lichen Xu
Title: President

I have authority to bind the Corporation.

Schedule "A"



CERTIFICATE OF LIABILITY INSURANCE

This certificate is issued as a matter of information only and confers no rights upon the certificate holder and imposes no liability on the insurer. This certificate does not amend, extend or alter the coverage afforded by the policies below.

1. CERTIFICATE HOLDER - NAME AND MAILING ADDRESS	2. INSURED'S FULL NAME AND MAILING ADDRESS
DUCA Financial Services Credit Union Ltd. Attn: Mortgage Administration 5255 Yonge Street, 4th Floor Toronto ON M2N 6P4	1000199992 Ontario Corporation and AmerCan Corporation 1001-980 Yonge Street Toronto Ontario M4W 3V8

3. DESCRIPTION OF OPERATIONS/LOCATIONS/AUTOMOBILES/SPECIAL ITEMS TO WHICH THIS CERTIFICATE APPLIES (but only with respect to the operations of the Named Insured)
Liability coverage applies for vacant plot of land at 6532 & 6544 Winston Churchill Blvd, Mississauga, ON L5N 3W4. DUCA Financial Services Credit Union is **Additional Insured** (as 1st mortgagee), but only with regard to operations of the Borrower. **Subscribing company on ABEX policy is certain Lloyd's Underwriters.**

4. COVERAGES
This is to certify that the policies of insurance listed below have been issued to the insured named above for the policy period indicated notwithstanding any requirements, terms or conditions of any contract or other document with respect to which this certificate may be issued or may pertain. The insurance afforded by the policies described herein is subject to all terms, exclusions and conditions of such policies.
LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

TYPE OF INSURANCE	INSURANCE COMPANY AND POLICY NUMBER	EFFECTIVE DATE YYYY/MM/DD	EXPIRY DATE YYYY/MM/DD	LIMITS OF LIABILITY (Canadian dollars unless indicated otherwise)		
				COVERAGE	DED.	AMOUNT OF INSURANCE
COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE OR <input checked="" type="checkbox"/> OCCURRENCE <input checked="" type="checkbox"/> PRODUCTS AND / OR COMPLETED OPERATIONS <input type="checkbox"/> EMPLOYER'S LIABILITY <input checked="" type="checkbox"/> CROSS LIABILITY <input type="checkbox"/> WAIVER OF SUBROGATION <input checked="" type="checkbox"/> TENANTS LEGAL LIABILITY <input type="checkbox"/> POLLUTION LIABILITY EXTENSION <input type="checkbox"/> <input type="checkbox"/>	ABEX Affiliated Brokers Exchange - LIAA0642	2022/06/07	2023/06/07	COMMERCIAL GENERAL LIABILITY BODILY INJURY AND PROPERTY DAMAGE LIABILITY - GENERAL AGGREGATE	\$2,500	\$5,000,000
				- EACH OCCURRENCE		\$5,000,000
				PRODUCTS AND COMPLETED OPERATIONS AGGREGATE		\$5,000,000
				<input type="checkbox"/> PERSONAL INJURY LIABILITY OR <input checked="" type="checkbox"/> PERSONAL AND ADVERTISING INJURY LIABILITY		\$5,000,000
				MEDICAL PAYMENTS		\$25,000
				TENANTS LEGAL LIABILITY	\$1,000	\$100,000
				POLLUTION LIABILITY EXTENSION		
<input type="checkbox"/> NON-OWNED AUTOMOBILES <input type="checkbox"/> HIRED AUTOMOBILES				NON-OWNED AUTOMOBILES		
AUTOMOBILE LIABILITY <input type="checkbox"/> DESCRIBED AUTOMOBILES <input type="checkbox"/> ALL OWNED AUTOMOBILES <input type="checkbox"/> LEASED AUTOMOBILES ** ** ALL AUTOMOBILES LEASED IN EXCESS OF 30 DAYS WHERE THE INSURED IS REQUIRED TO PROVIDE INSURANCE				HIRED AUTOMOBILES		
				BODILY INJURY AND PROPERTY DAMAGE COMBINED		
				BODILY INJURY (PER PERSON)		
				BODILY INJURY (PER ACCIDENT)		
				PROPERTY DAMAGE		
EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/>				EACH OCCURRENCE		
				AGGREGATE		
OTHER LIABILITY (SPECIFY) <input type="checkbox"/> <input type="checkbox"/>						

5. CANCELLATION
Should any of the above described policies be cancelled before the expiration date thereof the issuing company will mail **30 days written notice to the Certificate Holder.**

6. BROKERAGE/AGENCY FULL NAME AND MAILING ADDRESS	7. ADDITIONAL INSURED NAME AND MAILING ADDRESS (Commercial General Liability- but only with respect to the operations of the Named Insured)
Firstbrook Cassie & Anderson Limited 1867 Yonge St. #300 Toronto ON M4S 1Y5	DUCA Financial Services Credit Union Ltd. is added to the referenced policy as an additional insured and loss payee as the 1st Mortgagee.
BROKER CLIENT ID:	POSTAL CODE

8. CERTIFICATE AUTHORIZATION	CONTACT NUMBER(S)
ISSUER Firstbrook Cassie & Anderson Limited	TYPE Main NO. (416) 486-1421 TYPE Fax NO. (416) 486-7035
AUTHORIZED REPRESENTATIVE Tyler Tisdale	TYPE NO. TYPE NO.
SIGNATURE OF AUTHORIZED REPRESENTATIVE <i>Tyler Tisdale</i>	DATE June 30, 2022 EMAIL ADDRESS ttisdale@fcainsurance.com

June 30, 2022

DUCA Financial Services Credit Union Ltd.
5255 Yonge Street, 4th Floor,
Toronto, ON M2N 6P4

Attention: Sarah Koerssen, Senior Commercial Funding Office

**RE: DUCA (WINSTON CHURCHILL)
AmerCan Corporation and 1000199992 Ontario Corp.
6532 & 6544 Winston Churchill Blvd, Mississauga ON**

Dear Sarah:

In accordance with your instructions of June 30, 2022 regarding the above noted loan, we have reviewed the insurance requirements that are set out in your commitment letter.

It is the opinion of Risk Review Inc. that your Borrower's insurance is in compliance with lenders' usual standards for insurance based upon the current phase of development of the property and this is evidenced by your Borrower's certificate of insurance. Their evidence of insurance accompanies this letter; a summary of our findings and notes related thereto are listed below and on the following page.

Cancellation Clause:

The certificate states "Should any of the above described policies be cancelled before the expiration date thereof the issuing company will mail 30 days written notice to the Certificate Holder."

This phrasing is suitable for your purposes as Lender.

Recommendation for Funding Effective June 30, 2022:

Based upon our review of the attached evidence of insurance, we are confident that it meets your insurance requirements for the current phase of the project, and in that regard I advise that you may fund this mortgage.

While your Borrower's evidence of insurance is compliant with the usual requirements (relative to the Lender's present interests) for the insuring of undeveloped land only, it is the recommendation of Risk Review Inc. that this file be reviewed again immediately prior to commencement of construction to ensure compliance at that time.

In closing, Sarah, our account in the amount of \$559.35 including HST is attached as a separate document within this e-mail, and I thank you for this opportunity to be of service.

Yours truly,



David G. Truscott, CAIB, CRM
President
Risk Review Inc.



SUMMARY OF INSURANCE - DUCA (WINSTON CHURCHILL)
AmerCan Corporation and 1000199992 Ontario Corp.
6532 & 6544 Winston Churchill Blvd, Mississauga ON

Insurance Provider's name: Firstbrook Cassie & Anderson Limited
Insurance Provider's contact information: Tyler Tisdale, 416-486-1421, ttisdale@fcainsurance.com

Builder's Risk Insurance Form: Land transaction only.
Insurer: Building and Rental Income Coverage is not required at this time.
Policy Number:
A.M. Best rating at today's date:
Policy Expiry Date:
Project Limit (Hard Costs):
Project Limit (Soft Costs):
Delayed Income Limit:
Testing and Commissioning:
Permission for Partial or Complete Occupancy:
IBC Standard Mortgage Clause:
Loss Payee and First Mortgagee:
Project Deductible:
Earthquake Deductible:
Flood Deductible:
Sewer back-up Deductible:

Liability Insurance Form: Commercial General Liability, Occurrence Basis
Insurer: Certain Lloyd's Underwriters through ABEX Affiliated Brokers Exchange
Policy Number: LIAA0642
A.M. Best rating at today's date: (Rating not available from rating services)
Policy Expiry Date: June 7, 2023
Policy Limit: 5,000,000
Deductible: 2,500
Additional Insured on CGL: **DUCA Financial Services Credit Union Ltd.**

Architect's & Engineer's Liability: Land transaction only.
Insurer: Architect's Professional Liability Insurance is not required at this time.
Policy Number:
A.M. Best rating at today's date:
Policy Expiry Date:
Policy Limit:
Deductible:

This is Exhibit “M” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

ASSIGNMENT OF INSURANCE INTEREST

THIS ASSIGNMENT made on the 11th day of July, 2022.

For valuable consideration (the receipt and sufficiency of which are hereby acknowledged) AmerCan Corporation (the "**Corporation**") hereby assigns and transfers to DUCA Financial Services Credit Union Ltd. (the "**Lender**"), the interest of the Corporation as insured under the policy of insurance described in Schedule "A" annexed hereto (the "**Policy**"). The Policy shall stand as continuing collateral security for the payment of any and all debts, liabilities and obligations (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, for which the Corporation is or may become liable to the Lender (such debts, liabilities and obligations being hereinafter collectively called the "**Secured Obligations**").

The Corporation further covenants and agrees as follows:

1. The insurer named in the Policy is hereby directed by the Corporation to pay all monies originally payable under the Policy to the Corporation (the "**Monies**") to the Lender in accordance with this assignment at 5255 Yonge Street, 4th Floor, Toronto, Ontario, M2N 6P4. The Lender is authorized to give its receipts therefor which shall be binding upon the Corporation.
2. The Lender may collect, realize and otherwise deal with the Monies in any manner and at such time or times as may seem to it advisable and without notice to the Corporation. Any Monies received by the Corporation are received as trustee for the Lender and shall be forthwith paid over to the Lender.
3. Any Monies received by the Lender may be applied on account of such part or parts of the Secured Obligations as the Lender deems best without prejudice to its claims upon the Corporation for any deficiency.
4. The Lender may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the insurer named in the Policy, the Corporation and others and with the Monies and other securities as the Lender sees fit without prejudice to the liability to the Corporation or the Lender's right to hold or realize this security.
5. The Lender shall not be liable or accountable for any failure to collect any Monies. The Lender shall not be bound to institute proceedings for the purpose of collecting any Monies or for the purpose of preserving any rights of the Lender, the Corporation or any other person in respect thereof.
6. The Lender may charge on its own behalf, and also pay to others, reasonable sums for expenses incurred and for services rendered (expressly including legal fees and disbursements) in or in connection with collecting, realizing or obtaining payment of any Monies, and may add the amount of such sums to the Secured Obligations.
7. The Corporation shall deliver in writing to the Lender from time to time upon request by the Lender such information relating to the Policy as the Lender may require. The Lender shall be

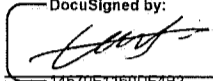
entitled from time to time to inspect any books, papers, documents or records evidencing or relating to the Policy and make copies thereof, and for such purpose the Lender shall have access to any and all premises occupied by the Corporation.

8. The Corporation shall, upon request by the Lender, do such acts and things and give such receipts, deeds, transfers, discharges or other instruments as may be necessary to enable the Lender to obtain payment of the Monies or any other amounts payable to the Lender hereunder.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the Corporation has executed this Assignment as of the date first written above.

AMERICAN CORPORATION

DocuSigned by:

Per: _____
Name: Fansey Wang
Title: President and Secretary

I have authority to bind the Corporation.

Schedule "A"



CERTIFICATE OF LIABILITY INSURANCE

This certificate is issued as a matter of information only and confers no rights upon the certificate holder and imposes no liability on the insurer. This certificate does not amend, extend or alter the coverage afforded by the policies below.

1. CERTIFICATE HOLDER - NAME AND MAILING ADDRESS	2. INSURED'S FULL NAME AND MAILING ADDRESS
DUCA Financial Services Credit Union Ltd. Attn: Mortgage Administration 5255 Yonge Street, 4th Floor Toronto ON M2N 6P4	1000199992 Ontario Corporation and AmerCan Corporation 1001-980 Yonge Street Toronto Ontario M4W 3V8

3. DESCRIPTION OF OPERATIONS/LOCATIONS/AUTOMOBILES/SPECIAL ITEMS TO WHICH THIS CERTIFICATE APPLIES (but only with respect to the operations of the Named Insured)
Liability coverage applies for vacant plot of land at 6532 & 6544 Winston Churchill Blvd, Mississauga, ON L5N 3W4. DUCA Financial Services Credit Union is **Additional Insured** (as 1st mortgagee), but only with regard to operations of the Borrower. **Subscribing company on ABEX policy is certain Lloyd's Underwriters.**

4. COVERAGES
This is to certify that the policies of insurance listed below have been issued to the insured named above for the policy period indicated notwithstanding any requirements, terms or conditions of any contract or other document with respect to which this certificate may be issued or may pertain. The insurance afforded by the policies described herein is subject to all terms, exclusions and conditions of such policies.
LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

TYPE OF INSURANCE	INSURANCE COMPANY AND POLICY NUMBER	EFFECTIVE DATE YYYY/MM/DD	EXPIRY DATE YYYY/MM/DD	LIMITS OF LIABILITY (Canadian dollars unless indicated otherwise)		
				COVERAGE	DED.	AMOUNT OF INSURANCE
COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE OR <input checked="" type="checkbox"/> OCCURRENCE <input checked="" type="checkbox"/> PRODUCTS AND / OR COMPLETED OPERATIONS <input type="checkbox"/> EMPLOYER'S LIABILITY <input checked="" type="checkbox"/> CROSS LIABILITY <input type="checkbox"/> WAIVER OF SUBROGATION <input checked="" type="checkbox"/> TENANTS LEGAL LIABILITY <input type="checkbox"/> POLLUTION LIABILITY EXTENSION <input type="checkbox"/> <input type="checkbox"/>	ABEX Affiliated Brokers Exchange - LIAA0642	2022/06/07	2023/06/07	COMMERCIAL GENERAL LIABILITY BODILY INJURY AND PROPERTY DAMAGE LIABILITY - GENERAL AGGREGATE	\$2,500	\$5,000,000
				- EACH OCCURRENCE		\$5,000,000
				PRODUCTS AND COMPLETED OPERATIONS AGGREGATE		\$5,000,000
				<input type="checkbox"/> PERSONAL INJURY LIABILITY OR <input checked="" type="checkbox"/> PERSONAL AND ADVERTISING INJURY LIABILITY		\$5,000,000
				MEDICAL PAYMENTS		\$25,000
				TENANTS LEGAL LIABILITY	\$1,000	\$100,000
				POLLUTION LIABILITY EXTENSION		
<input type="checkbox"/> NON-OWNED AUTOMOBILES <input type="checkbox"/> HIRED AUTOMOBILES				NON-OWNED AUTOMOBILES HIRED AUTOMOBILES		
AUTOMOBILE LIABILITY <input type="checkbox"/> DESCRIBED AUTOMOBILES <input type="checkbox"/> ALL OWNED AUTOMOBILES <input type="checkbox"/> LEASED AUTOMOBILES ** ** ALL AUTOMOBILES LEASED IN EXCESS OF 30 DAYS WHERE THE INSURED IS REQUIRED TO PROVIDE INSURANCE				BODILY INJURY AND PROPERTY DAMAGE COMBINED BODILY INJURY (PER PERSON) BODILY INJURY (PER ACCIDENT) PROPERTY DAMAGE		
EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/>				EACH OCCURRENCE AGGREGATE		
OTHER LIABILITY (SPECIFY) <input type="checkbox"/> <input type="checkbox"/>						

5. CANCELLATION
Should any of the above described policies be cancelled before the expiration date thereof the issuing company will mail **30 days written notice to the Certificate Holder.**

6. BROKERAGE/AGENCY FULL NAME AND MAILING ADDRESS	7. ADDITIONAL INSURED NAME AND MAILING ADDRESS (Commercial General Liability- but only with respect to the operations of the Named Insured)
Firstbrook Cassie & Anderson Limited 1867 Yonge St. #300 Toronto ON M4S 1Y5	DUCA Financial Services Credit Union Ltd. is added to the referenced policy as an additional insured and loss payee as the 1st Mortgagee.
BROKER CLIENT ID:	POSTAL CODE

8. CERTIFICATE AUTHORIZATION	CONTACT NUMBER(S) TYPE Main NO. (416) 486-1421 TYPE Fax NO. (416) 486-7035 TYPE NO. TYPE NO.
ISSUER Firstbrook Cassie & Anderson Limited	
AUTHORIZED REPRESENTATIVE Tyler Tisdale	
SIGNATURE OF AUTHORIZED REPRESENTATIVE <i>Tyler Tisdale</i>	DATE June 30, 2022 EMAIL ADDRESS ttisdale@fcainsurance.com

June 30, 2022

DUCA Financial Services Credit Union Ltd.
5255 Yonge Street, 4th Floor,
Toronto, ON M2N 6P4

Attention: Sarah Koerssen, Senior Commercial Funding Office

**RE: DUCA (WINSTON CHURCHILL)
AmerCan Corporation and 1000199992 Ontario Corp.
6532 & 6544 Winston Churchill Blvd, Mississauga ON**

Dear Sarah:

In accordance with your instructions of June 30, 2022 regarding the above noted loan, we have reviewed the insurance requirements that are set out in your commitment letter.

It is the opinion of Risk Review Inc. that your Borrower's insurance is in compliance with lenders' usual standards for insurance based upon the current phase of development of the property and this is evidenced by your Borrower's certificate of insurance. Their evidence of insurance accompanies this letter; a summary of our findings and notes related thereto are listed below and on the following page.

Cancellation Clause:

The certificate states "Should any of the above described policies be cancelled before the expiration date thereof the issuing company will mail 30 days written notice to the Certificate Holder."

This phrasing is suitable for your purposes as Lender.

Recommendation for Funding Effective June 30, 2022:

Based upon our review of the attached evidence of insurance, we are confident that it meets your insurance requirements for the current phase of the project, and in that regard I advise that you may fund this mortgage.

While your Borrower's evidence of insurance is compliant with the usual requirements (relative to the Lender's present interests) for the insuring of undeveloped land only, it is the recommendation of Risk Review Inc. that this file be reviewed again immediately prior to commencement of construction to ensure compliance at that time.

In closing, Sarah, our account in the amount of \$559.35 including HST is attached as a separate document within this e-mail, and I thank you for this opportunity to be of service.

Yours truly,



David G. Truscott, CAIB, CRM
President
Risk Review Inc.



SUMMARY OF INSURANCE - DUCA (WINSTON CHURCHILL)
AmerCan Corporation and 1000199992 Ontario Corp.
6532 & 6544 Winston Churchill Blvd, Mississauga ON

Insurance Provider's name: Firstbrook Cassie & Anderson Limited
Insurance Provider's contact information: Tyler Tisdale, 416-486-1421, ttisdale@fcainsurance.com

Builder's Risk Insurance Form: Land transaction only.
Insurer: Building and Rental Income Coverage is not required at this time.
Policy Number:
A.M. Best rating at today's date:
Policy Expiry Date:
Project Limit (Hard Costs):
Project Limit (Soft Costs):
Delayed Income Limit:
Testing and Commissioning:
Permission for Partial or Complete Occupancy:
IBC Standard Mortgage Clause:
Loss Payee and First Mortgagee:
Project Deductible:
Earthquake Deductible:
Flood Deductible:
Sewer back-up Deductible:

Liability Insurance Form: Commercial General Liability, Occurrence Basis
Insurer: Certain Lloyd's Underwriters through ABEX Affiliated Brokers Exchange
Policy Number: LIAA0642
A.M. Best rating at today's date: (Rating not available from rating services)
Policy Expiry Date: June 7, 2023
Policy Limit: 5,000,000
Deductible: 2,500
Additional Insured on CGL: **DUCA Financial Services Credit Union Ltd.**

Architect's & Engineer's Liability: Land transaction only.
Insurer: Architect's Professional Liability Insurance is not required at this time.
Policy Number:
A.M. Best rating at today's date:
Policy Expiry Date:
Policy Limit:
Deductible:

This is Exhibit “N” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

CASH COLLATERAL AGREEMENT

DUCA Financial Services Credit Union Ltd. (the "Creditor")
5255 Yonge Street, 4th Floor
Toronto, ON M2N 6P4

DATED as of this 11th day of July, 2022.

Reference is made to the sum of cash or cash equivalents (collectively, the "**Cash**") that will be delivered from time to time to the Creditor as security for the obligations and liabilities of the undersigned arising under the commitment letter entered into among, *inter alios*, the Creditor and the undersigned dated as of the June 8, 2022, and the same may be amended, supplemented, extended, renewed, restated or replaced from time to time (the "**Obligations**"). For valuable consideration, the undersigned hereby acknowledges and agrees as follows:

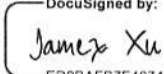
- (a) the undersigned hereby assigns, transfers, conveys, sets over, hypothecates, pledges and grants a security interest to the Creditor in the Cash as a general and continuing collateral security for the Obligations;
- (b) if the Creditor demands payment of the Obligations, or any part thereof, the Cash may without further notice to the undersigned, be cashed, appropriated and applied to and on account of any and all outstanding Obligations;
- (c) the Creditor may appropriate and apply any portion or all of the Cash against any or all of the Obligations as determined by the Creditor to be in the best interest of the Creditor in its sole and absolute discretion and such appropriations and applications may be changed or varied by the Creditor from time to time in its sole and absolute discretion; and
- (d) the Creditor shall not be required to surrender any of the Cash hereby assigned, transferred, conveyed, set over, hypothecated, pledged or in which a security interest has been granted, unless and until the Obligations have been satisfied in full.

The acknowledgements and agreements herein are in addition to, and not in substitution for, and shall not be merged in any other agreement, instrument or other document now or hereafter held by the Creditor. The acknowledgements and agreements herein shall be binding upon the undersigned and its successors and assigns and shall enure to the benefit of the Creditor and its successors and assigns.

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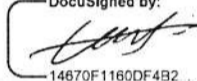
Dated as of the date first written above.

1000199992 ONTARIO CORP.


DocuSigned by:

Per: _____
Name: Lichen Xu
Title: President

I have authority to bind the Corporation.

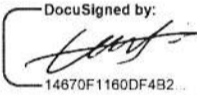
AMERICAN CORPORATION

DocuSigned by:

Per: _____
Name: Fansy Wang
Title: President and Secretary

I have authority to bind the Corporation.



Witness

DocuSigned by:


Fansy Wang

This is Exhibit “O” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

ASSIGNMENT AND POSTPONEMENT OF LOANS

DATED: July 11, 2022

LENDER: DUCA FINANCIAL SERVICES CREDIT UNION LTD. (“**DUCA**”)

BORROWER: AMERICAN CORPORATION (the “**Borrower**”)

CREDITORS: FANSEAY WANG, SUN SHARIOR, YE FANG YING, CHEN TIAN HONG, ZHANG BAO XIAN, DRAGON HOLDING (collectively, the “**Creditor**”)

RECITALS:

- A. The Borrower is or may become indebted to the Creditor for loans made or to be made to, *inter alios*, the Borrower (all such present and future shareholder’s loans are collectively referred to as the “**Debt**”).
- B. DUCA has or may from time to time make loans to the Borrower (all such present and future loans are collectively referred to as the “**Loans**”) and the Creditor has agreed to assign to DUCA the debt and any security therefor (the “**Security**”) as security for the Loans to DUCA and to postpone the Debt to the Loans.

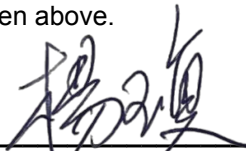
IN CONSIDERATION of DUCA agreeing to make the Loan to the Borrower and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Creditor covenants and agrees with DUCA as follows:


1. **Postponement.** Any claim of DUCA in respect of the Loans shall take precedence over and be fully paid in priority to the Debt, and repayment thereof is hereby expressly postponed in favour of DUCA; the Creditor hereby postpones in favour of DUCA, all its right, title and interest in the Security, if any; and the Creditor will not, so long as the Borrower is indebted to DUCA in respect of the Loans, demand payment, either in whole or in part, of the Debt, nor pledge nor transfer to any person any of the rights of the Creditor in respect of the Debt.
2. **Assignment.** The Creditor does hereby assign, transfer and set over unto DUCA as collateral security the Debt together with all advantage and benefit to be derived therefrom; and the Creditor hereby assigns to DUCA all its right, title and interest in the Security, if any.
3. **Payments.** The Borrower covenants and agrees with DUCA that, so long as any moneys are owing to DUCA under the Loans, it will not make any payment whatsoever to the Assignor on the Debt. Any payments received by the Creditor from the Borrower (or from any third party on account of or otherwise for the benefit of the Borrower) in contravention of this Agreement shall be received in trust for DUCA and shall be paid over to DUCA forthwith upon receipt but no such payment shall have the effect of reducing the Loans until the same is actually received by DUCA.
4. **Standstill.** The Creditor agrees that it shall not, without DUCA’s prior written consent, which consent may be unreasonably withheld, take any steps whatsoever to enforce the Security (including, without limitation, asserting any rights of set-off or claims against any of the property assets or undertakings of the Borrower, making any demand, accelerating any of the obligations, commencing any bankruptcy proceedings, foreclosure, sale, power or sale, taking of possession, giving in payment, appointing or making application to a court for an order appointing an agent or a receiver of receiver-manager over all or any part of the property, assets or undertakings of the Borrower or by any other means of enforcement thereof), unless and until the obligations of the Borrower to DUCA have been indefeasibly paid and performed in full to the absolute and sole satisfaction of DUCA.

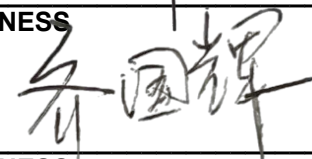
5. **No Release.** DUCA may grant time, renewals, extensions, releases and discharges to, accept compositions from, and otherwise deal with the Borrower as DUCA may see fit, without prejudice to, or in any way limiting or affecting the covenants of the Creditor under this Agreement.
6. **Benefit.** This Agreement shall enure to the benefit of DUCA its successors and assigns and shall be binding upon the Creditor and its heirs, estate trustees, legal representatives, successors and assigns. This Agreement may be transferred or assigned by DUCA without restriction and without notice to or the consent of the Creditor.
7. **Entire Agreement.** This Agreement constitutes the entire agreement between the Creditor, the Borrower and DUCA with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between such parties with respect thereto.
8. **Amendments and Waivers.** No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by the Creditor, the Borrower and DUCA. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.
9. **Severability.** If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.
10. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein without application of any principle of conflict of laws which may result in laws other than the laws in force in Ontario applying to this Agreement and the parties hereto consent to the jurisdiction of the courts of Ontario and irrevocably agree that, subject to DUCA's election in its sole discretion, all actions or proceedings arising out of or relating to this Agreement shall be litigated in such courts and the parties hereto unconditionally accept the non-exclusive jurisdiction of such courts and waive any defense of *forum non-conveniens*, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement, provided nothing herein shall affect the right to serve process in any other manner permitted by law or shall limit the right of DUCA to bring proceedings against the Creditor or the Borrower in the courts of any other jurisdiction.
11. **Counterparts.** This Agreement may be executed in any number of counterparts each of which shall be deemed an original with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by telecopy, PDF or other similar electronic means shall be effective as delivery of a manually executed counterpart of this Agreement.

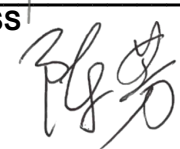
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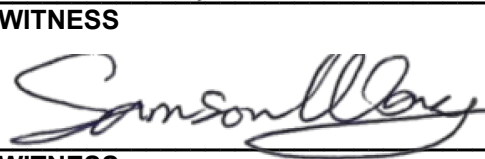
IN WITNESS WHEREOF the Creditor and the Borrower have executed this Agreement on the date first written above.


WITNESS

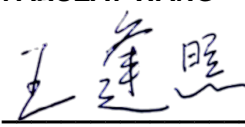

WITNESS

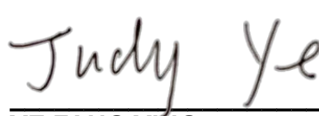

WITNESS



WITNESS



WITNESS


FANSEAY WANG


SUN SHARIOR


YE FANG YING


CHEN TIAN HONG


ZHANG BAO XIAN

DRAGON HOLDING

Per: 
Name:
Title:

I have authority to bind the Corporation.

AMERICAN CORPORATION

Per: 
Name: Fanseday Wang
Title: President and Secretary

I have authority to bind the Corporation.

This is Exhibit “P” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

SUBORDINATION, POSTPONEMENT AND STANDSTILL AGREEMENT

TO: DUCA Financial Services Credit Union Ltd. (“**DUCA**”)

RE: DUCA loan to AmerCan Corporation (“**AmerCan**”) and 1000199992 Ontario Corp. (“**1000**”)

DATE: July 11, 2022

WHEREAS AmerCan has been or may be granted security interests, claims, charges, liens or other encumbrances by 1000 and has registered or may register such security interests, claims, charges, liens or other encumbrances against 1000, including, without limitation, under the *Personal Property Security Act* (Ontario) or other applicable personal property security legislation, or under the *Land Titles Act* (Ontario) or *Registry Act* (Ontario) or other applicable land registry legislation (the “**Security**”);

AND WHEREAS DUCA requires a security position in priority to AmerCan against all of 1000’s present and after-acquired property, assets and undertakings as a condition to extending credit to 1000;

AND WHEREAS DUCA has been or may be granted security interests, claims, charges, liens and other encumbrances by 1000 and has registered or may register such security interest, claims, charges, liens and other encumbrances against 1000, including, without limitation, under the *Personal Property Security Act* (Ontario) or other applicable personal property security legislation or under the *Land Titles Act* (Ontario) or *Registry Act* (Ontario) or other applicable land registry legislation (the “**DUCA Security**”);

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the undersigned, AmerCan hereby consents to the DUCA Security granted by 1000 to and in favour of DUCA and acknowledges, covenants and agrees to and in favour of DUCA: (a) that notwithstanding any priority provided by any principle of law, equity or statute or the relative order of execution, delivery, creation, grant, registration, advance, attachment, possession, perfection or non-perfection, default, demand, notice, crystallization, enforceability or enforcement of the DUCA Security or the Security, or any other matter or thing whatsoever, the Security of AmerCan in and to any and all of the present and after-acquired property, assets and undertakings of 1000, and any and all proceeds therefrom, and any and all insurance claims and proceeds in connection therewith, which AmerCan may now have or hereinafter obtain and be perfected by any existing registrations under the *Personal Property Security Act* (Ontario) or another personal property security legislation, or under the *Land Titles Act* (Ontario) or *Registry Act* (Ontario) or other applicable land registry legislation, or any subsequent registrations, shall be fully and unconditionally subordinated to the DUCA Security in favour of DUCA; (b) to give written notice to DUCA of any default of 1000 regarding any indebtedness, liability or obligation of 1000 to AmerCan; (c) it shall not, without DUCA’s prior written consent, which consent may be unreasonably withheld, take any steps whatsoever to enforce the Security (including, without limitation, asserting any rights of set-off or claims against any of the property assets or undertakings of 1000, making any demand, accelerating any of the obligations, commencing any bankruptcy proceedings, foreclosure, sale, power or sale, taking of possession, giving in payment, appointing or making application to a court for an order appointing an agent or a receiver of receiver-manager over all or any part of the property, assets or undertakings of 1000 or by any other means of enforcement thereof), unless and until the obligations of 1000 to DUCA have been indefeasibly paid and performed in full to the absolute and sole satisfaction of DUCA; (d) to do all things and execute all documents which may be reasonably requested by DUCA to give effect to this Agreement; (e) that all present and future indebtedness and liability of 1000

to AmerCan is hereby postponed to all obligations of 1000 to DUCA and any and all moneys received by AmerCan in respect thereof will be received in trust for and forthwith paid over to DUCA; and (f) that it shall not take any steps whatsoever whereby the priority or rights of DUCA as established hereunder shall or might be delayed, defeated, impaired or diminished. Without limiting the generality of the foregoing, AmerCan shall not and shall not cause any other person to challenge, object to, compete with or impede in any manner any act taken or proceeding commenced by DUCA in connection with the enforcement by DUCA of the DUCA Security or realization of any of 1000's real property, personal property, assets, undertaking and collateral.

AmerCan hereby appoints DUCA and any officer or duly authorized person of DUCA, with full power of substitution, as its true and lawful attorney with full irrevocable power of attorney in the place and stead of AmerCan and in the name of AmerCan or in DUCA's own name, from time to time, in DUCA's sole discretion, for the purposes of carrying out the terms of this Agreement, to take any and all appropriate action and to execute and deliver any and all documents and instruments as may be necessary or desirable to accomplish the purposes of this Agreement, including, without limitation, any financing statements, subordinations, discharges, releases or other documents (which appointment, being coupled with an interest, is irrevocable).

This Agreement shall enure to the benefit of and be binding upon the parties hereto and DUCA and their respective successors and assigns and shall not be assigned by AmerCan without first obtaining an agreement in writing from the assignee to be bound by the terms hereof as though it were an original party.

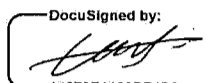
AmerCan hereby authorizes Chaitons LLP to register the necessary financing statement to record the subordination created herein.

It is specifically acknowledged and agreed that this Agreement may be executed in several counterparts, each of which shall be deemed to be an original and that such separate counterparts shall together constitute one and the same agreement.

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DATED as of the date first written above.

AMERICAN CORPORATION

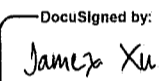
DocuSigned by:

Per: 14670E1180DE4B2
Name: Fanshey Wang
Title: President and Secretary

I have authority to bind the Corporation.

THE UNDERSIGNED HEREBY ACKNOWLEDGE receipt of a copy of the foregoing Agreement, accept all of the terms and conditions contained therein and further agree with DUCA to give effect to all of the provisions thereof. AmerCan further acknowledges that nothing contained in this Agreement shall confer any rights or benefits on 1000.

DATED as of the date first written above.

1000199992 ONTARIO CORP.

DocuSigned by:

Per: ED98A9B7F407498...
Name: Lichen Xu
Title: President

I have authority to bind the Corporation.

This is Exhibit “Q” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

SUBORDINATION, POSTPONEMENT AND STANDSTILL AGREEMENT

TO: DUCA Financial Services Credit Union Ltd. (“**DUCA**”)

RE: DUCA loan to AmerCan Corporation and 1000199992 Ontario Corp. (collectively, the “**Corporation**”)

DATE: July 11, 2022

WHEREAS the undersigned has been or may be granted security interests, claims, charges, liens or other encumbrances by the Corporation and has registered or may register such security interests, claims, charges, liens or other encumbrances against the Corporation, including, without limitation, under the *Personal Property Security Act* (Ontario) or other applicable personal property security legislation, or under the *Land Titles Act* (Ontario) or *Registry Act* (Ontario) or other applicable land registry legislation (the “**Security**”);

AND WHEREAS DUCA requires a security position in priority to the undersigned against all of the Corporation’s present and after-acquired property, assets and undertakings as a condition to extending credit to the Corporation;

AND WHEREAS DUCA has been or may be granted security interests, claims, charges, liens and other encumbrances by the Corporation and has registered or may register such security interest, claims, charges, liens and other encumbrances against the Corporation, including, without limitation, under the *Personal Property Security Act* (Ontario) or other applicable personal property security legislation or under the *Land Titles Act* (Ontario) or *Registry Act* (Ontario) or other applicable land registry legislation (the “**DUCA Security**”);

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the undersigned, the undersigned hereby consents to the DUCA Security granted by the Corporation to and in favour of DUCA and acknowledges, covenants and agrees to and in favour of DUCA: (a) that notwithstanding any priority provided by any principle of law, equity or statute or the relative order of execution, delivery, creation, grant, registration, advance, attachment, possession, perfection or non-perfection, default, demand, notice, crystallization, enforceability or enforcement of the DUCA Security or the Security, or any other matter or thing whatsoever, the Security of the undersigned in and to any and all of the present and after-acquired property, assets and undertakings of the Corporation, and any and all proceeds therefrom, and any and all insurance claims and proceeds in connection therewith, which the undersigned may now have or hereinafter obtain and be perfected by any existing registrations under the *Personal Property Security Act* (Ontario) or another personal property security legislation, or under the *Land Titles Act* (Ontario) or *Registry Act* (Ontario) or other applicable land registry legislation, or any subsequent registrations, shall be fully and unconditionally subordinated to the DUCA Security in favour of DUCA; (b) to give written notice to DUCA of any default of the Corporation regarding any indebtedness, liability or obligation of the Corporation to the undersigned; (c) it shall not, without DUCA’s prior written consent, which consent may be unreasonably withheld, take any steps whatsoever to enforce the Security (including, without limitation, asserting any rights of set-off or claims against any of the property assets or undertakings of the Corporation, making any demand, accelerating any of the obligations, commencing any bankruptcy proceedings, foreclosure, sale, power or sale, taking of possession, giving in payment, appointing or making application to a court for an order appointing an

agent or a receiver of receiver-manager over all or any part of the property, assets or undertakings of the Corporation or by any other means of enforcement thereof), unless and until the obligations of the Corporation to DUCA have been indefeasibly paid and performed in full to the absolute and sole satisfaction of DUCA; (d) to do all things and execute all documents which may be reasonably requested by DUCA to give effect to this Agreement; (e) that all present and future indebtedness and liability of the Corporation to the undersigned is hereby postponed to all obligations of the Corporation to DUCA and any and all moneys received by the undersigned in respect thereof will be received in trust for and forthwith paid over to DUCA; and (f) that it shall not take any steps whatsoever whereby the priority or rights of DUCA as established hereunder shall or might be delayed, defeated, impaired or diminished. Without limiting the generality of the foregoing, the undersigned shall not and shall not cause any other person to challenge, object to, compete with or impede in any manner any act taken or proceeding commenced by DUCA in connection with the enforcement by DUCA of the DUCA Security or realization of any of the Corporation's real property, personal property, assets, undertaking and collateral.

The undersigned hereby appoints DUCA and any officer or duly authorized person of DUCA, with full power of substitution, as its true and lawful attorney with full irrevocable power of attorney in the place and stead of the undersigned and in the name of the undersigned or in DUCA's own name, from time to time, in DUCA's sole discretion, for the purposes of carrying out the terms of this Agreement, to take any and all appropriate action and to execute and deliver any and all documents and instruments as may be necessary or desirable to accomplish the purposes of this Agreement, including, without limitation, any financing statements, subordinations, discharges, releases or other documents (which appointment, being coupled with an interest, is irrevocable).

This Agreement shall enure to the benefit of and be binding upon the parties hereto and DUCA and their respective successors and assigns and shall not be assigned by the undersigned without first obtaining an agreement in writing from the assignee to be bound by the terms hereof as though it were an original party.

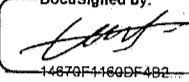
The undersigned hereby authorizes Chaitons LLP to register the necessary financing statement to record the subordination created herein.

It is specifically acknowledged and agreed that this Agreement may be executed in several counterparts, each of which shall be deemed to be an original and that such separate counterparts shall together constitute one and the same agreement.

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DATED as of the date first written above.

DRAGON HOLDING GLOBAL REAL ESTATE FUNDS

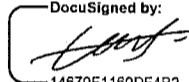
DocuSigned by:

Per: 14670F1160DF4B2...
Name:
Title:

I have authority to bind the Corporation.

THE UNDERSIGNED HEREBY ACKNOWLEDGE receipt of a copy of the foregoing Agreement, accept all of the terms and conditions contained therein and further agree with DUCA to give effect to all of the provisions thereof. The undersigned further acknowledge that nothing contained in this Agreement shall confer any rights or benefits on the Corporation.

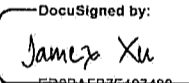
DATED as of the date first written above.

AMERICAN CORPORATION

DocuSigned by:

Per: 14670F1160DF4B2...
Name: Fansey Wang
Title: President and Secretary

I have authority to bind the Corporation.

1000199992 ONTARIO CORP.

DocuSigned by:

Per: ED0BAFB7F407490...
Name: Lichen Xu
Title: President

I have authority to bind the Corporation.

This is Exhibit “R” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

January 8, 2024

VIA REGULAR MAIL AND EMAIL

Fanseay Wang (fanseaywang@gmail.com)
1000199992 Ontario Corp. and AmerCan Corporation
6532 and 6544 Winston Churchill Boulevard
Mississauga, Ontario L5N 3W4

Attention: Fanseay Wang

Re: *DUCA Financial Services Credit Union Ltd. (“DUCA”) loan to 1000199992 Ontario Corp. and AmerCan Corporation (collectively, the “Borrower”) re 6532 & 6544 Winston Churchill Blvd., Mississauga, Ontario (collectively, the “Property”)*

Dear Mr. Wang,

We are lawyers for DUCA.

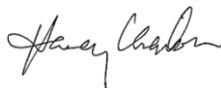
Pursuant to a Commitment Letter dated June 8, 2022 (the “**Commitment Letter**”), DUCA provided a land loan in the amount of \$7,080,000 (the “**Loan**”) to the Borrower.

Our client recently learned that 1000199992 Ontario Corp. granted mortgages on the Property in favour of WPC GP I Inc. / Windsor Private Capital Limited Partnership and to Cameron Stephens Mortgage Capital Ltd. without DUCA's prior consent, in breach of the terms of the Commitment Letter.

The Loan matures on January 11, 2024 (the “**Maturity Date**”). DUCA is not prepared to renew the Loan. Accordingly, the entire principal balance of the Loan, plus all accrued interest, fees and costs will be due and payable in full on the Maturity Date.

Should you have any questions or wish to discuss this matter with us, you may contact the undersigned.

Yours truly,
CHAITONS LLP



Harvey G. Chaiton
PARTNER
HGC/lc
cc. DUCA

This is Exhibit “S” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813
fasken.com

March 14, 2024

Dylan Chochla
Direct 416 868 3425
dchochla@fasken.com

Via Registered Mail

Via Email (fanseaywang@gmail.com/ Fanseayw@grandgracedevelopment.com)

AmerCan Corporation
5 Vernham Avenue
North York, ON M2L 2B1

Attention: Mr. Fanseay Wang

Dear Mr. Wang:

Re: Indebtedness of AmerCan Corporation (“AmerCan”) to DUCA Financial Services Credit Union Ltd. (“DUCA”)

We are legal counsel to DUCA. We write further to the letter from DUCA’s former legal counsel, Chaitons LLP, pursuant to which DUCA notified you that it was not prepared to renew the Loan (as defined below) and that the Loan matures on January 11, 2024 (the “**Chaitons Letter**”). We enclose a copy of the Chaitons Letter.

As you know, AmerCan is indebted to DUCA pursuant to a commitment letter dated as of June 8, 2022 among AmerCan and 1000199992 Ontario Corp. (“**1000**”, and together with AmerCan, the “**Borrowers**”) as borrowers, Fanseay Wang (the “**Guarantor**”) as guarantor, and DUCA (as may have been amended, restated, supplemented, or replaced from time to time, the “**Commitment Letter**”).¹ The Commitment Letter provides for, among other things, the provision by DUCA of a first mortgage loan (the “**Loan**”) to the Borrowers in accordance with the terms and conditions of the Commitment Letter.

Pursuant to the terms of the Commitment Letter, the Maturity Date of the Loan was one year from the Closing Date, subject to automatic renewal for 30 day periods pursuant to the terms of the Commitment Letter provided that, among other things, the Borrowers are not in default under the Loan. In the Chaitons Letter, DUCA notified AmerCan that it was in default under the

¹ Capitalized terms used herein but not otherwise defined have the meanings given to them in the Commitment Letter. References to provisions of the Commitment Letter and related documents are included herein for summary purposes only. Reference should be made to the aforementioned documents for their actual terms and conditions.



FASKEN

Commitment Letter as a result of, among other things, the Borrowers having granted mortgages on the Property in favour of WPC GP I Inc. / Windsor Private Capital Limited Partnership, and Cameron Stephens Mortgage Capital Ltd. without DUCA's prior consent and in breach of the terms of the Commitment Letter. DUCA further notified AmerCan that the Maturity Date under the Loan was January 11, 2024.

AmerCan's obligations to DUCA are secured by (collectively, and each as may have been amended, restated, supplemented, or replaced from time to time, the "Security"):

- (a) a general security agreement dated as of July 11, 2022 made by AmerCan in favour of DUCA;
- (b) an assignment of insurance monies dated as of July 11, 2022 made by AmerCan in favour of DUCA; and
- (c) a cash collateral agreement dated as of July 11, 2022 made by the Borrowers and the Guarantor in favour of DUCA.

On the Maturity Date, all outstanding obligations of AmerCan owing to DUCA under the Commitment Letter and the documents related thereto (collectively, the "Indebtedness"), became immediately due and payable and the Security granted in connection with the Commitment Letter became enforceable.

On behalf of DUCA, we hereby demand that AmerCan immediately pay to DUCA the full amount of the Indebtedness (exclusive of legal fees and expenses) which, as of March 14, 2024 totals CAD\$7,247,747.50, broken down as follows:

CAD\$7,080,000	Outstanding Principal
CAD\$167,747.50	Accrued Interest
CAD\$7,247,747.50	Total Indebtedness

Interest shall accrue on the amount demanded from the date hereof at the current variable rate of 9.2% *per annum* (or \$1,784.55 *per diem*) in accordance with the Commitment Letter. DUCA reserves its right to claim all interest which has accrued and continues to accrue under the Commitment Letter.

Payment can be made by delivering a certified cheque made payable to "Fasken Martineau DuMoulin LLP, in Trust". In addition, DUCA has incurred, and will continue to incur fees, expenses and costs in relation to this matter. DUCA reserves its right to claim all fees, expenses and costs that it has incurred and will continue to incur in relation to this matter against AmerCan.

We enclose a Notice of Intention to Enforce a Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act*. Notwithstanding the foregoing, DUCA specifically reserves its right to make an application to the court to appoint an interim receiver under the *Bankruptcy and Insolvency Act* to protect its security during the demand period.



FASKEN

DUCA reserves all of its rights, remedies and claims under the Commitment Letter, the related documents, its Security and at law. Nothing contained in this letter or in any discussions or meetings that may occur between DUCA, the Borrowers, the Guarantor, or any of them, or any of their respective affiliates or representatives, shall be construed as a waiver of any such rights, remedies or claims.

We trust you will give this matter your immediate attention. We look forward to timely receipt of payment of the full amount of the Indebtedness.

Yours truly,

FASKEN MARTINEAU DuMOULIN LLP



Dylan Chochla
DC/ml

Encl.

cc. Mitch Stephenson (mstephenson@fasken.com), Fasken Martineau DuMoulin LLP
Montana Licari (mlicari@fasken.com), Fasken Martineau DuMoulin LLP
Ivan Bogdanovich (ibogdanovich@duca.com), DUCA

NOTICE OF INTENTION TO ENFORCE A SECURITY

(Subsection 244(1) of the Bankruptcy and Insolvency Act)

TO: AmerCan Corporation (“AmerCan”), an insolvent person

Take notice that:

1. **DUCA Financial Services Credit Union Ltd. (“DUCA”)**, a secured creditor, intends to enforce its security on AmerCan’s property described below:
 - (a) All present and future undertaking and property, both real and personal, of AmerCan as more particularly set forth in a general security agreement dated as of July 11, 2022 made by AmerCan in favour of DUCA (the “**AmerCan GSA**”).
2. The security that is to be enforced is in the form of:
 - (a) the AmerCan GSA;
 - (b) an assignment of insurance monies dated as of July 11, 2022 made by AmerCan in favour of DUCA; and
 - (c) a cash collateral agreement dated as of July 11, 2022 made by the Borrowers and the Guarantor in favour of DUCA.
3. The total amount of indebtedness secured by the security as of March 14, 2024 amounts to the aggregate sum of CAD\$7,247,747.50, plus accruing interest and all other fees, expenses and costs claimable by DUCA against AmerCan.
4. DUCA will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless AmerCan consents to an earlier enforcement.

Dated at Toronto, Ontario, this 14 day of March, 2024.

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Per: _____



Dylan Chochla
Lawyer and authorized agent

WAIVER

The undersigned hereby waives the 10-day notice period provided for in this Notice of Intention to Enforce a Security under section 244(2) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and consents to the immediate enforcement by DUCA of all its above-noted security.

Dated at Toronto, Ontario, this ____ day of _____, 2024

AMERICAN CORPORATION

Per:

I have authority to bind the corporation

January 8, 2024

VIA REGULAR MAIL AND EMAIL

Fanseay Wang (fanseaywang@gmail.com)
1000199992 Ontario Corp. and AmerCan Corporation
6532 and 6544 Winston Churchill Boulevard
Mississauga, Ontario L5N 3W4

Attention: Fanseay Wang

Re: *DUCA Financial Services Credit Union Ltd. (“DUCA”) loan to 1000199992 Ontario Corp. and AmerCan Corporation (collectively, the “Borrower”) re 6532 & 6544 Winston Churchill Blvd., Mississauga, Ontario (collectively, the “Property”)*

Dear Mr. Wang,

We are lawyers for DUCA.

Pursuant to a Commitment Letter dated June 8, 2022 (the “**Commitment Letter**”), DUCA provided a land loan in the amount of \$7,080,000 (the “**Loan**”) to the Borrower.

Our client recently learned that 1000199992 Ontario Corp. granted mortgages on the Property in favour of WPC GP I Inc. / Windsor Private Capital Limited Partnership and to Cameron Stephens Mortgage Capital Ltd. without DUCA's prior consent, in breach of the terms of the Commitment Letter.

The Loan matures on January 11, 2024 (the “**Maturity Date**”). DUCA is not prepared to renew the Loan. Accordingly, the entire principal balance of the Loan, plus all accrued interest, fees and costs will be due and payable in full on the Maturity Date.

Should you have any questions or wish to discuss this matter with us, you may contact the undersigned.

Yours truly,
CHAITONS LLP



Harvey G. Chaiton
PARTNER
HGC/lc
cc. DUCA

This is Exhibit “T” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

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P.O. Box 20
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+1 800 268 8424
F +1 416 364 7813
fasken.com

March 14, 2024

Dylan Chochla
Direct 416 868 3425
dchochla@fasken.com

Via Registered Mail

Via Email (james@grandgracedevelopment.com/Fanseayw@grandgracedevelopment.com)

1000199992 Ontario Corp.
26 Bilbermar Drive
Richmond Hill, ON L4S 1B8

Attention: Mr. Fanseay Wang

Dear Mr. Wang:

Re: Indebtedness of 1000199992 Ontario Corp. (“1000”) to DUCA Financial Services Credit Union Ltd. (“DUCA”)

We are legal counsel to DUCA. We write further to the letter from DUCA’s former legal counsel, Chaitons LLP, pursuant to which DUCA notified you that it was not prepared to renew the Loan (as defined below) and that the Loan matures on January 11, 2024 (the “**Chaitons Letter**”). We enclose a copy of the Chaitons Letter.

As you know, 1000 is indebted to DUCA pursuant to a commitment letter dated as of June 8, 2022 among 1000 and AmerCan Corporation (“**AmerCan**”, and together with 1000, the “**Borrowers**”) as borrowers, Fanseay Wang (the “**Guarantor**”) as guarantor, and DUCA (as may have been amended, restated, supplemented, or replaced from time to time, the “**Commitment Letter**”).¹ The Commitment Letter provides for, among other things, the provision by DUCA of a first mortgage loan (the “**Loan**”) to the Borrowers in accordance with the terms and conditions of the Commitment Letter.

Pursuant to the terms of the Commitment Letter, the Maturity Date of the Loan was one year from the Closing Date, subject to automatic renewal for 30 day periods pursuant to the terms of the Commitment Letter provided that, among other things, the Borrowers are not in default under the

¹ Capitalized terms used herein but not otherwise defined have the meanings given to them in the Commitment Letter. References to provisions of the Commitment Letter and related documents are included herein for summary purposes only. Reference should be made to the aforementioned documents for their actual terms and conditions.



FASKEN

Loan. In the Chaitons Letter, DUCA notified 1000 that it was in default under the Commitment Letter as a result of, among other things, the Borrowers having granted mortgages on the Property in favour of WPC GP I Inc. / Windsor Private Capital Limited Partnership, and Cameron Stephens Mortgage Capital Ltd. without DUCA's prior consent and in breach of the terms of the Commitment Letter. DUCA further notified 1000 that the Maturity Date under the Loan was January 11, 2024.

1000's obligations to DUCA are secured by (collectively, and each as may have been amended, restated, supplemented, or replaced from time to time, the "**Security**"):

- (a) a charge/mortgage dated as of July 12, 2022 in respect the Property granted by 1000 in favour of DUCA in the principal amount of eight million (\$8,000,000) dollars and accruing interest at the Prime rate plus 10% per annum;
- (b) a general assignment of rents dated as of July 12, 2022 made by 1000 in favour of DUCA in respect of the Property;
- (c) a general security agreement dated as of July 11, 2022 made by 1000 in favour of DUCA;
- (d) an assignment of insurance monies dated as of July 11, 2022 made by 1000 in favour of DUCA; and
- (e) a cash collateral agreement dated as of July 11, 2022 made by the Borrowers and the Guarantor in favour of DUCA.

On the Maturity Date, all outstanding obligations of 1000 owing to DUCA under the Commitment Letter and the documents related thereto (collectively, the "**Indebtedness**"), became immediately due and payable and the Security granted in connection with the Commitment Letter became enforceable.

On behalf of DUCA, we hereby demand that 1000 immediately pay to DUCA the full amount of the Indebtedness (exclusive of legal fees and expenses) which, as of March 14, 2024 totals CAD\$7,247,747.50, broken down as follows:

CAD\$7,080,000	Outstanding Principal
CAD\$167,747.50	Accrued Interest
CAD\$7,247,747.50	Total Indebtedness

Interest shall accrue on the amount demanded from the date hereof at the current variable rate of 9.2% *per annum* (or \$1,784.55 *per diem*) in accordance with the Commitment Letter. DUCA reserves its right to claim all interest which has accrued and continues to accrue under the Commitment Letter.

FASKEN

Payment can be made by delivering a certified cheque made payable to “Fasken Martineau DuMoulin LLP, in Trust”. In addition, DUCA has incurred, and will continue to incur fees, expenses and costs in relation to this matter. DUCA reserves its right to claim all fees, expenses and costs that it has incurred and will continue to incur in relation to this matter against 1000.

We enclose a Notice of Intention to Enforce a Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act*. Notwithstanding the foregoing, DUCA specifically reserves its right to make an application to the court to appoint an interim receiver under the *Bankruptcy and Insolvency Act* to protect its security during the demand period.

DUCA reserves all of its rights, remedies and claims under the Commitment Letter, the related documents, its Security and at law. Nothing contained in this letter or in any discussions or meetings that may occur between DUCA, the Borrowers, the Guarantor, or any of them, or any of their respective affiliates or representatives, shall be construed as a waiver of any such rights, remedies or claims.

We trust you will give this matter your immediate attention. We look forward to timely receipt of payment of the full amount of the Indebtedness.

Yours truly,

FASKEN MARTINEAU DuMOULIN LLP



Dylan Chochla
DC/ml

Encl.

cc. Mitch Stephenson (mstephenson@fasken.com), Fasken Martineau DuMoulin LLP
Montana Licari (mlicari@fasken.com), Fasken Martineau DuMoulin LLP
Ivan Bogdanovich (ibogdanovich@duca.com), DUCA

NOTICE OF INTENTION TO ENFORCE A SECURITY

(Subsection 244(1) of the Bankruptcy and Insolvency Act)

TO: 1000199992 Ontario Corp. (“1000”), an insolvent person

Take notice that:

1. **DUCA Financial Services Credit Union Ltd. (“DUCA”)**, a secured creditor, intends to enforce its security on 1000’s property described below:
 - (a) Firstly: PIN 13243-0378 (LT) being Part of Lot 9, Concession 11 (New Survey) Trafalgar, designated as Part 1, Plan 43R37427; City of Mississauga;

Secondly: PIN 13243-0269 (LT) being Parcel Block 19-1, Section 43M932, Block 19, Plan 43M932; City of Mississauga;

Municipally known as 6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario; and
 - (b) All present and future undertaking and property, both real and personal, of 1000 as more particularly set forth in a general security agreement dated as of July 11, 2022 made by 1000 in favour of DUCA (the “**1000 GSA**”).
2. The security that is to be enforced is in the form of:
 - (a) a charge/mortgage dated as of July 12, 2022 in respect the Property granted by 1000 in favour of DUCA in the principal amount of eight million (\$8,000,000) dollars and accruing interest at the Prime rate plus 10% per annum;
 - (b) a general assignment of rents dated as of July 11, 2022 made by 1000 in favour of DUCA in respect of the Property;
 - (c) the 1000 GSA;
 - (d) an assignment of insurance monies dated as of July 11, 2022 made by 1000 in favour of DUCA; and
 - (e) a cash collateral agreement dated as of July 11, 2022 made by the Borrowers and the Guarantor in favour of DUCA.
3. The total amount of indebtedness secured by the security as of March 14, 2024 amounts to the aggregate sum of CAD\$7,247,747.50, plus accruing interest and all other fees, expenses and costs claimable by DUCA against 1000.
4. DUCA will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless 1000 consents to an earlier enforcement.

Dated at Toronto, Ontario, this 14 day of March, 2024.

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Per:  _____

Dylan Chochla
Lawyer and authorized agent

WAIVER

The undersigned hereby waives the 10-day notice period provided for in this Notice of Intention to Enforce a Security under section 244(2) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and consents to the immediate enforcement by DUCA of all its above-noted security.

Dated at Toronto, Ontario, this _____ day of _____, 2024

1000199992 ONTARIO CORP.

Per:

I have authority to bind the corporation

January 8, 2024

VIA REGULAR MAIL AND EMAIL

Fanseay Wang (fanseaywang@gmail.com)
1000199992 Ontario Corp. and AmerCan Corporation
6532 and 6544 Winston Churchill Boulevard
Mississauga, Ontario L5N 3W4

Attention: Fanseay Wang

Re: *DUCA Financial Services Credit Union Ltd. (“DUCA”) loan to 1000199992 Ontario Corp. and AmerCan Corporation (collectively, the “Borrower”) re 6532 & 6544 Winston Churchill Blvd., Mississauga, Ontario (collectively, the “Property”)*

Dear Mr. Wang,

We are lawyers for DUCA.

Pursuant to a Commitment Letter dated June 8, 2022 (the “**Commitment Letter**”), DUCA provided a land loan in the amount of \$7,080,000 (the “**Loan**”) to the Borrower.

Our client recently learned that 1000199992 Ontario Corp. granted mortgages on the Property in favour of WPC GP I Inc. / Windsor Private Capital Limited Partnership and to Cameron Stephens Mortgage Capital Ltd. without DUCA's prior consent, in breach of the terms of the Commitment Letter.

The Loan matures on January 11, 2024 (the “**Maturity Date**”). DUCA is not prepared to renew the Loan. Accordingly, the entire principal balance of the Loan, plus all accrued interest, fees and costs will be due and payable in full on the Maturity Date.

Should you have any questions or wish to discuss this matter with us, you may contact the undersigned.

Yours truly,
CHAITONS LLP



Harvey G. Chaiton
PARTNER
HGC/lc
cc. DUCA

This is Exhibit “U” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

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fasken.com

March 14, 2024

Dylan Chochla
Direct 416 868 3425
dchochla@fasken.com

**Via Registered Mail;
Via Email (fanseywang@gmail.com; Fanseyw@grandgracedevelopment.com)**

Mr. Fansey Wang
1001 - 980 Yonge Street,
Toronto, ON M4W 3V8

Dear Mr. Wang:

Re: Guarantee dated as of July 11, 2022 (as may have been amended, restated, supplemented, or replaced from time to time, the “Guarantee”) made by Fansey Wang (the “Guarantor”) in favour of DUCA Financial Services Credit Union Ltd. (“DUCA”)

We are legal counsel to DUCA.

1000199992 (“**1000**”) and AmerCan Corporation (“**AmerCan**”, and together with 1000, the “**Borrowers**”) are indebted to DUCA pursuant to a commitment letter dated as of June 8, 2022 among the Borrowers, the Guarantor, and DUCA (as may have been amended, restated, supplemented, or replaced from time to time, the “**Commitment Letter**”).¹ The Commitment Letter provides for, among other things, the provision by DUCA of a first mortgage loan (the “**Loan**”) to the Borrowers in accordance with the terms and conditions of the Commitment Letter.

Pursuant to the terms of the Guarantee, the Guarantor has unconditionally and irrevocably guaranteed the payment and performance by the Borrowers to DUCA of all the debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrowers to DUCA on account of the Loan and the Commitment Letter or remaining unpaid or unsatisfied by the Borrowers to DUCA in respect thereof to an unlimited amount together with interest thereon and costs as provided for herein (collectively, the “**Indebtedness**”).

¹ Capitalized terms used herein but not otherwise defined have the meanings given to them in the Commitment Letter. References to provisions of the Commitment Letter, the Guarantee, and related documents are included herein for summary purposes only. Reference should be made to the aforementioned documents for their actual terms and conditions.

Please find enclosed herewith demand letters dated the date hereof (the “**Demands**”) pursuant to which DUCA, among other things, has made demand on each of the Borrowers to repay the total amount of the Indebtedness.

The Guarantor is also party to the following security agreements (the “**Security**”):

- (a) a cash collateral agreement dated as of July 11, 2022 made by the Borrowers and the Guarantor in favour of DUCA; and
- (b) an assignment and postponement of loans dated as of July 11, 2022 made by the Guarantor, Sun Sharior, Ye Fang Ying, Chen Tian Hong, Zhang Bao Xian, AmerCan and Dragon Holding in favour of DUCA.

As set forth in the Demands, the Indebtedness is immediately due and payable and the Security granted in connection with the Commitment Letter by the Borrowers is enforceable.

On behalf of DUCA, we hereby demand that the Guarantor immediately pay to DUCA the full amount of the Indebtedness (exclusive of legal fees and expenses) which, as of March 14, 2024 totals CAD\$7,247,747.50, broken down as follows:

CAD\$7,080,000	Outstanding Principal
CAD\$167,747.50	Accrued Interest
CAD\$7,247,747.50	Total Indebtedness

Interest shall accrue on the amount demanded from the date hereof at the current variable rate of 9.2% *per annum* (\$1,784.55 *per diem*) in accordance with the Commitment Letter. DUCA reserves its right to claim all interest which has accrued and continues to accrue under the Commitment Letter.

Payment can be made by delivering a certified cheque made payable to “Fasken Martineau DuMoulin LLP, in Trust”. In addition, DUCA has incurred, and will continue to incur fees, expenses and costs in relation to this matter. DUCA reserves its right to claim all fees, expenses and costs that it has incurred and will continue to incur in relation to this matter against the Guarantor.


We enclose a Notice of Intention to Enforce a Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act*. Notwithstanding the foregoing, DUCA specifically reserves its right to make an application to the court to appoint an interim receiver under the *Bankruptcy and Insolvency Act* to protect its security during the demand period.

DUCA reserves all of its rights, remedies and claims under the Guarantee, the Commitment Letter, the related documents, its Security and at law. Nothing contained in this letter or in any discussions or meetings that may occur between DUCA, the Borrowers, the Guarantor, or any of them, or any of their respective affiliates or representatives, shall be construed as a waiver of any such rights, remedies or claims.

We trust you will give this matter your immediate attention. We look forward to timely receipt of payment of the full amount of the Indebtedness.

Yours truly,

FASKEN MARTINEAU DuMOULIN LLP

A handwritten signature in black ink, appearing to read "Dylan Chochla". The signature is fluid and cursive, with the first name "Dylan" and last name "Chochla" clearly distinguishable.

Dylan Chochla
DC/ml

Encl.

cc. Mitch Stephenson (mstephenson@fasken.com), Fasken Martineau DuMoulin LLP
Montana Licari (mlicari@fasken.com), Fasken Martineau DuMoulin LLP
Ivan Bogdanovich (ibogdanovich@duca.com), DUCA

NOTICE OF INTENTION TO ENFORCE A SECURITY

(Subsection 244(1) of the Bankruptcy and Insolvency Act)

TO: **Fanseay Wang (the “Guarantor”), an insolvent person**

Take notice that:

1. **DUCA Financial Services Credit Union Ltd. (“DUCA”)**, a secured creditor, intends to enforce its security on the Guarantor’s property described below:
 - (a) the sum of cash or cash equivalents that will be delivered from time to time to DUCA as more particularly described in a cash collateral agreement dated as of July 11, 2022 made by the Guarantor, AmerCan Corporation and 1000199992 Ontario Corp. in favour of DUCA (as amended, restated, supplemented, or replaced from time to time, the **“Cash Collateral Agreement”**); and
 - (b) all present and future loans, and security therefor, made by the Guarantor, among others, to AmerCan as more particularly described in an assignment and postponement of loans dated as of July 11, 2022 made by the Guarantor, Sun Sharior, Ye Fang Ying, Chen Tian Hong, Zhang Bao Xian, AmerCan Corporation and Dragon Holding in favour of DUCA (as amended, restated, supplemented, or replaced from time to time, the **“Assignment and Postponement Agreement”**).
2. The security that is to be enforced is in the form of:
 - (a) the Cash Collateral Agreement; and
 - (b) the Assignment and Postponement Agreement.
3. The total amount of indebtedness secured by the security as of March 14, 2024 amounts to the aggregate sum of CAD\$7,247,747.50, plus accruing interest and all other fees, expenses and costs claimable by DUCA against the Guarantor in accordance with the Commitment Letter.
4. DUCA will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the Guarantor consents to an earlier enforcement.

Dated at Toronto, Ontario, this 14 day of March, 2024.

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Per: 

Dylan Chochla
Lawyer and authorized agent

WAIVER

The undersigned hereby waives the 10-day notice period provided for in this Notice of Intention to Enforce a Security under section 244(2) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and consents to the immediate enforcement by DUCA of all its above-noted security.

Dated at Toronto, Ontario, this _____ day of _____, 2024

FANSEAY WANG

Witnessed by:

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

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+1 800 268 8424
F +1 416 364 7813
fasken.com

March 14, 2024

Dylan Chochla
Direct 416 868 3425
dchochla@fasken.com

Via Registered Mail

Via Email (fanseaywang@gmail.com/ Fanseayw@grandgracedevelopment.com)

AmerCan Corporation
5 Vernham Avenue
North York, ON M2L 2B1

Attention: Mr. Fanseay Wang

Dear Mr. Wang:

Re: Indebtedness of AmerCan Corporation (“AmerCan”) to DUCA Financial Services Credit Union Ltd. (“DUCA”)

We are legal counsel to DUCA. We write further to the letter from DUCA’s former legal counsel, Chaitons LLP, pursuant to which DUCA notified you that it was not prepared to renew the Loan (as defined below) and that the Loan matures on January 11, 2024 (the “**Chaitons Letter**”). We enclose a copy of the Chaitons Letter.

As you know, AmerCan is indebted to DUCA pursuant to a commitment letter dated as of June 8, 2022 among AmerCan and 1000199992 Ontario Corp. (“**1000**”, and together with AmerCan, the “**Borrowers**”) as borrowers, Fanseay Wang (the “**Guarantor**”) as guarantor, and DUCA (as may have been amended, restated, supplemented, or replaced from time to time, the “**Commitment Letter**”).¹ The Commitment Letter provides for, among other things, the provision by DUCA of a first mortgage loan (the “**Loan**”) to the Borrowers in accordance with the terms and conditions of the Commitment Letter.

Pursuant to the terms of the Commitment Letter, the Maturity Date of the Loan was one year from the Closing Date, subject to automatic renewal for 30 day periods pursuant to the terms of the Commitment Letter provided that, among other things, the Borrowers are not in default under the Loan. In the Chaitons Letter, DUCA notified AmerCan that it was in default under the

¹ Capitalized terms used herein but not otherwise defined have the meanings given to them in the Commitment Letter. References to provisions of the Commitment Letter and related documents are included herein for summary purposes only. Reference should be made to the aforementioned documents for their actual terms and conditions.



FASKEN

Commitment Letter as a result of, among other things, the Borrowers having granted mortgages on the Property in favour of WPC GP I Inc. / Windsor Private Capital Limited Partnership, and Cameron Stephens Mortgage Capital Ltd. without DUCA's prior consent and in breach of the terms of the Commitment Letter. DUCA further notified AmerCan that the Maturity Date under the Loan was January 11, 2024.

AmerCan's obligations to DUCA are secured by (collectively, and each as may have been amended, restated, supplemented, or replaced from time to time, the "Security"):

- (a) a general security agreement dated as of July 11, 2022 made by AmerCan in favour of DUCA;
- (b) an assignment of insurance monies dated as of July 11, 2022 made by AmerCan in favour of DUCA; and
- (c) a cash collateral agreement dated as of July 11, 2022 made by the Borrowers and the Guarantor in favour of DUCA.

On the Maturity Date, all outstanding obligations of AmerCan owing to DUCA under the Commitment Letter and the documents related thereto (collectively, the "Indebtedness"), became immediately due and payable and the Security granted in connection with the Commitment Letter became enforceable.

On behalf of DUCA, we hereby demand that AmerCan immediately pay to DUCA the full amount of the Indebtedness (exclusive of legal fees and expenses) which, as of March 14, 2024 totals CAD\$7,247,747.50, broken down as follows:

CAD\$7,080,000	Outstanding Principal
CAD\$167,747.50	Accrued Interest
CAD\$7,247,747.50	Total Indebtedness

Interest shall accrue on the amount demanded from the date hereof at the current variable rate of 9.2% *per annum* (or \$1,784.55 *per diem*) in accordance with the Commitment Letter. DUCA reserves its right to claim all interest which has accrued and continues to accrue under the Commitment Letter.

Payment can be made by delivering a certified cheque made payable to "Fasken Martineau DuMoulin LLP, in Trust". In addition, DUCA has incurred, and will continue to incur fees, expenses and costs in relation to this matter. DUCA reserves its right to claim all fees, expenses and costs that it has incurred and will continue to incur in relation to this matter against AmerCan.

We enclose a Notice of Intention to Enforce a Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act*. Notwithstanding the foregoing, DUCA specifically reserves its right to make an application to the court to appoint an interim receiver under the *Bankruptcy and Insolvency Act* to protect its security during the demand period.



FASKEN

DUCA reserves all of its rights, remedies and claims under the Commitment Letter, the related documents, its Security and at law. Nothing contained in this letter or in any discussions or meetings that may occur between DUCA, the Borrowers, the Guarantor, or any of them, or any of their respective affiliates or representatives, shall be construed as a waiver of any such rights, remedies or claims.

We trust you will give this matter your immediate attention. We look forward to timely receipt of payment of the full amount of the Indebtedness.

Yours truly,

FASKEN MARTINEAU DuMOULIN LLP



Dylan Chochla
DC/ml

Encl.

cc. Mitch Stephenson (mstephenson@fasken.com), Fasken Martineau DuMoulin LLP
Montana Licari (mlicari@fasken.com), Fasken Martineau DuMoulin LLP
Ivan Bogdanovich (ibogdanovich@duca.com), DUCA

NOTICE OF INTENTION TO ENFORCE A SECURITY

(Subsection 244(1) of the Bankruptcy and Insolvency Act)

TO: AmerCan Corporation (“AmerCan”), an insolvent person

Take notice that:

1. **DUCA Financial Services Credit Union Ltd. (“DUCA”)**, a secured creditor, intends to enforce its security on AmerCan’s property described below:
 - (a) All present and future undertaking and property, both real and personal, of AmerCan as more particularly set forth in a general security agreement dated as of July 11, 2022 made by AmerCan in favour of DUCA (the “**AmerCan GSA**”).
2. The security that is to be enforced is in the form of:
 - (a) the AmerCan GSA;
 - (b) an assignment of insurance monies dated as of July 11, 2022 made by AmerCan in favour of DUCA; and
 - (c) a cash collateral agreement dated as of July 11, 2022 made by the Borrowers and the Guarantor in favour of DUCA.
3. The total amount of indebtedness secured by the security as of March 14, 2024 amounts to the aggregate sum of CAD\$7,247,747.50, plus accruing interest and all other fees, expenses and costs claimable by DUCA against AmerCan.
4. DUCA will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless AmerCan consents to an earlier enforcement.

Dated at Toronto, Ontario, this 14 day of March, 2024.

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Per: _____



Dylan Chochla
Lawyer and authorized agent

WAIVER

The undersigned hereby waives the 10-day notice period provided for in this Notice of Intention to Enforce a Security under section 244(2) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and consents to the immediate enforcement by DUCA of all its above-noted security.

Dated at Toronto, Ontario, this ____ day of _____, 2024

AMERICAN CORPORATION

Per:

I have authority to bind the corporation

January 8, 2024

VIA REGULAR MAIL AND EMAIL

Fanseay Wang (fanseaywang@gmail.com)
1000199992 Ontario Corp. and AmerCan Corporation
6532 and 6544 Winston Churchill Boulevard
Mississauga, Ontario L5N 3W4

Attention: Fanseay Wang

Re: *DUCA Financial Services Credit Union Ltd. (“DUCA”) loan to 1000199992 Ontario Corp. and AmerCan Corporation (collectively, the “Borrower”) re 6532 & 6544 Winston Churchill Blvd., Mississauga, Ontario (collectively, the “Property”)*

Dear Mr. Wang,

We are lawyers for DUCA.

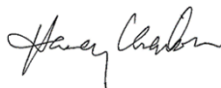
Pursuant to a Commitment Letter dated June 8, 2022 (the “**Commitment Letter**”), DUCA provided a land loan in the amount of \$7,080,000 (the “**Loan**”) to the Borrower.

Our client recently learned that 1000199992 Ontario Corp. granted mortgages on the Property in favour of WPC GP I Inc. / Windsor Private Capital Limited Partnership and to Cameron Stephens Mortgage Capital Ltd. without DUCA's prior consent, in breach of the terms of the Commitment Letter.

The Loan matures on January 11, 2024 (the “**Maturity Date**”). DUCA is not prepared to renew the Loan. Accordingly, the entire principal balance of the Loan, plus all accrued interest, fees and costs will be due and payable in full on the Maturity Date.

Should you have any questions or wish to discuss this matter with us, you may contact the undersigned.

Yours truly,
CHAITONS LLP



Harvey G. Chaiton
PARTNER
HGC/lc
cc. DUCA

FASKEN

Fasken Martineau DuMoulin LLP
Barristers and Solicitors
Patent and Trade-mark Agents

333 Bay Street, Suite 2400
P.O. Box 20
Toronto, Ontario M5H 2T6
Canada

T +1 416 366 8381
+1 800 268 8424
F +1 416 364 7813
fasken.com

March 14, 2024

Dylan Chochla
Direct 416 868 3425
dchochla@fasken.com

Via Registered Mail

Via Email (james@grandgracedevelopment.com/Fanseayw@grandgracedevelopment.com)

1000199992 Ontario Corp.
26 Bilbermar Drive
Richmond Hill, ON L4S 1B8

Attention: Mr. Fansey Wang

Dear Mr. Wang:

Re: Indebtedness of 1000199992 Ontario Corp. (“1000”) to DUCA Financial Services Credit Union Ltd. (“DUCA”)

We are legal counsel to DUCA. We write further to the letter from DUCA’s former legal counsel, Chaitons LLP, pursuant to which DUCA notified you that it was not prepared to renew the Loan (as defined below) and that the Loan matures on January 11, 2024 (the “**Chaitons Letter**”). We enclose a copy of the Chaitons Letter.

As you know, 1000 is indebted to DUCA pursuant to a commitment letter dated as of June 8, 2022 among 1000 and AmerCan Corporation (“**AmerCan**”, and together with 1000, the “**Borrowers**”) as borrowers, Fansey Wang (the “**Guarantor**”) as guarantor, and DUCA (as may have been amended, restated, supplemented, or replaced from time to time, the “**Commitment Letter**”).¹ The Commitment Letter provides for, among other things, the provision by DUCA of a first mortgage loan (the “**Loan**”) to the Borrowers in accordance with the terms and conditions of the Commitment Letter.

Pursuant to the terms of the Commitment Letter, the Maturity Date of the Loan was one year from the Closing Date, subject to automatic renewal for 30 day periods pursuant to the terms of the Commitment Letter provided that, among other things, the Borrowers are not in default under the

¹ Capitalized terms used herein but not otherwise defined have the meanings given to them in the Commitment Letter. References to provisions of the Commitment Letter and related documents are included herein for summary purposes only. Reference should be made to the aforementioned documents for their actual terms and conditions.



FASKEN

Loan. In the Chaitons Letter, DUCA notified 1000 that it was in default under the Commitment Letter as a result of, among other things, the Borrowers having granted mortgages on the Property in favour of WPC GP I Inc. / Windsor Private Capital Limited Partnership, and Cameron Stephens Mortgage Capital Ltd. without DUCA's prior consent and in breach of the terms of the Commitment Letter. DUCA further notified 1000 that the Maturity Date under the Loan was January 11, 2024.

1000's obligations to DUCA are secured by (collectively, and each as may have been amended, restated, supplemented, or replaced from time to time, the "**Security**"):

- (a) a charge/mortgage dated as of July 12, 2022 in respect the Property granted by 1000 in favour of DUCA in the principal amount of eight million (\$8,000,000) dollars and accruing interest at the Prime rate plus 10% per annum;
- (b) a general assignment of rents dated as of July 12, 2022 made by 1000 in favour of DUCA in respect of the Property;
- (c) a general security agreement dated as of July 11, 2022 made by 1000 in favour of DUCA;
- (d) an assignment of insurance monies dated as of July 11, 2022 made by 1000 in favour of DUCA; and
- (e) a cash collateral agreement dated as of July 11, 2022 made by the Borrowers and the Guarantor in favour of DUCA.

On the Maturity Date, all outstanding obligations of 1000 owing to DUCA under the Commitment Letter and the documents related thereto (collectively, the "**Indebtedness**"), became immediately due and payable and the Security granted in connection with the Commitment Letter became enforceable.

On behalf of DUCA, we hereby demand that 1000 immediately pay to DUCA the full amount of the Indebtedness (exclusive of legal fees and expenses) which, as of March 14, 2024 totals CAD\$7,247,747.50, broken down as follows:

CAD\$7,080,000	Outstanding Principal
CAD\$167,747.50	Accrued Interest
CAD\$7,247,747.50	Total Indebtedness

Interest shall accrue on the amount demanded from the date hereof at the current variable rate of 9.2% *per annum* (or \$1,784.55 *per diem*) in accordance with the Commitment Letter. DUCA reserves its right to claim all interest which has accrued and continues to accrue under the Commitment Letter.

FASKEN

Payment can be made by delivering a certified cheque made payable to “Fasken Martineau DuMoulin LLP, in Trust”. In addition, DUCA has incurred, and will continue to incur fees, expenses and costs in relation to this matter. DUCA reserves its right to claim all fees, expenses and costs that it has incurred and will continue to incur in relation to this matter against 1000.

We enclose a Notice of Intention to Enforce a Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act*. Notwithstanding the foregoing, DUCA specifically reserves its right to make an application to the court to appoint an interim receiver under the *Bankruptcy and Insolvency Act* to protect its security during the demand period.

DUCA reserves all of its rights, remedies and claims under the Commitment Letter, the related documents, its Security and at law. Nothing contained in this letter or in any discussions or meetings that may occur between DUCA, the Borrowers, the Guarantor, or any of them, or any of their respective affiliates or representatives, shall be construed as a waiver of any such rights, remedies or claims.

We trust you will give this matter your immediate attention. We look forward to timely receipt of payment of the full amount of the Indebtedness.

Yours truly,

FASKEN MARTINEAU DuMOULIN LLP



Dylan Chochla
DC/ml

Encl.

cc. Mitch Stephenson (mstephenson@fasken.com), Fasken Martineau DuMoulin LLP
Montana Licari (mlicari@fasken.com), Fasken Martineau DuMoulin LLP
Ivan Bogdanovich (ibogdanovich@duca.com), DUCA

NOTICE OF INTENTION TO ENFORCE A SECURITY

(Subsection 244(1) of the Bankruptcy and Insolvency Act)

TO: 1000199992 Ontario Corp. (“1000”), an insolvent person

Take notice that:

1. **DUCA Financial Services Credit Union Ltd. (“DUCA”)**, a secured creditor, intends to enforce its security on 1000’s property described below:
 - (a) Firstly: PIN 13243-0378 (LT) being Part of Lot 9, Concession 11 (New Survey) Trafalgar, designated as Part 1, Plan 43R37427; City of Mississauga;

Secondly: PIN 13243-0269 (LT) being Parcel Block 19-1, Section 43M932, Block 19, Plan 43M932; City of Mississauga;

Municipally known as 6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario; and
 - (b) All present and future undertaking and property, both real and personal, of 1000 as more particularly set forth in a general security agreement dated as of July 11, 2022 made by 1000 in favour of DUCA (the “**1000 GSA**”).
2. The security that is to be enforced is in the form of:
 - (a) a charge/mortgage dated as of July 12, 2022 in respect the Property granted by 1000 in favour of DUCA in the principal amount of eight million (\$8,000,000) dollars and accruing interest at the Prime rate plus 10% per annum;
 - (b) a general assignment of rents dated as of July 11, 2022 made by 1000 in favour of DUCA in respect of the Property;
 - (c) the 1000 GSA;
 - (d) an assignment of insurance monies dated as of July 11, 2022 made by 1000 in favour of DUCA; and
 - (e) a cash collateral agreement dated as of July 11, 2022 made by the Borrowers and the Guarantor in favour of DUCA.
3. The total amount of indebtedness secured by the security as of March 14, 2024 amounts to the aggregate sum of CAD\$7,247,747.50, plus accruing interest and all other fees, expenses and costs claimable by DUCA against 1000.
4. DUCA will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless 1000 consents to an earlier enforcement.

Dated at Toronto, Ontario, this 14 day of March, 2024.

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Per: 

Dylan Chochla
Lawyer and authorized agent

WAIVER

The undersigned hereby waives the 10-day notice period provided for in this Notice of Intention to Enforce a Security under section 244(2) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and consents to the immediate enforcement by DUCA of all its above-noted security.

Dated at Toronto, Ontario, this _____ day of _____, 2024

1000199992 ONTARIO CORP.

Per:

I have authority to bind the corporation

January 8, 2024

VIA REGULAR MAIL AND EMAIL

Fanseay Wang (fanseaywang@gmail.com)
1000199992 Ontario Corp. and AmerCan Corporation
6532 and 6544 Winston Churchill Boulevard
Mississauga, Ontario L5N 3W4

Attention: Fanseay Wang

Re: *DUCA Financial Services Credit Union Ltd. (“DUCA”) loan to 1000199992 Ontario Corp. and AmerCan Corporation (collectively, the “Borrower”) re 6532 & 6544 Winston Churchill Blvd., Mississauga, Ontario (collectively, the “Property”)*

Dear Mr. Wang,

We are lawyers for DUCA.

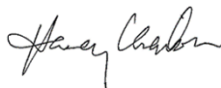
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Should you have any questions or wish to discuss this matter with us, you may contact the undersigned.

Yours truly,
CHAITONS LLP



Harvey G. Chaiton
PARTNER
HGC/lc
cc. DUCA

This is Exhibit “V” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

Properties

PIN 13243 - 0378 LT *Interest/Estate* Fee Simple
Description PART LOT 9 CONCESSION 11 (NEW SURVEY) TRAFALGAR, DESIGNATED AS PART 1, PLAN 43R37427; CITY OF MISSISSAUGA
Address 6532 AND 6544 WINSTON CHURCHILL BOUL
 MISSISSAUGA

PIN 13243 - 0269 LT *Interest/Estate* Fee Simple
Description PCL BLOCK 19-1, SEC 43M932; BLK 19, PL 43M932; CITY OF MISSISSAUGA
Address MISSISSAUGA

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name 1000199992 ONTARIO CORP.
Address for Service 5 Vernham Avenue
 Toronto, Ontario M2L 2B1

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

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

Chargee(s)*Capacity**Share*

Name WPC GP I INC. *Capacity* General Partner
Address for Service 31 Oakland Avenue
 Toronto, Ontario M4V 0A9

This transaction is for a partnership purpose within the meaning of the Limited Partnerships Act.

I am a general partner, the firm name of the Limited Partnership is Windsor Private Capital Limited Partnership.

Provisions

Principal \$5,000,000.00 *Currency* CDN
Calculation Period interest only, not in advance
Balance Due Date 2024/08/01
Interest Rate 13.500%
Payments
Interest Adjustment Date
Payment Date 1st day of each and every month throughout the term
First Payment Date
Last Payment Date
Standard Charge Terms 200033
Insurance Amount Full insurable value
Guarantor Fangxi Fanseday Wang

Additional Provisions

See Schedules

Signed By

Deborah Lynn Corrick 4881 Yonge Street, 8th Floor acting for Signed 2023 11 28
 Toronto
 M2N 5X3
 Chargee(s)

Tel 416-250-5800
 Fax 416-250-5300

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

Submitted By

HARRIS, SHEAFFER LLP 4881 Yonge Street, 8th Floor 2023 11 28
 Toronto
 M2N 5X3

Submitted By

Tel 416-250-5800

Fax 416-250-5300

Fees/Taxes/Payment

Statutory Registration Fee \$69.95

Total Paid \$69.95

File Number

Chargee Client File Number : 230460 MJB/DC - WC

ADDITIONAL PROVISIONS

RE: WPC GP I INC. in its capacity as sole general partner on behalf of Windsor Private Capital Limited Partnership or one of its affiliates (collectively, the "Lender") credit facilities to 2011836 Ontario Corp. in its capacity as general partner of Jefferson Properties Limited Partnership (the "Borrower") secured, inter alia, by a charge granted by 1000199992 Ontario Corp. against the lands described as Part Lot 9, Concession 11 (New Survey) Trafalgar, designated as Part 1, Plan 43R37427, City of Mississauga being all of PIN 13243-0378 and PCL Block 19-1, SEC 43M932; Block 19, Plan 43M932; City of Mississauga, being all of PIN 13243-0269 (the "Property") , guaranteed by Fengxi Fansey Wang (the "Guarantor")

For the purpose of this Charge/Mortgage, the terms "Charge", "Chargor" and "Chargee" shall also mean "Mortgage", "Mortgagor" and "Mortgagee".

All capitalized terms used herein which are not otherwise defined herein, shall have the meanings ascribed thereto in the commitment entered into between the Chargee and Chargor dated July 6, 2023, as amended and as may be further amended from time to time (the "**Commitment**").

1. Term, Interest Rate and Payment Provisions

The Loan (or the amount thereof outstanding from time to time and any overdue interest) shall bear interest at the rate of thirteen- and one-half percent (13.5%) per annum, calculated monthly not in advance, from the date of the advance thereof after as well as before maturity, default and judgment to and until the date of payment in full. For a period of one (1) week prior to the Maturity Date, the Loan (or the amount thereof outstanding from time to time and any overdue interest) shall bear interest at the rate of eighteen percent (18%) per annum, calculated monthly not in advance, from the date of the advance thereof after as well as before maturity, default and judgment to and until the date of payment in full. The outstanding principal amount of the Loan, together with all accrued interest, shall become due and be paid in full on or before the Maturity Date (with the period of time between the Advance Date and the Maturity Date, or any other earlier date on which the Loan is repaid in fully in accordance with this Agreement, being referred to as the "Term").

The Borrower shall make interest only payments on the 1st day of each and every month of the Term commencing on the 1st day of the first month following the Advance Date. All payments by the Borrower contemplated hereunder shall be made in CDN currency.

2. Prepayment Privilege

Provided the Charge is in good standing after the first six months (6) months of the Term, the Chargor may repay the Charge and any outstanding interest balance at any time in advance of the maturity date without penalty, on ninety (90) days' notice to the Chargee.

3. Collateral Security

This Charge is given as collateral security for payment and satisfaction to the Chargee of all indebtedness, obligations and liabilities of any kind, present or future, direct or indirect, absolute or contingent, joint or several, of the Chargor and Guarantor to the Chargee, as evidenced by and set out in the Commitment, together with all expenses (including legal fees on a full indemnification basis) incurred by the Chargee, its receiver or agent, in the preparation, perfection and enforcement of security and other agreements held by the Chargee in respect of such indebtedness, obligations or liabilities and interest thereon (collectively, the "**Indebtedness**").

4. Chargee May Remedy Default

If the Chargor should fail to perform any covenant or agreement of the Chargor hereunder, the Chargee may itself perform or cause to be performed such covenant or agreement and all expenses incurred or payments made by the Chargee in so doing, together with interest thereon at the rate set forth herein, shall be added to the Indebtedness secured herein and shall be paid by the Chargor and be secured by this Charge together with all other indebtedness secured thereby, provided however that the foregoing shall not in any way be interpreted as an obligation of the Chargee.

5. **Additional Provisions**

It is further agreed by and between the parties to this Charge as follows:

- (a) That no part of any Indebtedness existing at the date of this Charge or incurred or arising thereafter, shall be deemed to be unsecured by this Charge.
- (b) That this Charge is and shall be a continuing collateral security to the Chargee for the amount of such Indebtedness and shall be deemed to be taken as security for the ultimate balance of such Indebtedness; and these presents shall not, nor shall anything in this Charge contained operate so as to create any merger or discharge of any debt owing to the Chargee or of any lien, bond, promissory note, bill of exchange or other security held by or which may hereafter be held by the Chargee from the Chargor or from any other person or persons and this Charge shall not in any way prejudicially affect any security held or which may hereafter be held by the Chargee for the Indebtedness or any part thereof, or the liability of any endorser or any other person or persons upon any such lien, bond, bill of exchange, promissory note or other security or contract or any renewal or renewals thereof held by the Chargee for or on account of the Indebtedness or any part or parts thereof, nor shall the remedies of the Chargee in respect thereof be prejudiced or delayed in any manner whatsoever by the taking of this Charge.
- (c) That any and all payments made in respect of the Indebtedness and interest and the monies or other proceeds realized from the sale of any securities held therefor including this Charge may be applied and reapplied notwithstanding any previous application on such part or parts of the Indebtedness or interest as the Chargee may see fit or may be held unappropriated in a separate collateral account for such time as the Chargee may see fit.
- (d) That the Chargee may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities and guarantees from and give the same and any and all existing securities and guarantees up to, may abstain from taking securities or guarantees from or from perfecting securities or guarantees of, may accept compositions from and may otherwise deal with the Chargor and all other persons, securities and guarantees as the Chargee may see fit without prejudicing the rights of the Chargee under this Charge.
- (e) That the taking of judgment in respect of the Indebtedness or any instrument or instruments now or hereafter representing or evidencing the Indebtedness or under any of the covenants herein or in any such instrument contained or implied shall not operate as a merger of the Indebtedness or such instrument, instruments or covenants nor affect the Chargee's right to interest at the rate and times herein provided nor affect nor prejudice any rights or remedies given to the Chargee by the terms of this Charge.
- (f) As further security for the payment of all monies owing hereunder, the Chargor does hereby assign to the Chargee all Leases now or hereafter existing and all rights and benefits of all guarantees and indemnities thereof and all rents which shall now or may hereafter become payable by reason of any lease, tenancy or tenancies, or use or occupation of the charged premises, or any part thereof or of any guarantees and indemnities thereof which assignment shall be in priority to all other liens, charges and assignments granted to other parties by the Chargor, and if the Chargor is in default in the observance or performance of any of the terms, covenants and conditions of this Charge, then the Chargee shall have the right, to take and receive Rents, issues and profits thereof.
- (g) The Chargor shall not act in any manner to increase any prior ranking security, as permitted pursuant to the Commitment, or permit registration of any additional security without the consent of the Chargee which may be withheld.
- (h) The terms contained in this Schedule are in addition to the terms contained in the Standard Charge Terms filed as No. 200033 (the "**Standard Charge Terms**"). In the event of any inconsistency or conflict between the terms contained in this Schedule and those contained in the Standard Charge Terms, the terms contained in this Schedule shall, to the extent of the inconsistency or conflict, prevail.

6. **Fees and Costs**

The Chargor shall pay to the Chargee its administration and/or servicing fees for the following matters in the amounts set forth, plus any applicable HST:

- (a) Missed payment fee (payable for each missed or late instalment and for processing each "NSF" cheque or other returned payment) of \$500.00.

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

- (b) Fee for preparation of any mortgage statement requested by the Chargor of \$250.00.
- (c) Discharge Administration fee of \$350.00.
- (d) The Chargor agrees to pay all legal and other expenses incurred by the Chargee in connection with the preparation and registration of any security interests pursuant to the *Personal Property Security Act* and any renewals thereof forthwith upon demand and such fees and expenses, together with interest thereon at the interest rate charges hereunder, shall be added to the principal sum secured by the within Charge if not paid by the Chargor.

7. **Default**

In addition to any other default clauses as may be set out in this Charge, or in the Standard Charge Terms referred to herein, the monies hereby secured, together with interest thereon as aforesaid, shall become payable and the security hereby constituted shall become enforceable immediately upon demand by the Chargee or the occurrence or happening of any of the following events ("**Event(s) of Default**"):

- (a) the Chargor makes default in the payment of the principal, interest or other monies hereby secured or any principal or interest payment and other monies owed by it to the Chargee whether secured by this Charge or not;
- (b) the Chargor makes material default in the observance or performance of any written covenant or undertaking heretofore or hereafter given by it to the Chargee, whether contained herein or in the Commitment Letter and pertaining to the assets or the financial condition of the Chargor and such default has not been cured within fifteen (15) days of written notice thereof being delivered to the Chargor;
- (c) if any statement, information (oral or written) or representation heretofore or hereafter made or given by or on behalf of the Chargor to the Chargee and pertaining to the assets or the financial condition of the Chargor, and whether contained herein or not is false, inaccurate and/or misleading in any material respect;
- (d) an order is made or an effective resolution passed for the winding-up, liquidation, amalgamation or reorganization of the Chargor, or a petition is filed for the winding up of the Chargor;
- (e) the Chargor becomes insolvent or makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency; or the Chargor makes a bulk sale of its assets; or a bankruptcy petition or receiving order is filed or presented against the Chargor;
- (f) the Chargor fails to pay all realty taxes payable in respect of the Property;
- (g) any proceedings with respect to the Chargor are commenced under the *Companies' Creditors Arrangement Act* or the *Bankruptcy and Insolvency Act*;
- (h) any execution, sequestration, extent or any other process of any Court becomes enforceable against the Chargor or a distress or analogous process is levied upon the property and assets of the Chargor or any part thereof, which in the opinion of the Chargee is a substantial part, and remains unsatisfied for such period as would permit such property to be sold thereunder, less two (2) business days, provided that such process is not in good faith disputed and, in that event, if the Chargor shall desire to contest such process it shall give security to the Chargee which, in the absolute discretion of the Chargee, shall be deemed sufficient to pay in full the amount claimed in the event it shall be held to be a valid claim; and
- (i) the Charge, or any security granted to the Chargee pursuant to the terms of the Commitment Letter (such documents being referred to as the "**Security Documents**"), does not and will not rank subordinate to the security of any other chargee pursuant to any other security, pledge and/or assignment not specifically authorized by the Chargee or as otherwise contemplated pursuant to the Commitment Letter.

8. **Chargee May Remedy Default**

If the Chargor should fail to perform any covenant or agreement of the Chargor hereunder, the Chargee may itself perform or cause to be performed such covenant or agreement and all expenses incurred or payments made by the Chargee in so doing, together with interest thereon at the rate set forth herein, shall be added to the indebtedness secured herein and shall be paid by the Chargor and be secured by this Charge together with all other indebtedness secured thereby, provided however that the foregoing shall not in any way be interpreted as an obligation of the Chargee.

9. **Due on Sale**

In the event that the Chargor directly or indirectly sells, conveys, transfers, further encumbers or disposes of the Property, or any part thereof, or any interest therein, or agrees so to do, without the prior written consent of the Chargee in its absolute discretion being first obtained, then the Chargee shall have the right, at its option, to declare forthwith due and payable the entire balance of the unpaid principal with accrued and unpaid interest due thereon. The decision to accelerate the Loan shall be at the sole option of the Chargee. The consent to one such transaction shall not be deemed to be a waiver of the right to require consent to future or successive transactions.

10. **Subsequent Financing**

The Chargor covenants and agrees that it shall not, without the prior written consent of the Chargee, execute or deliver any mortgage, charge, lien or other encumbrance in respect of the Property and/or any personal property associated therewith which is intended to rank subordinate to any of the security documents related to the within transaction, failing which, at the option of the Chargee the Loan shall immediately become due and payable.

11. **Construction Liens**

Provided also that upon the registration of any construction lien against title to the Property which is not discharged within a period of ten (10) days from the registration thereof, all monies hereby secured shall, at the option of the Chargee, forthwith become due and payable.

The Chargee may at its option, withhold from any advances for which the Chargor may have qualified, such holdbacks as the Chargee in its sole discretion, considers advisable to protect its position under the provisions of the *Construction Act (Ontario) 2018*, so as to secure its priority over any construction liens, until the Chargee is fully satisfied that all construction lien periods have expired and that there are no preserved or perfected liens outstanding. Nothing in this clause shall be construed to make the Chargee an "owner" or "payer" as defined under the *Construction Act (Ontario) 2018*, nor shall there be, or be deemed to be, any obligation by the Chargee to retain any holdback which may be required by the said legislation. Any holdback which may be required to be made by the owner or payer shall remain solely the Chargor's obligation. The Chargor hereby covenants and agrees to comply in all respects with the provisions of the *Construction Act (Ontario) 2018*.

12. **Construction Loan**

Provided that the Chargor and Chargee agree that if this is a construction loan, the following conditions shall apply:

- (a) the Chargor further covenants that all installation of services and construction on the Property hereby secured shall be carried out by reputable contractors with sufficient experience in a project of this nature and size, which contractors must be approved by the Chargee and which approval shall not be unreasonably withheld.
- (b) that the installation of services on the Property, once having been commenced, shall be continued in a good and workmanlike manner, with all due diligence and in substantial accordance with the plans and specifications delivered to the Chargee and to the satisfaction of the Municipality and all governmental and regulatory authorities having jurisdiction.
- (c) at the option of the Chargee, at all times there shall be a holdback of ten percent (10%) with respect to work already completed.
- (d) all advances which are made from time to time hereunder shall be based on Certificate of the Chargee's agents prepared at the expense of the Chargor, which Certificates shall

without limitation certify the value of the work completed and the estimated costs of any uncompleted work and such Certificates shall further certify that such completed construction and/or servicing to the date of such Certificate shall be in accordance with the approved plans and specifications for the said construction and further, in a good and workmanlike manner and in accordance with the permits issued for such servicing and construction and in accordance with all municipal and other governmental requirements of any authority having jurisdiction pertaining to such servicing and construction and there shall be no outstanding work orders or other requirements pertaining to servicing and construction on the Property. Such Certificates with respect to any values shall not include materials on the site which are not incorporated into the buildings or the services.

13. **Construction Loan Advances**

The Chargee may at its option, withhold from any advances for which the Chargor may have qualified, such holdbacks as the Chargee in its sole discretion, considers advisable to protect its position under the provisions of the *Construction Act (Ontario)*, so as to secure its priority over any construction liens, until the Chargee is fully satisfied that all construction lien periods have expired and that there are no preserved or perfected liens outstanding. Nothing in this clause shall be construed to make the Chargee an "owner" or "payer" as defined under the *Construction Act (Ontario)*, nor shall there be, or be deemed to be, any obligation by the Chargee to retain any holdback which may be required by the said legislation. Any holdback which may be required to be made by the owner or payer shall remain solely the Chargor's obligation. The Chargor hereby covenants and agrees to comply in all respects with the provisions of the *Construction Act (Ontario)*.

14. **Restriction on Transfer**

In the event of the Chargor selling, transferring or conveying title or its rights to a purchaser, transferee or grantee not approved by the Chargee or in the event of a change in the legal or beneficial ownership of the Property, the Borrower or the Chargor, not approved in writing by the Chargee, then, at the sole option of the Chargee, all monies secured, together with all accrued and unpaid interest thereon and any other amounts due under this Charge shall become due and payable. This restriction shall not prevent the sale of dwelling units to bona fide home purchasers.

15. **Appointment of Receiver**

It is declared and agreed that at any time and from time to time when there shall be default under the provisions of this charge, the Chargee may at such time and from time to time and with or without entering into possession of the Property appoint in writing a Receiver of the Property, or any part thereof, and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any such Receiver and appoint another in its place and stead, and in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor. The Chargor hereby irrevocably agrees and consents to the appointment of such Receiver of the Chargee's choice and without limitation whether pursuant to this Charge, the *Mortgages Act (Ontario)*, the *Construction Act (Ontario)*, or the *Trustee Act (Ontario)* as the Chargee may at its sole option require. Without limitation, the purpose of such appointment shall be the orderly management, administration and/or sale of the Property or any part thereof and the Chargor hereby consents to a Court Order for the appointment or such Receiver, if the Chargee in its discretion chooses to obtain such order, and on such terms and for such purposes as the chargee at its sole discretion may require, including, without limitation, the power to manage, charge, pledge, lease and/or sell the Property and/or to complete or partially complete any construction thereon and to receive advances of monies pursuant to any charges, pledges and/or loans entered into by the Receiver or the Chargor, and if required by the Chargee, in priority to any existing encumbrances affecting the Property, including without limitation, charges and construction lien claims.

16. **Cross Default**

Any default under the terms of any permitted security given by the Chargor to any lender with security against the property secured by this Charge (the "**Alternate Lender Security**") shall constitute a default under this Charge. In the event of a default under this Charge as a result of the Chargor's default under the Alternate Lender Security, all rights and remedies conferred upon the Chargee herein shall immediately become exercisable in accordance with its terms.

The Chargor acknowledges that this Charge is being given as additional collateral security for its obligations to the Chargee in accordance with the terms of a Guarantee and Postponement of Claim of the liabilities of JEFFERSON PROPERTIES LIMITED PARTNERSHIP (the "Guarantee"). In the event of any default pursuant to the Guarantee, the Chargee shall be entitled to realize on the

property to satisfy the Chargor's liabilities as if it were the principal borrower pursuant to the terms of the Commitment.

17. **Paramountcy**

In the event of any conflict or inconsistency between the terms herein and the Commitment, the terms of the Commitment shall prevail to the extent of any such conflict or inconsistency.

This is Exhibit “W” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

Properties

PIN 13243 - 0378 LT *Interest/Estate* Fee Simple
Description PART LOT 9 CONCESSION 11 (NEW SURVEY) TRAFALGAR, DESIGNATED AS PART 1, PLAN 43R37427; CITY OF MISSISSAUGA
Address 6532 AND 6544 WINSTON CHURCHILL BOUL
 MISSISSAUGA

PIN 13243 - 0269 LT *Interest/Estate* Fee Simple
Description PCL BLOCK 19-1, SEC 43M932; BLK 19, PL 43M932; CITY OF MISSISSAUGA
Address MISSISSAUGA

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name 1000199992 ONTARIO CORP.
Address for Service 5 Vernham Avenue
 Toronto, ON M2L 2B1

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

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

Chargee(s)*Capacity**Share*

Name CAMERON STEPHENS MORTGAGE CAPITAL LTD.
Address for Service 1700-320 Bay Street
 Toronto, ON M5H 4A6

Statements

Schedule: See Schedules

Provisions

Principal \$27,500,000.00 *Currency* CDN
Calculation Period monthly, not in advance
Balance Due Date ON DEMAND
Interest Rate
Payments
Interest Adjustment Date
Payment Date interest only, on the 1st day of each month
First Payment Date
Last Payment Date
Standard Charge Terms 201125
Insurance Amount Full insurable value
Guarantor

Signed By

Avrom Warren Brown 1 Adelaide Street E., Suite 801 acting for Signed 2023 12 05
 Toronto
 M5C 2V9
 Chargor(s)

Tel 416-869-1234

Fax 416-869-0547

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

Submitted By

GARFINKLE, BIDERMAN LLP 1 Adelaide Street E., Suite 801 2023 12 06
 Toronto
 M5C 2V9

Tel 416-869-1234

Fax 416-869-0547

Fees/Taxes/Payment

Statutory Registration Fee	\$69.95
Total Paid	\$69.95

File Number

Chargee Client File Number : 6243-679

ADDITIONAL PROVISIONS

1. Letter of Commitment

This Charge is given as collateral security to a letter of commitment dated February 3, 2022, as it may be amended from time to time (the "Letter of Commitment or Commitment Letter") and all loan documents delivered pursuant thereto (collectively, the Letter of Commitment or Commitment Letter and loan documents are referred to as the "Loan Documents"). Default under the Loan Documents shall constitute default under this Charge allowing the Chargee to avail itself to and to utilize any and all remedies with respect to the lands charged available to it as set out in the Standard Charge Terms incorporated into the Charge and as may be available to it under the Loan Documents, statute or in law.

2. Due on Demand

The amount owing under this Charge shall be repayable on demand.

In the event interest is not paid as and when due, the Chargee may in its sole discretion advance monies on account of principal to the Chargor to be applied to interest owing, or capitalize the amount of interest owing (which capitalization shall not be an advance of funds) but in no event shall any such advance or capitalization by the Chargee obligate the Chargee to make any further advances or capitalizations to be applied to interest or otherwise.

3. Default

In addition to any other Default Clauses set out in this Charge, or in the Standard Charge Terms referred to herein, the monies hereby secured, together with interest thereon as aforesaid, shall become payable and the security hereby constituted shall become enforceable immediately upon demand by the Chargee or the occurrence or happening of any of the following events ("Event(s) of Default"):

- (a) the Chargor makes default in the payment of the principal, interest or other monies hereby secured or any principal or interest payment and other monies owed by it to the Chargee whether secured by this Charge or not;
- (b) the Chargor makes material default in the observance or performance of any written covenant or undertaking heretofore or hereafter given by it to the Chargee, whether contained herein or not and pertaining to the assets or the financial condition of the Chargor and such default has not been cured within fifteen (15) days of written notice thereof being delivered to the Chargor;
- (c) if any statement, information (oral or written) or representation heretofore or hereafter made or given by or on behalf of the Chargor to the Chargee and pertaining to the assets or the financial condition of the Chargor, and whether contained herein or not is false, inaccurate and/or misleading in any material respect;
- (d) an order is made or an effective resolution passed for the winding-up, liquidation, amalgamation or reorganization of the Chargor, or a petition is filed for the winding up of the Chargor;
- (e) the Chargor becomes insolvent or makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency; or the Chargor makes a bulk sale of its assets; or a bankruptcy petition or receiving order is filed or presented against the Chargor;
- (f) any proceedings with respect to the Chargor are commenced under the Companies' Creditors Arrangement Act;
- (g) any execution, sequestration, extent or any other process of any Court becomes enforceable against the Chargor or a distress or analogous process is levied upon the property and assets of the Chargor or any part thereof, which in the opinion of the Chargee is a substantial part, and remains unsatisfied for such period as would permit such property to be sold thereunder, less two (2) business days, provided that such process is not in good faith disputed and, in that event, if the Chargor shall desire to contest such process it shall give security to the Chargee which, in the absolute discretion of the Chargee, shall be deemed sufficient to pay in full the amount claimed in the event it shall be held to be a valid claim;

- (h) the Chargor ceases or threatens to cease to carry on its business or the Chargor commits or threatens to commit any act of bankruptcy or insolvency;
- (i) the property hereby mortgaged and charged or any part thereof, other than sales of lots or units containing fully completed single family dwellings to bona fide purchasers for value, prior approved in writing by the Chargee, are sold by the Chargor or if there is a change in the present effective voting control of the Chargor or a change in the beneficial ownership of the Chargor or the assets or any one of them;
- (j) the monies secured hereby, together with interest thereon shall not be repaid to the Chargee on demand;
- (k) the Chargor makes any default with regard to any provision of the Commitment Letter.

4. Chargee May Remedy Default

If the Chargor should fail to perform any covenant or agreement of the Chargor hereunder, the Chargee may itself perform or cause to be performed such covenant or agreement and all expenses incurred or payments made by the Chargee in so doing, together with interest thereon at the rate set forth herein, shall be added to the indebtedness secured herein and shall be paid by the Chargor and be secured by this Charge together with all other indebtedness secured thereby, provided however that the foregoing shall not in any way be interpreted as an obligation of the Chargee.

5. Construction Liens

Provided also that upon the registration of any construction lien against title to the charged property which is not discharged within a period of ten (10) days from the registration thereof, all monies hereby secured shall, at the option of the Chargee, forthwith become due and payable.

The Chargee may at its option, withhold from any advances for which the Chargor may have qualified, such holdbacks as the Chargee in its sole discretion, considers advisable to protect its position under the provisions of the Construction Lien Act, 1990, so as to secure its priority over any construction liens, until the Chargee is fully satisfied that all construction lien periods have expired and that there are no preserved or perfected liens outstanding. Nothing in this clause shall be construed to make the Chargee an "owner" or "payer" as defined under the Construction Lien Act, 1990, nor shall there be, or be deemed to be, any obligation by the Chargee to retain any holdback which may be required by the said legislation. Any holdback which may be required to be made by the owner or payer shall remain solely the Chargor's obligation. The Chargor hereby covenants and agrees to comply in all respects with the provisions of the Construction Lien Act, 1990.

6. Construction Loan

Provided that the Chargor and Chargee agree that if this is a construction loan, the following conditions shall apply:

- (a) the Chargor further covenants that all installation of services and construction on the lands hereby secured shall be carried out by reputable contractors with sufficient experience in a project of this nature and size, which contractors must be approved by the Chargee and which approval shall not be unreasonably withheld.
- (b) that the installation of services and the construction of dwellings on the said lands, once having been commenced, shall be continued in a good and workmanlike manner, with all due diligence and in substantial accordance with the plans and specifications delivered to the Chargee and to the satisfaction of the Municipality and all governmental and regulatory authorities having jurisdiction.
- (c) provided that should the servicing and construction on the said lands cease for any reason whatsoever (strike, material shortages, weather and conditions or circumstances beyond the control of the Chargor excepted), for a period of fifteen (15) consecutive days unless explained to the satisfaction of the Chargee acting reasonably (Saturdays, Sundays and Statutory holidays excepted), then the monies hereby secured, at the option of the Chargee shall immediately

become due and payable. In the event that construction does cease, then the Chargee shall have the right, at its sole option, to assume complete control of the servicing and construction of the project on the said lands in such manner and on such terms as it deems advisable. The cost of completion of servicing and construction of the project by the Chargee and all expenses incidental thereto shall be added to the principal amount of the Charge, together with a management fee of fifteen percent (15%) of the costs of the construction completed by the Chargee. All costs and expenses, as well as the said management fee shall bear interest at the rate as herein provided for and shall form part of the principal secured hereunder and the Chargee shall have the same rights and remedies with respect to collection of same as it would have with respect to collection of principal and interest hereunder or at law.

- (d) at the option of the Chargee, at all times there shall be a holdback of ten percent (10%) with respect to work already completed.
- (e) all advances which are made from time to time hereunder shall be based on Certificate of the Chargee's agents prepared at the expense of the Chargor, which Certificates shall without limitation certify the value of the work completed and the estimated costs of any uncompleted work and such Certificates shall further certify that such completed construction and/or servicing to the date of such Certificate shall be in accordance with the approved plans and specifications for the said construction and further, in a good and workmanlike manner and in accordance with the permits issued for such servicing and construction and in accordance with all municipal and other governmental requirements of any authority having jurisdiction pertaining to such servicing and construction and there shall be no outstanding work orders or other requirements pertaining to servicing and construction on the said lands. Such Certificates with respect to any values shall not include materials on the site which are not incorporated into the buildings or the services.

7. Environmental

- (a) The following terms have the following meanings in this Section:
 - (i) "Applicable Environmental Laws" means all federal, provincial, municipal and other laws, statutes, regulations, by-laws and codes and all international treaties and agreements, now or hereafter in existence, intended to protect the environment or relating to Hazardous Material (as hereinafter defined), including without limitation the *Environmental Protection Act (Ontario)*, as amended from time to time (the "EPA"), and the *Canadian Environmental Protection Act*, as amended from time to time (the "CEPA"); and
 - (ii) "Hazardous Material" means, collectively, any contaminant (as defined in the EPA), toxic substance (as defined in the CEPA), dangerous goods (as defined in the *Transportation of Dangerous Goods Act (Canada)*, as amended from time to time) or pollutant or any other substance which when released to the natural environment is likely to cause, at some immediate or future time, material harm or degradation to the natural environment or material risk to human health.
- (b) The Chargor hereby represents and warrants that:
 - (i) neither the Chargor nor, to its knowledge, after due enquiry, any other person, firm or corporation (including without limitation any tenant or previous tenant or occupant of the Lands or any part thereof) has ever caused or permitted any Hazardous Material to be placed, held, located or disposed of on, under or at the lands;
 - (ii) the business and assets of the Chargor are in compliance with all Applicable Environmental Laws;
 - (iii) no control order, stop order, minister's order, preventative order or other enforcement action has been threatened or issued or is pending by any governmental agency in respect of the Lands and Applicable Environmental Laws; and

- (iv) the Chargor has not received notice nor has any knowledge of any action or proceeding, threatened or pending, relating to the existence in, or under the Lands or on the property adjoining the Lands of, or the spilling, discharge or emission on or from the Lands or any such adjoining property of, any Hazardous Material.
- (c) The Chargor covenants that:
- (i) the Chargor will not cause or knowingly permit to occur, a discharge, spillage, uncontrolled loss, seepage or filtration of any Hazardous Material at, upon, under, into or within the Lands or any contiguous real estate or any body of water on or flowing through or contiguous to the Lands;
 - (ii) the Chargor shall, and shall cause any person permitted by the Chargor to use or occupy the Lands or any part thereof, to continue to operate its business and assets located on the Lands in compliance with the Applicable Environmental Laws and shall permit the Chargee to review and copy any records of the Chargor insofar as they relate to the Lands at any time and from time to time to ensure such compliance;
 - (iii) the Chargor will not be involved in operations at or in the Lands which could lead to the imposition on the Chargor of liability under the Applicable Environmental Laws or the issuance of any order under the Applicable Environmental Laws to stop discharging, shut down, clean-up or decommission or the creation of a lien on the Lands under any of the Applicable Environmental Laws;
 - (iv) the Chargor will not knowingly permit any tenant or occupant of the Lands to engage in any activity that could lead to the imposition of liability on such tenant or occupant or the Chargor of liability under the Applicable Environmental Laws or the issuance of any order under the Applicable Environmental Laws to stop discharging, shut down, clean-up or decommission or the creation of a lien on the Lands under any Applicable Environmental Laws;
 - (v) the Chargor shall strictly comply with the requirements of the Applicable Environmental Laws (including, but not limited to obtaining any permits, licenses or similar authorizations to construct, occupy, operate or use the Lands or any fixtures or equipment located thereon by reason of the Applicable Environmental Laws) and shall notify the Chargee promptly in the event of any spill or location of Hazardous Material upon the Lands, and shall promptly forward to the Chargee copies of all orders, notices, permits, applications or other communications and reports in connection with any spill or other matters relating to the Applicable Environmental Laws, as they may affect the Lands;
 - (vi) the Chargor shall remove any Hazardous Material (or if removal is prohibited by law, to take whichever action is required by law) promptly upon discovery at its sole expense;
 - (vii) the Chargor will not install on the Lands, nor knowingly permit to be installed on the Lands, asbestos or any substance containing asbestos deemed hazardous by any Applicable Environmental Law; and
 - (viii) the Chargor will at its own expense carry out such investigations and tests as the Chargee may reasonably require from time to time in connection with environmental matters.
- (d) The Chargor hereby indemnifies and holds harmless the Chargee, its officers, directors, employees, agents, shareholders and any receiver or receiver and manager appointed by or on the application of the Chargee (the "**Indemnified Persons**") from and against and shall reimburse the Chargee for any and all losses, liabilities, claims, damages, costs and expenses, including legal fees and disbursements, suffered, incurred by or assessed against any of the Indemnified Persons whether as holder of the within Charge, as mortgagee in possession, as

successor in interest to the Chargor as owner of the Lands by virtue of foreclosure or acceptance of a deed in lieu of foreclosure or otherwise:

- (i) under or on account of the Applicable Environmental Laws, including the assertion of any lien thereunder;
- (ii) for, with respect to, or as a result of, the presence on or under, or the discharge, emission, spill or disposal from, the Lands or into or upon any land, the atmosphere, or any watercourse, body or water or wetland, of any Hazardous Material where a source of the Hazardous Material is the Lands including, without limitation:
 - a. the costs of defending and/or counterclaiming or claiming over against third parties in respect of any action or matter; and
 - b. any costs, liability or damage arising out of a settlement of any action entered into by the Chargee;
- (iii) in complying with or otherwise in connection with any order, consent, decree, settlement, judgment or verdict arising from the deposit, storage, disposal, burial, dumping, injecting, spilling, leaking, or other placement or release in, on or from the Lands of any Hazardous Material (including without limitation any order under the Applicable Environmental Laws to clean-up, decommission or pay for any clean-up or decommissioning), whether or not such deposit, storage, disposal, burial, dumping, injecting, spilling, leaking or other placement or release in, on or from the Lands of any Hazardous Material:
 - a. resulted by, through or under the Chargor; or
 - b. occurred with the Chargor's knowledge and consent; or
 - c. occurred before or after the date of this Charge, whether with or without the Chargor's knowledge.

The provisions of this paragraph shall survive foreclosure of this Charge and satisfaction and release of this Charge and satisfaction and repayment of the amount secured hereunder. Any amounts for which the Chargor shall become liable to the Chargee under this paragraph shall, if paid by the Indemnified Person, bear interest from the date of payment at the interest rate stipulated herein and together with such interest shall be secured hereunder.

- (e) In the event of any spill of Hazardous Material affecting the Lands, whether or not the same originated or emanates from the Lands, or if the Chargor fails to comply with any of the requirements of the Applicable Environmental Laws, the Chargee may at its election, but without the obligation so to do, give such notices and cause such work to be performed at the Lands and take any and all other actions as the Chargee shall deem necessary or advisable in order to remedy said spill or Hazardous Material or cure said failure of compliance and any amounts paid as a result thereof, together with interest thereon at the interest rate stipulated herein from the date of payment by the Chargee shall be immediately due and payable by the Chargor to the Chargee and until paid shall be added to and become a part of the amount secured hereunder.

8. Letters of Credit

The parties hereto acknowledge and agree that this Charge shall also secure payment by the Chargor to the Chargee of all amounts advanced by the Chargee pursuant to or by way of issuance of any letters of credit, renewals thereof, substitutions therefor and accretions thereto or pursuant to similar instruments issued at the Chargor's request or on its behalf and issued by the Chargee or on behalf of or at the request of or upon the credit of the Chargee and the total amount of such letters of credit shall be deemed to have been advanced and fully secured by this Charge

from the date of the issuance of such letters of credit, regardless of when or whether such letters of credit are called upon by the holder(s) thereof. In the event of the enforcement or exercise by the Chargee of any of the remedies or rights provided for in this Charge, the Chargee shall be entitled to retain and shall not be liable to pay or account to the Chargor or any other party in respect of the full amount of any outstanding letters of credit from the proceeds of such enforcement or exercise until such time as the letters of credit have expired, have been cancelled and have been surrendered to the Lender or the issuer(s) thereof.

9. Miscellaneous

The Chargor agrees as follows:

- (a) to maintain the project in good repair and in a state of good operating efficiency;
- (b) to pay taxes, utilities and other operating and maintenance costs and provide evidence thereof to the Chargee;
- (c) to perform all governmental requirements and obligations as required;
- (d) to deliver to the Chargee all reasonable financial information deemed necessary by the Chargee, when requested;
- (e) to comply with all covenants and reporting requirements set out in the Commitment Letter;
- (f) to provide or comply with such other covenants and terms as the Chargee may reasonably require.

10. Amendments to Standard Charge Terms

The Standard Charge Terms No. 201125 referred to in this document were filed by Cameron Stephens Financial Corporation, and for purposes of this document, any reference in the said Standard Charge Terms to Cameron Stephens Financial Corporation should be deemed to be replaced by the name of the Chargee.

11. Prepayment Provisions

Provided that this Charge is not in default, the Chargor shall have the right to prepay the amount outstanding in accordance with the provisions of the Letter of Commitment.

12. Restriction on Transfer

In the event of the Chargor selling, transferring or conveying title or its rights to a purchaser, transferee or grantee not approved by the Chargee or in the event of a change in the legal or beneficial ownership of the Property, the Borrower or the Chargor, not approved in writing by the Chargee, then, at the sole option of the Chargee, all monies secured, together with all accrued and unpaid interest thereon and any other amounts due under this Charge shall become due and payable. This restriction shall not prevent the sale of dwelling units to bona fide home Purchasers.

13. Subsequent Financing

No financing subsequent to the Chargee's facilities shall be permitted, without the prior written consent of the Chargee.

14. Partial Discharges

The Chargor shall be entitled to partial discharges as set out in the Letter of Commitment upon payment of the partial discharge amounts set out therein, the Chargee's discharge fees as set out therein and upon payment of the Chargee's Solicitor's usual discharge fees.

15. Voting Control

The Chargor agrees that voting control of the Chargor or of any beneficial owner shall not change during the currency of this loan without the prior written consent of the Chargee.

16. Over Holding Fee

In the event that this Charge is not repaid in full, renewed or extended by the Maturity Date (as defined in the Letter of Commitment) in addition to any other rates, fees and costs to be paid pursuant to the Letter of Commitment, the Chargor shall pay to the Chargee an over holding fee, calculated daily, not in advance, commencing on the first day after the day that payment of the Loan (as defined in the Letter of Commitment) was due by not paid. The fee is calculated by multiplying 300 basis points by the authorized amount of the Loan and dividing the sum by 365 (the "Over Holding Fee").

This is Exhibit “X” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

Properties

PIN 13243 - 0269 LT
Description PCL BLOCK 19-1, SEC 43M932; BLK 19, PL 43M932; CITY OF MISSISSAUGA
Address MISSISSAUGA

PIN 13243 - 0378 LT
Description PART LOT 9 CONCESSION 11 (NEW SURVEY) TRAFALGAR, DESIGNATED AS PART 1, PLAN 43R37427; CITY OF MISSISSAUGA
Address 6532 AND 6544 WINSTON CHURCHILL BOUL
MISSISSAUGA

Source Instruments

Registration No.	Date	Type of Instrument
PR3114761	2017 04 24	Charge/Mortgage

Party From(s)

Name AMERCAN CORPORATION
Address for Service 5 Vernham Avenue
Toronto, ON M2L 2B1

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

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

Party To(s)*Capacity**Share*

Name CAMERON STEPHENS MORTGAGE CAPITAL LTD.
Address for Service 1700-320 Bay Street
Toronto, ON M5H 4A6

Statements

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number PR4281070 registered on 2023/12/06

Schedule: The applicant also postpones the rights under the selected Instrument to all advances made under the Instrument registered as No. PR4281070

This document relates to registration number(s)YR3114761

Signed By

Avrom Warren Brown 1 Adelaide Street E., Suite 801 acting for Signed 2023 12 06
Toronto Party From(s)
M5C 2V9

Tel 416-869-1234

Fax 416-869-0547

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

Submitted By

GARFINKLE, BIDERMAN LLP 1 Adelaide Street E., Suite 801 2023 12 06
Toronto
M5C 2V9

Tel 416-869-1234

Fax 416-869-0547

Fees/Taxes/Payment

Statutory Registration Fee	\$69.95
Total Paid	\$69.95

File Number

Party To Client File Number : 6243-679

This is Exhibit “Y” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

Properties

PIN 13243 - 0269 LT
Description PCL BLOCK 19-1, SEC 43M932; BLK 19, PL 43M932; CITY OF MISSISSAUGA
Address MISSISSAUGA

PIN 13243 - 0378 LT
Description PART LOT 9 CONCESSION 11 (NEW SURVEY) TRAFALGAR, DESIGNATED AS PART 1, PLAN 43R37427; CITY OF MISSISSAUGA
Address 6532 AND 6544 WINSTON CHURCHILL BOUL
MISSISSAUGA

Source Instruments

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
PR3799134	2021 03 16	Charge/Mortgage

Party From(s)

Name DRAGON HOLDING GLOBAL REAL ESTATE FUNDS INC.
Address for Service 1001-980 Yonge Street
Toronto, ON M4W 3V8

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

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

Party To(s)*Capacity**Share*

Name CAMERON STEPHENS MORTGAGE CAPITAL LTD.
Address for Service 1700-320 Bay Street
Toronto, ON M5H 4A6

Statements

The applicant postpones the rights under the selected instrument to the rights under an instrument registered as number PR4281070 registered on 2023/12/06

Schedule: The applicant also postpones the rights under the selected Instrument to all future advances made under the Instrument registered as No. PR4281070

This document relates to registration number(s)PR3799134

Signed By

Avrom Warren Brown 1 Adelaide Street E., Suite 801 acting for Signed 2023 12 06
Toronto Party From(s)
M5C 2V9

Tel 416-869-1234

Fax 416-869-0547

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

Submitted By

GARFINKLE, BIDERMAN LLP 1 Adelaide Street E., Suite 801 2023 12 06
Toronto
M5C 2V9

Tel 416-869-1234

Fax 416-869-0547

Fees/Taxes/Payment

<i>Statutory Registration Fee</i>	\$69.95
<i>Total Paid</i>	\$69.95

File Number

Party To Client File Number : 6243-679

This is Exhibit “Z” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

**BY REGISTERED AND ORDINARY POST
NOTICE OF SALE UNDER MORTGAGE**

TO: See Schedule "A" attached

TAKE NOTICE that default has been made in payment of the monies due under a certain mortgage, which mortgage was registered on December 6, 2023, as Instrument No. PR4281070 (the "Charge") in the Region of Peel Land Registry Office (No. 43) made between:

1000199992 ONTARIO CORP.
5 Vernham Avenue
Toronto, ON
M2L 2B1

as Mortgagor

- and -

CAMERON STEPHENS MORTGAGE CAPITAL LTD.
25 Adelaide Street East, Suite 600
Toronto, ON
M5C 3A1

as Mortgagee

upon the following property, namely:

PIN No. 13243 – 0269 LT

PCL BLOCK 19-1, SEC 43M932; BLK 19, PL 43M932; CITY OF MISSISSAUGA;

Known municipally as, Mississauga; and

PIN No. 13243 - 0378 LT

PART LOT 9 CONCESSION 11 (NEW SURVEY) TRAFALGAR, DESIGNATED AS PART 1, PLAN 43R37427; CITY OF MISSISSAUGA

Known municipally as, 6532 and 6544 Winston Churchill Boulevard, Mississauga (collectively the "Lands")

AND I hereby give you notice that the amount due on the mortgage for principal money, interest, taxes, insurance premiums and costs, respectively, are as follows:

Principal Balance Outstanding as at March 1 st , 2024	\$47,795,902.55
Unpaid Interest	\$1,168,065.59
Trust Balance	-\$26,876.08
Chargeback - Invoice #INV01-5568	\$33,854.61
Chargeback - Invoice #INV01-6199	\$19,492.78
Chargeback - Invoice #INV01-7547	\$2,135.13
Chargeback- Invoice #15914 & #15976	\$26,799.08
Chargeback - Invoice #6947	\$84,608.57
Mortgage Statement Fee	\$50.00
<hr/>	
Principal Balance Outstanding as at March 1 st , 2024	\$1,468,202.00
LC fee - BMTO785605OS	\$7,812.78
LC fee - BMTO786681OS	\$12,375.00
Additional legal fees and disbursements for enforcement, including Notice of Sale	\$90,000.00
<hr/>	
Amount Due	\$50,682,422.01

(such amount for costs being up to and including the service of this Notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at rate of **9.70%** per annum, compounded and payable monthly, not in advance, on the principal and interest hereinbefore mentioned from the date of this notice to the date of payment.

AND unless the said sums are paid on or before the **8th day of April 2024**, we shall sell the property covered by the said mortgage under the provisions contained in it.

THIS notice is given to you as you appear to have an interest in the mortgaged property and may be entitled to redeem the same.

DATED this 1st day of March 2024.

**CAMERON STEPHENS MORTGAGE
CAPITAL LTD. by its solicitors
Garfinkle Biderman LLP**



Per: _____

Wendy Greenspoon-Soer
Dynamic Funds Tower
1 Adelaide St. E., Suite 801
Toronto, Ontario
M5C 2V9
Tel: (416) 869-7608

SCHEDULE "A"

- TO: **1000199992 ONTARIO CORP.**
5 Vernham Avenue
Toronto, ON
M2L 2B1
- AND TO: **DUCA FINANCIAL SERVICES CREDIT UNION LTD.**
5255 Yonge Street 4th Fl.
Toronto, ON
M2N 6P4
- AND TO: **AMERICAN CORPORATION**
5 Vernham Avenue
Toronto, ON
M2L 2B1
- AND TO: **DRAGON HOLDING GLOBAL REAL ESTATE FUNDS INC.**
980 Yonge Street, Suite 1001
Toronto ON
M4W 3V8
- AND TO: **WPC GP INC.**
31 Oakland Avenue
Toronto, ON
M4V 0A9
- AND TO: **CAMERON STEPHENS MORTGAGE CAPITAL LTD.**
320 Bay Street Suite 1700
Toronto, ON
M5H 4A6

This is Exhibit “AA” referred to in the Affidavit of Ivan Bogdanovich sworn by Ivan Bogdanovich at the City of Toronto, in the Province of Ontario, before me on April 5, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

Montana Licari

AB05A91538BF406...

Commissioner for Taking Affidavits (or as may be)

MONTANA LICARI

Court File No. _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

AMERCAN CORPORATION AND 1000199992 ONTARIO CORP.

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

CONSENT

MNP Ltd. ("**MNP**") hereby consents to act as Court-appointed receiver and manager, without security, of all of the assets, undertakings and properties of the respondents, AmerCan Corporation and 1000199992 Ontario Corp. pursuant to subsection 243(1) of *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, in accordance with an order substantially in the form requested by the Applicant, or as such order may be amended in a manner satisfactory to MNP.

Dated at Toronto this 4th day of April, 2024.

MNP LTD.



Name: Matthew Lem

Title: Senior Vice President

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

- and -

AMERICAN CORPORATION AND 1000199992 ONTARIO CORP.

Applicant

Court File No. _____ Respondents
-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceedings commenced at Toronto**

CONSENT TO ACT

FASKEN MARTINEAU DuMOULIN LLP

Barristers and Solicitors
333 Bay Street, Suite 2400
Bay Adelaide Centre, Box 20
Toronto ON M5H 2T6

Dylan Chochla (LSO: 621371)

dchochla@fasken.com
Tel: 416 868 3425

Mitch Stephenson (LSO: 73064H)

mstephenson@fasken.com
Tel: 416 868 3502

Montana Licari (LSO: 85097G)

mlicari@fasken.com
Tel: 416 868 3450

Lawyers for the Applicant

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

-and-

**AMERICAN CORPORATION AND 1000199992 ONTARIO
CORP.**

Applicant

Respondents
Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

**Proceeding commenced at
Toronto**

AFFIDAVIT OF IVAN BOGDANOVICH
(Sworn April 5, 2024)

FASKEN MARTINEAU DuMOULIN LLP

Barristers and Solicitors
333 Bay Street, Suite 2400
Bay Adelaide Centre, Box 20
Toronto, ON M5H 2T6

Dylan Chochla (LSO: 62137I)
dchochla@fasken.com
Tel. 416 868 3425

Mitch Stephenson (LSO: 73064H)
mstephenson@fasken.com
Tel. 416 868 3502

Montana Licari (LSO: 85097G)
mlicari@fasken.com
Tel. 416 868 3450

Lawyers for the Applicant

TAB 3

Court File No. _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

AMERCAN CORPORATION AND 1000199992 ONTARIO CORP.

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

CONSENT

MNP Ltd. ("**MNP**") hereby consents to act as Court-appointed receiver and manager, without security, of all of the assets, undertakings and properties of the respondents, AmerCan Corporation and 1000199992 Ontario Corp. pursuant to subsection 243(1) of *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, in accordance with an order substantially in the form requested by the Applicant, or as such order may be amended in a manner satisfactory to MNP.

Dated at Toronto this 4th day of April, 2024.

MNP LTD.



Name: Matthew Lem

Title: Senior Vice President

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

- and -

AMERICAN CORPORATION AND 1000199992 ONTARIO CORP.

Applicant

Court File No. _____ Respondents
-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceedings commenced at Toronto**

CONSENT TO ACT

FASKEN MARTINEAU DuMOULIN LLP

Barristers and Solicitors
333 Bay Street, Suite 2400
Bay Adelaide Centre, Box 20
Toronto ON M5H 2T6

Dylan Chochla (LSO: 621371)

dchochla@fasken.com
Tel: 416 868 3425

Mitch Stephenson (LSO: 73064H)

mstephenson@fasken.com
Tel: 416 868 3502

Montana Licari (LSO: 85097G)

mlicari@fasken.com
Tel: 416 868 3450

Lawyers for the Applicant

TAB 4

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) WEDNESDAY, THE 17TH
)
JUSTICE BLACK) DAY OF APRIL, 2024

B E T W E E N:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

AMERICAN CORPORATION AND 1000199992 ONTARIO CORP.

Respondents

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

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by the applicant, DUCA Financial Services Credit Union Ltd. (“**DUCA**”) for an order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing MNP Ltd. (“**MNP**”) as receiver (in such capacity, the “**Receiver**”) without security, of all of the assets, undertakings and properties

of the respondents, AmerCan Corporation and 1000199992 Ontario Corp. (the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, was heard this day by Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Ivan Bogdanovich sworn April 5, 2024 and the Exhibits thereto (the “**Bogdanovich Affidavit**”), and on hearing the submissions of counsel for DUCA, and counsel for the proposed Receiver, and such other parties listed on the participant information form, no one else appearing although duly served as appears from the affidavit of service of [●] sworn [●], 2024 and on reading the consent of MNP to act as the Receiver, filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, MNP is hereby appointed Receiver, without security, of all of the present and future assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof, and including, without limitation, the real property listed at Schedule A (the “**Property**”).

RECEIVER’S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Debtors and the Property and, without in any

way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories of the Property, accessing and taking control of the Debtors' bank accounts and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtors (the "**Business**"), including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the Business, or disclaim or cease to perform any contracts of the Debtors or in respect of the Property;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, insurance brokers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the Business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

- (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting

records, and any other papers, records and information of any kind related to the Business, the Property or the affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the

Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that any and all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of any such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in

writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Business or Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of the Business or any Property shall be entitled to continue to use the personal information provided to it, and related to the Business or Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the

protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER’S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER’S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver’s**

Charge”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver’s Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable (the “**Receiver’s Borrowings**”), provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures

and the fees and expenses of the Receiver and its counsel. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver’s Borrowings Charge**”) as security for the payment of the Receiver’s Borrowings, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver’s Borrowings Charge nor any other security granted by the Receiver in connection with the Receiver’s Borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “B” hereto (the “**Receiver’s Certificates**”) for any Receiver’s Borrowings pursuant to this Order.

24. **THIS COURT ORDERS** that the Receiver’s Borrowings from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver’s Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver’s Certificates.

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that The Guide Concerning Commercial List E-Service (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at

<http://ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ‘<@>’.

26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by email, prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors’ creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

29. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. **THIS COURT ORDERS** that DUCA shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of DUCA's security or, if not so provided by DUCA's security, then on a full indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

32. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver, DUCA, and to

any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

33. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order, and this Order shall be immediately enforceable at such time and thereafter without the need for entry and filing.

SCHEDULE “A”

Real Property

Municipal Address

6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario

Legal Description of the Real Property

Firstly: PIN 13243-0378 (LT) being Part of Lot 9, Concession 11 (New Survey) Trafalgar, designated as Part 1, Plan 43R37427; City of Mississauga.

Secondly: PIN 13243-0269 (LT) being Parcel Block 19-1, Section 43M932, Block 19, Plan 43M932; City of Mississauga.

SCHEDULE “B”

RECEIVER CERTIFICATE

CERTIFICATE NO. [●]

AMOUNT \$[●]

1. THIS IS TO CERTIFY that MNP Ltd., the receiver and manager (the “**Receiver**”) of the assets, undertakings and properties of AmerCan Corporation and 1000199992 Ontario Corp. (collectively, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the “**Property**”) appointed by order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated the [●] day of [●], 2024 (the “**Order**”) made in an application having Court file number [●], has received as such Receiver from the holder of this certificate (the “**Lender**”) the principal sum of \$[●], being part of the total principal sum of \$[●] which the Receiver is authorized to borrow under and pursuant to the Order.

The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the [●] day of each month] after the date hereof at a notional rate per annum equal to the rate of [●] per cent above the prime commercial lending rate of Bank of [●] from time to time.

Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the [●] day of [●], 2024.

MNP LTD. solely in its capacity as Receiver of
the Property, and not in its personal or any other
capacity

Per: _____

Name:

Title:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

-and- AMERICAN CORPORATION AND 1000199992 ONTARIO
CORP.

Applicant

Respondents

Court File No. CV-24-00718071-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**Proceeding commenced at
Toronto**

**ORDER
(Appointing Receiver)**

FASKEN MARTINEAU DuMOULIN LLP

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Lawyers for the Applicant

TAB 5

Revised: January 21, 2014
s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver

Court File No. —

Court File No. CV-24-00718071-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

<u>THE HONOURABLE</u>)	<u>WEDNESDAY, THE 17TH</u>
)	
THE HONOURABLE)	WEEKDAY, THE #
)	
JUSTICE <u>BLACK</u>)	DAY OF MONTH <u>APRIL</u> , 20YR <u>2024</u>

PLAINTIFF[†]

BETWEEN:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

~~Plaintiff~~Applicant

- and -

DEFENDANT

AMERICAN CORPORATION AND 1000199992 ONTARIO CORP.

Respondents

~~Defendant~~

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

[†]-The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.

ORDER
(~~appointing~~Appointing Receiver)

THIS ~~MOTION made by the Plaintiff² for an Order~~APPLICATION made by the applicant, DUCA Financial Services Credit Union Ltd. ("DUCA") for an order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing [RECEIVER'S NAME]MNP Ltd. ("MNP") as receiver ~~and manager~~ (in such ~~capacities~~capacity, the "Receiver") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME] (the "Debtor"~~the respondents, AmerCan Corporation and 1000199992 Ontario Corp. (the "Debtors") acquired for, or used in relation to a business carried on by the ~~Debtor~~Debtors, was heard this day by Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of [NAME]Ivan Bogdanovich sworn [DATE]April 5, 2024 and the Exhibits thereto (the "Bogdanovich Affidavit"), and on hearing the submissions of counsel for [NAMES], no one appearing for [NAME]DUCA, and counsel for the proposed Receiver, and such other parties listed on the participant information form, no one else appearing although duly served as appears from the affidavit of service of [NAME] sworn [DATE], 2024 and on reading the consent of ~~[RECEIVER'S NAME]MNP~~ to act as the Receiver, filed,

SERVICE

² ~~Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

1. **THIS COURT ORDERS** that the time for service of the Notice of ~~Motion~~Application and the ~~Motion~~Application is hereby abridged and validated³ so that this ~~motion~~Application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~MNP is hereby appointed Receiver, without security, of all of the present and future assets, undertakings and properties of the ~~Debtor~~Debtors acquired for, or used in relation to a business carried on by the ~~Debtor~~Debtors, including all proceeds thereof ~~(the "~~and including, without limitation, the real property listed at Schedule A (the ~~"Property")~~"Property").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Debtors and the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

³~~-If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories of the Property, accessing and taking control of the Debtors' bank accounts and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the ~~Debtor~~Debtors (the "Business"), including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the ~~business~~Business, or disclaim or cease to perform any contracts of the ~~Debtor~~Debtors or in respect of the Property;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, insurance brokers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the ~~Receiver's~~Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the ~~business~~Business of the ~~Debtor~~Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the ~~Debtor~~Debtors and to exercise all remedies of the ~~Debtor~~Debtors in collecting

such monies, including, without limitation, to enforce any security held by the ~~Debtor~~Debtors;

- (g) to settle, extend or compromise any indebtedness owing to the ~~Debtor~~Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the ~~Receiver's~~Receiver's name or in the name and on behalf of the ~~Debtor~~Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the ~~Debtor~~Debtors, the Property or the Receiver, and to settle or compromise any such proceedings.⁴ The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

~~⁴This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

(i) without the approval of this Court in respect of any transaction not exceeding \$~~_____~~100,000, provided that the aggregate consideration for all such transactions does not exceed \$~~_____~~500,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, [or section 31 of the Ontario *Mortgages Act*, as the case may be,]⁵ shall not be required, ~~and in each case the Ontario Bulk Sales Act shall not apply;~~

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other ~~Orders~~orders in respect of the Property against title to any of the Property;

~~⁵ If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the ~~Debtor~~Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the ~~Debtor~~Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the ~~Debtor~~Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the ~~Debtor~~Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the ~~Debtor~~Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the ~~Debtor~~Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such ~~Person's~~Person's possession or

control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the ~~Receiver's~~Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the ~~business-~~Business, the Property or the affairs of the ~~Debtor~~Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that ~~Person's~~Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this

paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further ~~Order~~order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE ~~DEBTOR~~DEBTORS OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the ~~Debtor~~Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way

against or in respect of the ~~Debtor~~Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the ~~Debtor~~Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the ~~Debtor~~Debtors to carry on any business which the ~~Debtor is~~Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the ~~Debtor~~Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the ~~Debtor~~Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the ~~Debtor~~Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other

services to the ~~Debtor~~Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the ~~Debtor's~~Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the ~~Debtor~~Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that any and all employees of the ~~Debtor~~Debtors shall remain the employees of the ~~Debtor~~Debtors until such time as the Receiver, on the ~~Debtor's~~Debtors' behalf, may terminate the employment of any such employees. The Receiver

shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver ~~shall~~may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Business or Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of the Business or any Property shall be entitled to continue to use the personal information provided to it, and related to the Business or Property purchased, in a manner which is in all material respects identical to the prior use of such information by the ~~Debtor~~Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated,

might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the **“Environmental Legislation”**), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the ~~Receiver's~~Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

~~RECEIVER'S~~RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges

unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "~~Receiver's~~Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the ~~Receiver's~~Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass ~~its~~their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time

~~⁶Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

as it may consider necessary or desirable (the “Receiver’s Borrowings”), provided that the outstanding principal amount does not exceed \$~~_____~~500,000 (or such greater amount as this Court may by further ~~Order~~order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures and the fees and expenses of the Receiver and its counsel. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the ~~“Receiver’s~~“Receiver’s Borrowings Charge”) as security for the payment of the ~~monies borrowed~~Receiver’s Borrowings, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the ~~Receiver’s~~Receiver’s Borrowings Charge nor any other security granted by the Receiver in connection with ~~its borrowings~~the Receiver’s Borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule ~~“A”~~“B” hereto (the ~~“~~“Receiver’s Certificates”) for any ~~amount borrowed by it~~Receiver’s Borrowings pursuant to this Order.

24. **THIS COURT ORDERS** that the ~~monies~~Receiver’s Borrowings from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver’s Certificates evidencing the same or any part thereof shall rank on a *pari passu*

basis, unless otherwise agreed to by the holders of any prior issued ~~Receiver's~~Receiver's Certificates.

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that ~~the E-Service Protocol of the~~The Guide Concerning Commercial List E-Service (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at [26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by email, prepaid ordinary mail, courier, personal delivery or facsimile transmission to the ~~Debtor's~~Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the ~~Debtor~~Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be](http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/<u>regional-practice-directions/eservice-commercial</u>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ‘<<u>@</u>>’.</p></div><div data-bbox=)

deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the ~~Debtor~~Debtors.

29. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. **THIS COURT ORDERS** that ~~the Plaintiff~~DUCA shall have its costs of this ~~motion~~Application, up to and including entry and service of this Order, provided for by the terms of ~~the Plaintiff's~~DUCA's security or, if not so provided by ~~the Plaintiff's~~DUCA's security, then on a ~~substantial~~full indemnity basis to be paid by the Receiver from the ~~Debtor's~~Debtors' estate with such priority and at such time as this Court may determine.

32. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver, DUCA, and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

33. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order, and this Order shall be immediately enforceable at such time and thereafter without the need for entry and filing.

=====

~~SCHEDULE~~ "SCHEDULE "A"

Real Property

Municipal Address

6532 and 6544 Winston Churchill Boulevard, Mississauga, Ontario

Legal Description of the Real Property

Firstly: PIN 13243-0378 (LT) being Part of Lot 9, Concession 11 (New Survey) Trafalgar, designated as Part 1, Plan 43R37427; City of Mississauga.

Secondly: PIN 13243-0269 (LT) being Parcel Block 19-1, Section 43M932, Block 19, Plan 43M932; City of Mississauga.

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____ [●]

AMOUNT \$ _____ [●]

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ MNP Ltd., the receiver and manager (the "Receiver") of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~ of AmerCan Corporation and 1000199992 Ontario Corp. (collectively, the "Debtors") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by ~~Order~~ order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the _____ [●] day of _____ [●], 20 ~~20~~ 2024 (the "Order") made in an ~~action~~ application having Court file number ~~CL~~ _____ [●], has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____ [●], being part of the total principal sum of \$ _____ [●] which the Receiver is authorized to borrow under and pursuant to the Order.

~~2.~~ The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ [●] day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ [●] per cent above the prime commercial lending rate of Bank of _____ [●] from time to time.

~~3.~~ Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

~~4.~~ All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

~~5.~~ Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

~~6.~~ The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

~~7.~~ The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____ , ~~20~~ 2024.

~~[RECEIVER'S NAME]~~, MNP LTD. solely in its capacity
- as Receiver of the Property, and not in its personal or any other capacity

Per: _____

Name:

Title:

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

-and-

AMERICAN CORPORATION AND 1000199992 ONTARIO
CORP.

Applicant

Respondents

Court File No. CV-24-00718071-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**Proceeding commenced at
Toronto**

**ORDER
(Appointing Receiver)**

FASKEN MARTINEAU DuMOULIN LLP

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Summary report:	
Litera Compare for Word 11.6.0.100 Document comparison done on 09/04/2024 3:57:25 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: receivership-order-EN (8).doc	
Document Author:	
Modified DMS: iw://cloudimanager.com/CANADA/305391371/3	
Document Author: Connie Deng	
Changes:	
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Delete	207
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	6
Table Delete	0
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Table moves from	0
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Embedded Excel	0
Format changes	0
Total Changes:	411

TAB 6

Court File No. CV-24-00718071-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

DUCA FINANCIAL SERVICES CREDIT UNION LTD.

Applicant

- and -

AMERICAN CORPORATION AND 1000199992 ONTARIO CORP.

Respondents

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

**SERVICE LIST
(as of April 9, 2024)**

TO:	<p>FASKEN MARTINEAU DuMOULIN LLP Barristers and Solicitors 333 Bay Street, Suite 2400 Bay Adelaide Centre, Box 20 Toronto ON M5H 2T6</p> <p>Dylan Chochla (LSO: 621371) dchochla@fasken.com Tel: 416 868 3425</p> <p>Mitch Stephenson (LSO: 73064H) mstephenson@fasken.com Tel: 416 868 3502</p> <p>Montana Licari (LSO: 85097G) mlicari@fasken.com Tel: 416 868 3450</p> <p>Lawyers for the Applicant</p>
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AND TO:	<p>LERNERS LLP 225 King Street West, Suite 1600 Toronto, ON M5V 3M2</p> <p>Domenico Magisano (LSO: 45725E) dmagisano@lernalers.ca Tel: 416 601 4121</p> <p>Lawyers for the Proposed Receiver</p>
AND TO:	<p>MNP Ltd. 1 Adelaide Street East, Suite 1900 Toronto, ON M5C 2V9</p> <p>Matthew Lem, CIRP, LIT matthew.lem@mnp.ca</p> <p>Proposed Receiver</p>

<p>AND TO:</p>	<p>AMERICAN CORPORATION 5 Vernham Avenue North York, Ontario M2L 2B1</p> <p>Fanseay Wang fanseaywang@gmail.com; fanseayw@grandgracedevelopment.com</p> <p>Respondent</p>
<p>AND TO:</p>	<p>1000199992 ONTARIO CORP. 26 Bilbermar Drive Richmond Hill, Ontario L4S 1B8</p> <p>Fanseay Wang fanseaywang@gmail.com; fanseayw@grandgracedevelopment.com</p> <p>Lichen (James) Xu james@grandgracedevelopment.com</p> <p>Respondent</p>
<p>AND TO:</p>	<p>FANSEAY WANG 1001 – 980 Yonge Street Toronto, Ontario M4W 3V8</p> <p>fanseaywang@gmail.com; fanseayw@grandgracedevelopment.com</p> <p>Guarantor</p>
<p>AND TO:</p>	<p>CAMERON STEPHENS MORTGAGE CAPITAL LTD. 1700 – 320 Bay Street Toronto, Ontario M5H 4A6</p> <p>25 Adelaide Street East, Suite 600 Toronto, Ontario M5C 3A1</p> <p>Kristina Mark kmark@cameronstephens.com Tel: 416 591 8787</p> <p>PPSA Registrant and Registered Charge Holder</p>

AND TO:	<p>C&K MORTGAGE SERVICES INC. 1670 Bayview Avenue, Suite 400 Toronto, Ontario M4G 3C2</p> <p>Gary Gruneir ggruneir@rescomcapital.com Tel: 416 575 6986</p> <p>PPSA Registrant</p>
AND TO:	<p>WPC GP INC. / WINDSOR PRIVATE CAPITAL LIMITED PARTNERSHIP 31 Oakland Avenue Toronto, Ontario M4V 0A9</p> <p>info@windsorgp.com Tel: 416 515 2318</p> <p>PPSA Registrant and Registered Charge Holder</p>
AND TO:	<p>DEPARTMENT OF JUSTICE (CANADA) Ontario Regional Office, Tax Law Section 120 Adelaide Street West, Suite 400 Toronto, ON M5H 1T1</p> <p>General Email Inbox agc.pgc.toronto-tax-fiscal@justice.gc.ca</p>
AND TO:	<p>MINISTRY OF FINANCE (ONTARIO) Insolvency Unit, Legal Services Branch 11-777 Bay Street Toronto, Ontario M5G 2C8</p> <p>General E-Mail Inbox insolvency.unit@ontario.ca</p>

AND TO:	<p>CANADA REVENUE AGENCY 1 Front Street West Toronto, ON M5J 2X6</p> <p>Pat Confalone pat.confalone@cra-arc.gc.ca Tel: 416 954 6514</p> <p>Kay Singh kay.singh@cra-arc.gc.ca Tel: 416 954 6514</p> <p>General Email Inbox agc.pgc.toronto-tax-fiscal@justice.gc.ca</p>
AND TO:	<p>GARFINKLE BIDERMAN LLP Barristers & Solicitors 1 Adelaide Street East, Suite 801 Toronto, Ontario M5C 2V9</p> <p>Wendy Greenspoon-Soer wgreenspoon@garfinkle.com Tel: 416 869 1234</p> <p>Lawyers for Cameron Stephens Mortgage Capital Ltd.</p>
AND TO:	<p>DRAGON HOLDING GLOBAL REAL ESTATE FUNDS SPC Portcullis (Cayman) Ltd. The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road P.O. Box 32052 Grand Cayman, KY1-1208 Cayman Islands</p> <p>Dpo.CaymanIslands@portcullis.co Info.CaymanIslands@portcullis.co</p>
AND TO:	<p>CITY OF MISSISSAUGA TAX OFFICE Mississauga Civic Centre 300 City Centre Drive, 11th Floor Mississauga, Ontario L5B 3C1</p> <p>General Email tax@mississauga.ca</p>

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DUCA FINANCIAL SERVICES CREDIT UNION LTD.

-and-

**AMERICAN CORPORATION AND 1000199992 ONTARIO
CORP.**

Applicant

Respondents

Court File No. CV-24-00718071-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

APPLICATION RECORD

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