

IN CONSIDERATION of BDC agreeing to make a loan to the Borrower of the Principal Sum, the Guarantor covenants with BDC as follows:

**1. DEBT AND SECURITY**

In this guarantee, "Loan Security" means all accepted letters of offer, loan agreements, promissory notes, debentures, mortgages, hypothecations, pledges, assignments and security agreements of any kind which BDC may hold at any time as security for the payment of the Principal Sum and all agreements amending, extending or renewing those security instruments. The Guarantor has read all of the Loan Security held by BDC as of the date of this guarantee.

**2. GUARANTEE**

The Guarantor unconditionally guarantees performance by the Borrower of all promises under the Loan Security and payment by the Borrower of the Principal Sum, protective disbursements, interest and other amounts the Borrower has promised to pay under the Loan Security (the foregoing amounts collectively are called the "Outstanding Balance"). The Guarantor also promises to pay to BDC all legal fees and disbursements, on a solicitor and client basis, incurred by BDC in reference to any suit upon this guarantee. The liability of the Guarantor under this guarantee does not exceed the Limited Amount plus legal expenses plus interest on the Limited Amount at the rate provided under the Loan Security calculated and compounded monthly from the date BDC demands payment under this guarantee.

This guarantee shall be a continuing guarantee and the obligations guaranteed hereunder shall include all present and future indebtedness and liabilities of the Borrower to BDC under the Loan Security, of any nature whatsoever, and whether incurred by the Borrower alone or with others.

**3. LIABILITY AS PRINCIPAL DEBTOR**

As between BDC and the Guarantor, the Guarantor is liable as principal debtor for all of the Borrower's covenants contained in the Loan Security notwithstanding any act or omission of the Borrower or of BDC which might otherwise operate as a partial or absolute discharge of the Guarantor if the Guarantor were only a surety.

**4. LIABILITY NOT DIMINISHED BY ACTS OF THE BANK OR THE BORROWER**

Except for payment of all sums due under the Loan Security, payment of the amount due under this guarantee or written discharge, no act or omission of BDC or of the Borrower, before or after default, discharges or diminishes the liability of the Guarantor under this guarantee and without restricting the foregoing, the Guarantor covenants with BDC as follows:

- (a) BDC may grant time and other indulgences to the Borrower, to a Guarantor and to any other person liable for all or any portion of the Principal Sum;
- (b) BDC may modify, extend or renew (in either case, on the then current, or on new, terms), exchange, abstain from perfecting, discharge or abandon the Loan Security or any part of it or anything mortgaged or charged by it;
- (c) BDC may enter into any agreement with the Borrower to vary the terms of any agreement affecting the payment or repayment of Principal Sum, including a change in the rate of interest chargeable on the Principal Sum;
- (d) BDC may enter into any agreement or accept any compromise that has the effect of diminishing or extinguishing the liability of the Borrower to BDC or the value of the Loan Security or the value of anything mortgaged by it;
- (e) BDC need not ascertain or enforce compliance by the Borrower or any other person with any covenant under the Loan Security;
- (f) BDC bears no responsibility for any neglect or omission with respect to anything mortgaged under the Loan Security, either during possession by the Borrower or by any third party or by BDC or by anyone on behalf of BDC;

- (g) BDC is not bound to seek recourse against the Borrower before requiring payment from the Guarantor and BDC may enforce its various remedies under this guarantee and the Loan Security or any part of it at any time, in any manner and in any order as BDC may choose;
- (h) BDC bears no duty to the Guarantor in respect of the liquidation of anything mortgaged under the Loan Security and, without restricting the foregoing, it is under no duty to avoid waste of, to obtain a fair price for or to avoid neglect in the liquidation of anything mortgaged under the Loan Security;
- (i) BDC has no obligation to ensure that any Loan Security, other guarantee or security collateral to a guarantee is executed, perfected or delivered and, if by reason of want of authority or failure of execution and delivery or failure to comply with laws respecting perfection and registration of instruments or any other reason, any intended Loan Security, guarantee or collateral security is not granted, is unenforceable or becomes unenforceable, the liability of the Guarantor under this guarantee remains enforceable and undiminished; and
- (j) The Guarantor confirms and agrees that any modifications of the loan terms or Loan Security may be agreed upon directly between BDC and the Borrower without notice to the Guarantor and without the Guarantor's further concurrence.

**5. SUBROGATION**

The Guarantor shall not be subrogated in any manner to any right of BDC until all money due to BDC under the Loan Security is paid.

**6. RELEASE**

If more than one person guarantees any of the obligations of the Borrower to BDC under this guarantee or any other instrument, BDC may release any of those persons on any terms BDC chooses and each person executing this guarantee who has not been released shall remain liable to BDC under this guarantee as if the person so released had never guaranteed any of the obligations of the Borrower.

**7. PAYMENT AND REMEDYING DEFAULTS**

The Guarantor shall pay the amount guaranteed or rectify any default immediately upon receiving a demand from BDC and shall do so whether or not BDC has exhausted its recourses against the Borrower, other parties, the Loan Security or anything mortgaged under the Loan Security. A demand is effectually made when a letter is posted to the address of the Guarantor last known to BDC.

**8. NO COLLATERAL AGREEMENTS OR REPRESENTATIONS**

Any agreement between BDC and the Guarantor diminishing the liability of the Guarantor under this guarantee, altering any term of this guarantee or imposing any condition against the operation of any such term is of no further force or effect. Any representation made by BDC having such effect is waived. The Guarantor warrants that there are no agreements, representations or conditions that have been relied upon by the Guarantor that are not expressed in this guarantee.

**9. CHANGES MUST BE IN WRITING**

This guarantee may only be amended by writing executed by BDC. No agreement has the effect of diminishing or discharging the liability of the Guarantor under this guarantee unless the agreement is in writing and executed by BDC. The Guarantor shall not rely upon any future representation made by BDC in respect of the liability of the Guarantor under this guarantee unless such representation is in writing executed by BDC.

**10. JOINT AND SEVERAL LIABILITY**

Where this guarantee has been executed by more than one person, the liability of the persons executing this guarantee is joint and several and every reference in this guarantee to the "Guarantor" shall be construed as meaning each person who has executed it as well as all of them. This guarantee is binding on those who have executed it notwithstanding that it may remain unexecuted by any other person.

**11. JURISDICTION**

The laws of the Governing Jurisdiction shall govern the enforcement of this Guarantee and the Guarantor agrees to submit to the jurisdiction of the Courts of the Governing Jurisdiction.

12. **ASSIGNS**

This guarantee is binding upon the Guarantor and the Guarantor's heirs, executors, administrators, successors and assigns and shall enure to the benefit of BDC, its successors and assigns. BDC may assign this guarantee.

13. **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 shall be effective as delivery of a manually executed counterpart of this guarantee.

Executed, Sealed and Delivered by



**TYLAND MANAGEMENT GROUP INC.**  
by its authorized signatory:

per: \_\_\_\_\_

A handwritten signature in black ink, appearing to be 'Tyson Becker', written over a horizontal line.

**CORPORATE AFFIDAVIT**

I CERTIFY that on Aug 15, 2014, at Yorkton, Saskatchewan, Tyson Becker, who is personally known to me, appeared before me and acknowledged to me that he is the authorized signatory of and that he is the person who subscribed his name to the instrument, that he was authorized to subscribe his name to it, and that the corporation existed at the date the instrument was executed by the corporation.

IN TESTIMONY WHEREOF I have hereunto set my hand and seal of office at Yorkton, Saskatchewan on

Aug 15, 2014

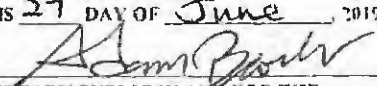
A large, stylized handwritten signature in black ink, likely belonging to the Commissioner for taking Affidavits.

A Commissioner for taking Affidavits for  
The Province of Saskatchewan

A handwritten signature in black ink, appearing to be 'Ken A. Schuster', written below the printed name of the Commissioner.

**BDC**

THIS IS EXHIBIT "F" REFERRED TO  
IN THE AFFIDAVIT OF JENNIFER KOH  
SWORN BEFORE ME AT THE CITY OF  
VANCOUVER, IN THE PROVINCE  
OF BRITISH COLUMBIA  
THIS 27 DAY OF June, 2019.

  
A NOTARY PUBLIC IN AND FOR THE  
PROVINCE OF BRITISH COLUMBIA

My appointment expires N/A  
OR being a solicitor.

January 27, 2015

Mr. Tyson Becker  
Beckerland Farms Inc.  
Box 1167  
Yorkton, SK  
S3N 2X3

Re: BDC Loan 079659-02 and 079659-03

Dear Mr. Becker:

We write in reference to our Letters of Offer for Loan No. 079659-02 and 079659-03, and any subsequent amendments thereto. Subject to the terms set out below, the following amendments will be made to your loan(s).

**Amendments – Loan No. 079659-02:**

**SECURITY**

The following existing Security relating to this Loan:

General Security Agreement from Beckerland Farms Inc. providing:

1) A first security interest in:

- equipment and grain storage bins refinanced by BDC that is used in the Wroxton grain storage operation; and
- equipment and grain storage bins financed by BDC that will be used in the Canora grain storage operation; and

2) A security interest in all other present and after-acquired personal property subject only to:

- priority on inventory and receivables to lender extending line of credit;
  - future charges on specific equipment to creditors financing the purchase or lease
- Equipment list, with applicable serial numbers, to be provided. GSA will stand as security for the 02 and 03 loans.

is modified and is now replaced with:

General Security Agreement from Beckerland Farms Inc. providing:

1) A first security interest in:

- equipment and grain storage bins refinanced by BDC that is used in the Wroxton grain storage operation; and
- equipment and grain storage bins financed by BDC that will be used in the Canora grain storage operation; and

2) A security interest in all other present and after-acquired personal property subject only to:

- priority on inventory and receivables to lender extending line of credit;
- future charges on specific equipment to creditors financing the purchase or lease



Equipment list, with applicable serial numbers, to be provided. GSA will stand as security for the 02 and 03 loans.

BDC GSA to exclude:

- 1) 2011 Schulte Rockpicker 2500 S/N R10010698007
- 2) J & M 620 Grain Cart S/N 6054
- 3) 2013 Lucknow Model 285 Feed Mixer S/N 10-0632
- 4) 2001 Trailmobile Semi Trailer S/N 2MN01AH1Y1004645
- 5) Farm King 6650 - 29" Disc S/N 53987
- 6) 2014 Renn Belly Dump Trailer S/N 2S9ND8695E1029477
- 7) 2000 John Deere 7510 MFWK Tractor S/N RW7510R054066

The following existing Security relating to this Loan:

Guarantee of Tyland Management Group Inc. for the full amount of the loan supported by a:

- 1) General Security Agreement providing a security interest in all present and after-acquired personal property, except consumer goods, subject only to:
  - all existing charges except charges in favour of a shareholder, director, officer or family member of any of those persons, or any entity in which any of these persons have an interest;
  - priority on inventory and receivables to lender extending line of credit; and
  - future charges on specific equipment to creditors financing the purchase or lease.The guarantor agrees that it is directly responsible for the payment of the cancellation, standby and legal fees.

is modified and is now replaced with:

Guarantee of Tyland Management Group Inc. for the full amount of the loan supported by a:

- 1) General Security Agreement providing a security interest in all present and after-acquired personal property, except consumer goods, subject only to:
  - all existing charges except charges in favour of a shareholder, director, officer or family member of any of those persons, or any entity in which any of these persons have an interest;
  - priority on inventory and receivables to lender extending line of credit; and
  - future charges on specific equipment to creditors financing the purchase or lease.The guarantor agrees that it is directly responsible for the payment of the cancellation, standby and legal fees.

BDC GSA to exclude:

- 1) 2011 Schulte Rockpicker 2500 S/N R10010698007
- 2) J & M 620 Grain Cart S/N 6054
- 3) 2013 Lucknow Model 285 Feed Mixer S/N 10-0632
- 4) 2001 Trailmobile Semi Trailer S/N 2MN01AH1Y1004645
- 5) Farm King 6650 - 29" Disc S/N 53987
- 6) 2014 Renn Belly Dump Trailer S/N 2S9ND8695E1029477
- 7) 2000 John Deere 7510 MFWK Tractor S/N RW7510R054066



Except for the modifications expressly mentioned above, nothing in the above amendments with respect to the Security shall in any way alter the rights which BDC now or hereafter has or may have and resulting from the Security nor shall it alter in any way the liability of the remaining obligant(s) and/or guarantor(s), as the case may be.

**Amendments – Loan No. 079659-03:**

**SECURITY**

The following existing Security relating to this Loan

General Security Agreement from Beckerland Farms Inc. providing:

- 1) A first security interest in:
  - equipment and grain storage bins refinanced by BDC that is used in the Wroxton grain storage operation; and
  - equipment and grain storage bins financed by BDC that will be used in the Canora grain storage operation; and
- 2) A security interest in all other present and after-acquired personal property subject only to:
  - priority on inventory and receivables to lender extending line of credit;
  - future charges on specific equipment to creditors financing the purchase or lease.Equipment list, with applicable serial numbers, to be provided. GSA will stand as security for the 02 and 03 loans.

is modified and is now replaced with:

General Security Agreement from Beckerland Farms Inc. providing:

- 1) A first security interest in:
  - equipment and grain storage bins refinanced by BDC that is used in the Wroxton grain storage operation; and
  - equipment and grain storage bins financed by BDC that will be used in the Canora grain storage operation; and
- 2) A security interest in all other present and after-acquired personal property subject only to:
  - priority on inventory and receivables to lender extending line of credit;
  - future charges on specific equipment to creditors financing the purchase or lease.Equipment list, with applicable serial numbers, to be provided. GSA will stand as security for the 02 and 03 loans.

BDC GSA to exclude:

- 1) 2011 Schulte Rockpicker 2500 S/N R10010698007
- 2) J & M 620 Grain Cart S/N 6054
- 3) 2013 Lucknow Model 285 Feed Mixer S/N 10-0632
- 4) 2001 Trailmobile Semi Trailer S/N 2MN01AH1Y1004645
- 5) Farm King 6650 - 29" Disc S/N 53987
- 6) 2014 Renn Belly Dump Trailer S/N 2S9ND8695E1029477
- 7) 2000 John Deere 7510 MFWK Tractor S/N RW7510R054066





The following existing Security relating to this Loan:

Guarantee of Tyland Management Group Inc. for the full amount of the loan supported by a:  
1) General Security Agreement providing a security interest in all present and after-acquired personal property, except consumer goods, subject only to:

- all existing charges except charges in favour of a shareholder, director, officer or family member of any of those persons, or any entity in which any of these persons have an interest;
- priority on inventory and receivables to lender extending line of credit; and
- future charges on specific equipment to creditors financing the purchase or lease.

The guarantor agrees that it is directly responsible for the payment of the cancellation, standby and legal fees.

is modified and is now replaced with:

Guarantee of Tyland Management Group Inc. for the full amount of the loan supported by a:  
1) General Security Agreement providing a security interest in all present and after-acquired personal property, except consumer goods, subject only to:

- all existing charges except charges in favour of a shareholder, director, officer or family member of any of those persons, or any entity in which any of these persons have an interest;
- priority on inventory and receivables to lender extending line of credit, and
- future charges on specific equipment to creditors financing the purchase or lease.

The guarantor agrees that it is directly responsible for the payment of the cancellation, standby and legal fees.

BDC GSA to exclude:

- 1) 2011 Schulte Rockpicker 2500 S/N R10010698007
- 2) J & M 620 Grain Cart S/N 6054
- 3) 2013 Lucknow Model 285 Feed Mixer S/N 10-0632
- 4) 2001 Trailmobile Semi Trailer S/N 2MN01AH1Y1004645
- 5) Farm King 6650 - 29" Disc S/N 53987
- 6) 2014 Renn Belly Dump Trailer S/N 2S9ND8695E1029477
- 7) 2000 John Deere 7510 MFWK Tractor S/N RW7510R054066

Except for the modifications expressly mentioned above, nothing in the above amendments with respect to the Security shall in any way alter the rights which BDC now or hereafter has or may have and resulting from the Security nor shall it alter in any way the liability of the remaining obligant(s) and/or guarantor(s), as the case may be.



The amendments shall take effect upon receipt by BDC of the Acceptance Form duly signed by all signatories no later than April 19, 2015.

All other terms and conditions of your financing with BDC remain unchanged.

Yours truly,

A handwritten signature in black ink, appearing to be 'Ian Fong', written over a horizontal line.

Ian Fong  
Senior Account Manager, Acquisition  
Phone: (306) 780-7343  
Ian.FONG@bdc.ca

A handwritten signature in black ink, appearing to be 'Chris Windjack', written over a horizontal line.

Chris Windjack  
Manager, Business Centre  
Phone: (306) 780-7340  
Chris WINDJACK@bdc.ca

Encl.



Business Development Bank of Canada  
Bank of Canada Building  
2220 - 12th Avenue Suite 320  
Regina, SK  
S4P0M8

Attention: Ian Fong

**Re: BDC Loan 079659-02 and 079659-03**

The undersigned accept the terms and conditions set forth in BDC's Letter of Amendment dated January 27, 2015.

Signed this 29 day of Jan, 2015  
(date) (month) (year)

**BORROWER(S)**

**Beckerland Farms Inc.**

  
\_\_\_\_\_, Authorized Signing Officer

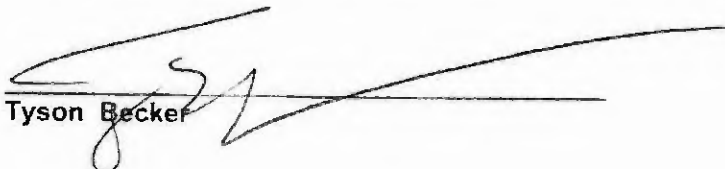
Name: Tyson Becker  
[Please print name of signing party]

**GUARANTOR(S)**

**Tyland Management Group Inc.**

  
\_\_\_\_\_, Authorized Signing Officer

Name: Tyson Becker  
[Please print name of signing party]

  
**Tyson Becker**



## Saskatchewan Personal Property Registry Search Result

THIS IS EXHIBIT "G" REFERRED TO  
IN THE AFFIDAVIT OF JENNIFER KOH  
SWORN BEFORE ME AT THE CITY OF  
VANCOUVER, IN THE PROVINCE  
OF BRITISH COLUMBIA  
THIS 27 DAY OF June, 2019.  
*Adam Bosh*  
A NOTARY PUBLIC IN AND FOR THE  
PROVINCE OF BRITISH COLUMBIA  
My appointment expires N/A  
OR being a solicitor.

**Searching Party:** McDougall Gauley LLP  
**Search Date:** 18-Jun-2019 11:45:03  
**Search Type:** Standard

**Search #:** 203049707  
**Client Reference:** 502544.59 PF  
**Control #:**

**Search Criteria**  
**Search By:** Business Debtor Name  
**Business Name**  
Beckerland Farms Inc.

The following list displays all matches & indicates the ones that were selected.  
26 Registration(s) Found: Exacts (6) - Similar (20)

Selected	Match	Registration #	Registration Type	Debtor Name	City	Enforcement Instruction	Enforcement Instruction Registration #
Yes	Exact	301228271	Personal Property Security Agreement	Beckerland Farms Inc.	Yorkton	No	N/A
Yes	Exact	301272544	Personal Property Security Agreement	BECKERLAND FARMS INC.	YORKTON	No	N/A
Yes	Exact	301279480	Personal Property Security Agreement	BECKERLAND FARMS INC.	YORKTON	No	N/A
Yes	Exact	301374674	Personal Property Security Agreement	BECKERLAND FARMS INC.	Yorkton	No	N/A
Yes	Exact	301842665	Enforcement Charge - Provincial Judgment	Beckerland Farms Inc.	Yorkton	No	N/A
Yes	Exact	301842672	Enforcement Charge - Provincial Judgment	Beckerland Farms Inc.	Yorkton	No	N/A
No	Similar	301316942	Personal Property Security Agreement	BECKER LAND & CATTLE CO LTD	KINDERSLEY	No	N/A
No	Similar	301685313	Personal Property Security Agreement	BECKER LAND & CATTLE CO. LTD	KINDERSLEY	No	N/A
No	Similar	300016548	Personal Property Security Agreement	Becker Land & Cattle Co. Ltd.	Kindersley	No	N/A
No	Similar	300988347	Personal Property Security Agreement	Becker Land & Cattle Co. Ltd.	Kindersley	No	N/A



## Saskatchewan Personal Property Registry Search Result

Selected	Match	Registration #	Registration Type	Debtor Name	City	Enforcement Instruction	Enforcement Instruction Registration #
No	Similar	301146353	Personal Property Security Agreement	Becker Land & Cattle Co. Ltd.	Kindersley	No	N/A
No	Similar	301194189	Personal Property Security Agreement	BECKER LAND & CATTLE CO. LTD.	KINDERSLEY	No	N/A
No	Similar	301302916	Personal Property Security Agreement	Becker Land & Cattle Co. Ltd.	Kindersley	No	N/A
No	Similar	301360900	Personal Property Security Agreement	BECKER LAND & CATTLE CO. LTD.	KINDERSLEY	No	N/A
No	Similar	301423577	Personal Property Security Agreement	Becker Land & Cattle Co. Ltd.	Kindersley	No	N/A
No	Similar	301530324	Personal Property Security Agreement	BECKER LAND & CATTLE CO. LTD.	KINDERSLEY	No	N/A
No	Similar	301562683	Personal Property Security Agreement	BECKER LAND & CATTLE CO. LTD.	Kindersley	No	N/A
No	Similar	301589397	Personal Property Security Agreement	Becker Land & Cattle Co. Ltd.	Kindersley	No	N/A
No	Similar	301666318	Personal Property Security Agreement	BECKER LAND & CATTLE CO. LTD.	KINDERSLEY	No	N/A
No	Similar	301744406	Personal Property Security Agreement	Becker Land & Cattle Co. Ltd.	Kindersley	No	N/A
No	Similar	301808888	Personal Property Security Agreement	Becker Land & Cattle Co. Ltd.	Kindersley	No	N/A
No	Similar	301836775	Personal Property Security Agreement	BECKER LAND & CATTLE CO. LTD.	KINDERSLEY	No	N/A
No	Similar	301875553	Personal Property Security Agreement	BECKER LAND & CATTLE CO. LTD.	KINDERSLEY	No	N/A



## Saskatchewan Personal Property Registry Search Result

Selected	Match	Registration #	Registration Type	Debtor Name	City	Enforcement Instruction	Enforcement Instruction Registration #
No	Similar	301889672	Personal Property Security Agreement	BECKER LAND & CATTLE CO. LTD.	KINDERSLEY	No	N/A
Yes	Similar	301834917	Commercial Lien	Beckerland Farms	Yorkton	No	N/A
Yes	Similar	301846632	Commercial Lien	Beckerland Farms	Yorkton	No	N/A



**Saskatchewan  
Personal Property Registry  
Search Result**

**Current - Exact**

**Registration Type:** Personal Property Security Agreement  
**Registration Date:** 14-Aug-2014 13:24:52

**Registration #:** 301228271  
**Expiry Date:** 10-Jul-2037

**Event Type:** Setup  
**Transaction Reason:** Regular

**Notations**

**Trust Indenture:** No

**Registrant**

---

<b>Party ID:</b> 152030914 - 1	<b>Address:</b> 800 - 1801 Hamilton Street
<b>Entity Type:</b> Business	Regina, Saskatchewan
<b>Name:</b> McKercher LLP	S4P4B4
	Canada

**Secured Party**

---

<b>Item #:</b> 1	<b>Address:</b> 320, 2220 12th Avenue
<b>Party ID:</b> 150282306 - 1	Regina, Saskatchewan
<b>Entity Type:</b> Business	S4P0M8
<b>Name:</b> Business Development Bank of Canada	Canada

**Debtor Party**

---

<b>*Item #:</b> 1	<b>Address:</b> 7 Broadway Street East
<b>Party ID:</b> 152154167 - 1	Yorkton, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> Beckerland Farms Inc.	Canada

**General Property**

---

All of the Debtor's present and after-acquired personal property.

---

---



**Saskatchewan  
Personal Property Registry  
Search Result**

**Current - Exact**

**Registration Type:** Personal Property Security Agreement  
**Registration Date:** 24-Nov-2014 10:11:11

**Registration #:** 301272544  
**Expiry Date:** 01-Dec-2021

**Event Type:** Amendment  
**Transaction Reason:** Regular

**Notations**

**Trust Indenture:** No

**Registrant**

<b>Party ID:</b> 152039997 - 1	<b>Address:</b> #10-3903 Millar Avenue
<b>Entity Type:</b> Business	Saskatoon, Saskatchewan
<b>Name:</b> Calidon Financial Services Inc.	S7P0C1 Canada

**Secured Party**

<b>Item #:</b> 1	<b>Address:</b> #10-3903 Millar Avenue
<b>Party ID:</b> 152039997 - 1	Saskatoon, Saskatchewan
<b>Entity Type:</b> Business	S7P0C1
<b>Name:</b> Calidon Financial Services Inc.	Canada

**Debtor Party**

<b>*Item #:</b> 1	<b>Address:</b> BOX 1167
<b>Party ID:</b> 151825571 - 1	YORKTON, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> BECKERLAND FARMS INC.	Canada
<b>Item #:</b> 2	<b>Address:</b> BOX 1167
<b>Party ID:</b> 151825570 - 1	YORKTON, Saskatchewan
<b>Entity Type:</b> Person	S3N2X3
<b>Name:</b> BECKER, TYSON	Canada
<b>Birth Date:</b> 27-Dec-1972	
<b>Item #:</b> 3	<b>Address:</b> BOX 1167
<b>Party ID:</b> 151911022 - 1	YORKTON, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> TYLAND MANAGEMENT GROUP INC.	Canada

**Serial Property**

<b>Item #:</b> 2	<b>Year:</b> 2015
<b>Serial Type:</b> Trailer	<b>Make/Desc.:</b> PRECISION 20' EQUIPMENT
<b>Serial #:</b> 2P9UT6242FP078386	<b>Model:</b>
<b>Override:</b> No	<b>Color:</b>
<b>Item #:</b> 3	<b>Year:</b> 2015
<b>Serial Type:</b> Trailer	<b>Make/Desc.:</b> PRECISION 14' DUMP
<b>Serial #:</b> 2P9PD3246FP078383	<b>Model:</b>
<b>Override:</b> No	<b>Color:</b>
<b>Item #:</b> 4	<b>Year:</b> 2016
<b>Serial Type:</b> Trailer	<b>Make/Desc.:</b> PRECISION
<b>Serial #:</b> 2P9FG9343GP078931	<b>Model:</b> 30' GOOSENECK TRAILER
<b>Override:</b> No	<b>Color:</b>

**General Property**

(1) 2016 PRECISION 30' GOOSENECK TRAILER.  
(1) 2015 PRECISION 20' EQUIPMENT TRAILER.  
(1) 2015 PRECISION 14' DUMP TRAILER AS DESCRIBED IN LEASE # 11258 AND PROCEEDS THEREOF INCLUDING ALL GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INTANGIBLES.



**Saskatchewan  
Personal Property Registry  
Search Result**

**History - Setup**

**Registration Type:** Personal Property Security Agreement  
**Registration Date:** 24-Nov-2014 10:11:11

**Registration #:** 301272544  
**Transaction #:** 1  
**Expiry Date:** 01-Dec-2019

**Event Type:** Setup  
**Transaction Reason:** Regular

**Notations**

**Trust Indenture:** No

**Registrant**

<b>Party ID:</b> 152039997 - 1	<b>Address:</b> #10-3903 Millar Avenue
<b>Entity Type:</b> Business	Saskatoon, Saskatchewan
<b>Name:</b> Calidon Financial Services Inc.	S7P0C1
	Canada

**Secured Party**

<b>Item #:</b> 1	<b>Address:</b> #10-3903 Millar Avenue
<b>Party ID:</b> 152039997 - 1	Saskatoon, Saskatchewan
<b>Entity Type:</b> Business	S7P0C1
<b>Name:</b> Calidon Financial Services Inc.	Canada

**Debtor Party**

<b>Item #:</b> 1	<b>Address:</b> BOX 1167
<b>Party ID:</b> 151825571 - 1	YORKTON, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> BECKERLAND FARMS INC.	Canada
<b>Item #:</b> 2	<b>Address:</b> BOX 1167
<b>Party ID:</b> 151825570 - 1	YORKTON, Saskatchewan
<b>Entity Type:</b> Person	S3N2X3
<b>Name:</b> BECKER, TYSON	Canada
<b>Birth Date:</b> 27-Dec-1972	
<b>Item #:</b> 3	<b>Address:</b> BOX 1167
<b>Party ID:</b> 151911022 - 1	YORKTON, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> TYLAND MANAGEMENT GROUP INC.	Canada

**Serial Property**

<b>Item #:</b> 1	<b>Year:</b> 2015
<b>Serial Type:</b> Trailer	<b>Make/Desc.:</b> PRECISION 30' GOOSENECK
<b>Serial #:</b> 2P9FG9242FP078404	<b>Model:</b>
<b>Override:</b> No	<b>Color:</b>
<b>Item #:</b> 2	<b>Year:</b> 2015
<b>Serial Type:</b> Trailer	<b>Make/Desc.:</b> PRECISION 20' EQUIPMENT
<b>Serial #:</b> 2P9UT6242FP078386	<b>Model:</b>
<b>Override:</b> No	<b>Color:</b>
<b>Item #:</b> 3	<b>Year:</b> 2015
<b>Serial Type:</b> Trailer	<b>Make/Desc.:</b> PRECISION 14' DUMP
<b>Serial #:</b> 2P9PD3246FP078383	<b>Model:</b>
<b>Override:</b> No	<b>Color:</b>

**General Property**

(1) 2015 PRECISION 30' GOOSENECK TRAILER.  
(1) 2015 PRECISION 20' EQUIPMENT TRAILER.  
(1) 2015 PRECISION 14' DUMP TRAILER AS DESCRIBED IN LEASE # 11258 AND PROCEEDS THEREOF INCLUDING ALL GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INTANGIBLES.





**Saskatchewan  
Personal Property Registry  
Search Result**

**History - Amendment**

**Amendment Date:** 19-Apr-2016 10:16:26

**Registration #:** 301272544  
**Transaction #:** 2

**Event Type:** Amendment  
**Transaction Reason:** Regular

**Registrant**

<b>Party ID:</b> 152039997 - 1	<b>Address:</b> #10-3903 Millar Avenue
<b>Entity Type:</b> Business	Saskatoon, Saskatchewan
<b>Name:</b> Calidon Financial Services Inc.	S7P0C1
	Canada

**Serial Property**

<b>Action:</b> Delete	<b>Year:</b> 2015
<b>Item #:</b> 1	<b>Make/Desc.:</b> PRECISION 30' GOOSENECK
<b>Serial Type:</b> Trailer	<b>Model:</b>
<b>Serial #:</b> 2P9FG9242FP078404	<b>Color:</b>
<b>Override:</b> No	
<b>Action:</b> Add	<b>Year:</b> 2016
<b>Item #:</b> 4	<b>Make/Desc.:</b> PRECISION
<b>Serial Type:</b> Trailer	<b>Model:</b> 30' GOOSENECK TRAILER
<b>Serial #:</b> 2P9FG9343GP078931	<b>Color:</b>
<b>Override:</b> No	

**General Property**

(1) 2016 PRECISION 30' GOOSENECK TRAILER.  
 (1) 2015 PRECISION 20' EQUIPMENT TRAILER.  
 (1) 2015 PRECISION 14' DUMP TRAILER AS DESCRIBED IN LEASE # 11258 AND PROCEEDS THEREOF INCLUDING ALL GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INTANGIBLES.

**History - Amendment**

**Amendment Date:** 18-Jan-2019 09:05:57

**Registration #:** 301272544  
**Transaction #:** 3  
**Expiry Date:** 01-Dec-2021

**Event Type:** Amendment  
**Transaction Reason:** Regular

**Life Time:** Life Time Amended

**Registrant**

<b>Party ID:</b> 152039997 - 1	<b>Address:</b> #10-3903 Millar Avenue
<b>Entity Type:</b> Business	Saskatoon, Saskatchewan
<b>Name:</b> Calidon Financial Services Inc.	S7P0C1
	Canada



**Saskatchewan  
Personal Property Registry  
Search Result**

**Current - Exact**

**Registration Type:** Personal Property Security Agreement  
**Registration Date:** 10-Dec-2014 16:15:49

**Registration #:** 301279480  
**Expiry Date:** 01-Sep-2021

**Event Type:** Amendment  
**Transaction Reason:** Regular

**Notations**

**Trust Indenture:** No

**Registrant**

<b>Party ID:</b> 152039997 - 1	<b>Address:</b> #10-3903 Millar Avenue
<b>Entity Type:</b> Business	Saskatoon, Saskatchewan
<b>Name:</b> Calidon Financial Services Inc.	S7P0C1 Canada

**Secured Party**

<b>Item #:</b> 1	<b>Address:</b> #10-3903 Millar Avenue
<b>Party ID:</b> 152039997 - 1	Saskatoon, Saskatchewan
<b>Entity Type:</b> Business	S7P0C1 Canada
<b>Name:</b> Calidon Financial Services Inc.	

**Debtor Party**

<b>*Item #:</b> 1	<b>Address:</b> BOX 1167
<b>Party ID:</b> 151825571 - 1	YORKTON, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3 Canada
<b>Name:</b> BECKERLAND FARMS INC.	
<b>Item #:</b> 2	<b>Address:</b> BOX 1167
<b>Party ID:</b> 151825570 - 1	YORKTON, Saskatchewan
<b>Entity Type:</b> Person	S3N2X3 Canada
<b>Name:</b> BECKER, TYSON	
<b>Birth Date:</b> 27-Dec-1972	
<b>Item #:</b> 3	<b>Address:</b> BOX 1167
<b>Party ID:</b> 151911022 - 1	YORKTON, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3 Canada
<b>Name:</b> TYLAND MANAGEMENT GROUP INC.	

**Serial Property**

<b>Item #:</b> 1	<b>Year:</b> 2001
<b>Serial Type:</b> Trailer	<b>Make/Desc.:</b> TRAILMOBILE SEMI TRAILER
<b>Serial #:</b> 2MN01AH1Y1004645	<b>Model:</b>
<b>Override:</b> No	<b>Color:</b>
<b>Item #:</b> 2	<b>Year:</b> 2000
<b>Serial Type:</b> Motor Vehicle	<b>Make/Desc.:</b> JOHN DEERE TRACTOR
<b>Serial #:</b> RW7510R054066	<b>Model:</b> 7510 MFWD
<b>Override:</b> Yes	<b>Color:</b>

**General Property**

- (1) 2011 SCHULTE ROCKPICKER 2500 ; S/N: R10010698007
- (1) J & M 620 GRAIN CART ; S/N: 6054
- (1) 2013 LUCKNOW MODEL 285 FEED MIXER ; S/N: 10-0632
- (1) 2001 TRAILMOBILE SEMI TRAILER
- (1) FARM KING 6650 - 29' DISC ; S/N: 53987
- (1) 2000 JOHN DEERE 7510 MFWD TRACTOR ; S/N: RW7510R054066 AS DESCRIBED IN LEASE #11318 AND PROCEEDS THEREOF INCLUDING ALL GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INTANGIBLES.



**Saskatchewan  
Personal Property Registry  
Search Result**

**History - Setup**

**Registration Type:** Personal Property Security Agreement  
**Registration Date:** 10-Dec-2014 16:15:49

**Registration #:** 301279480  
**Transaction #:** 1  
**Expiry Date:** 01-Dec-2019

**Event Type:** Setup  
**Transaction Reason:** Regular

**Notations**

**Trust Indenture:** No

**Registrant**

<b>Party ID:</b> 152039997 - 1	<b>Address:</b> #10-3903 Millar Avenue
<b>Entity Type:</b> Business	Saskatoon, Saskatchewan
<b>Name:</b> Calidon Financial Services Inc.	S7P0C1
	Canada

**Secured Party**

<b>Item #:</b> 1	<b>Address:</b> #10-3903 Millar Avenue
<b>Party ID:</b> 152039997 - 1	Saskatoon, Saskatchewan
<b>Entity Type:</b> Business	S7P0C1
<b>Name:</b> Calidon Financial Services Inc.	Canada

**Debtor Party**

<b>Item #:</b> 1	<b>Address:</b> BOX 1167
<b>Party ID:</b> 151825571 - 1	YORKTON, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> BECKERLAND FARMS INC.	Canada

<b>Item #:</b> 2	<b>Address:</b> BOX 1167
<b>Party ID:</b> 151825570 - 1	YORKTON, Saskatchewan
<b>Entity Type:</b> Person	S3N2X3
<b>Name:</b> BECKER, TYSON	Canada
<b>Birth Date:</b> 27-Dec-1972	

<b>Item #:</b> 3	<b>Address:</b> BOX 1167
<b>Party ID:</b> 151911022 - 1	YORKTON, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> TYLAND MANAGEMENT GROUP INC.	Canada

**Serial Property**

<b>Item #:</b> 1	<b>Year:</b> 2001
<b>Serial Type:</b> Trailer	<b>Make/Desc.:</b> TRAILMOBILE SEMI TRAILER
<b>Serial #:</b> 2MN01AH1Y1004645	<b>Model:</b>
<b>Override:</b> No	<b>Color:</b>

<b>Item #:</b> 2	<b>Year:</b> 2000
<b>Serial Type:</b> Motor Vehicle	<b>Make/Desc.:</b> JOHN DEERE TRACTOR
<b>Serial #:</b> RW7510R054066	<b>Model:</b> 7510 MFWD
<b>Override:</b> Yes	<b>Color:</b>

**General Property**

- (1) 2011 SCHULTE ROCKPICKER 2500 ; S/N: R10010698007
- (1) J & M 620 GRAIN CART ; S/N: 6054
- (1) 2013 LUCKNOW MODEL 285 FEED MIXER ; S/N: 10-0632
- (1) 2001 TRAILMOBILE SEMI TRAILER
- (1) FARM KING 6650 - 29' DISC ; S/N: 53987
- (1) 2014 WHEATHEART 16 x 125 SWING AUGER C/W DOWNSPOUT ; S/N: 15246
- (1) 2000 JOHN DEERE 7510 MFWD TRACTOR ; S/N: RW7510R054066 AS DESCRIBED IN LEASE #11318 AND PROCEEDS THEREOF INCLUDING ALL GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INTANGIBLES.

**History - Amendment**

**Registration #:** 301279480



# Saskatchewan Personal Property Registry Search Result

**Amendment Date:** 13-Jan-2015 10:47:27

**Transaction #:** 2

**Event Type:** Amendment  
**Transaction Reason:** Regular

**Registrant**

<b>Party ID:</b> 152039997 - 1	<b>Address:</b> #10-3903 Millar Avenue
<b>Entity Type:</b> Business	Saskatoon, Saskatchewan
<b>Name:</b> Calidon Financial Services Inc.	S7P0C1
	Canada

**Serial Property**

<b>Action:</b> Add	<b>Year:</b> 2014
<b>Item #:</b> 3	<b>Make/Desc.:</b> RENN BELLY DUMP
<b>Serial Type:</b> Trailer	<b>Model:</b>
<b>Serial #:</b> 2S9ND8695E1029477	<b>Color:</b>
<b>Override:</b> No	

**General Property**

- (1) 2011 SCHULTE ROCKPICKER 2500 ; S/N: R10010698007
- (1) J & M 620 GRAIN CART ; S/N: 6054
- (1) 2013 LUCKNOW MODEL 285 FEED MIXER ; S/N: 10-0632
- (1) 2001 TRAILMOBILE SEMI TRAILER
- (1) FARM KING 6650 - 29' DISC ; S/N: 53987
- (1) 2014 RENN BELLY DUMP TRAILER ; S/N: 2S9ND8695E1029477.
- (1) 2000 JOHN DEERE 7510 MFWD TRACTOR ; S/N: RW7510R054066 AS DESCRIBED IN LEASE #11318 AND PROCEEDS THEREOF INCLUDING ALL GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INTANGIBLES.

## History - Amendment

**Amendment Date:** 29-Apr-2016 11:47:38

**Registration #:** 301279480  
**Transaction #:** 3

**Event Type:** Amendment  
**Transaction Reason:** Regular

**Registrant**

<b>Party ID:</b> 152039997 - 1	<b>Address:</b> #10-3903 Millar Avenue
<b>Entity Type:</b> Business	Saskatoon, Saskatchewan
<b>Name:</b> Calidon Financial Services Inc.	S7P0C1
	Canada

**Serial Property**

<b>Action:</b> Delete	<b>Year:</b> 2014
<b>Item #:</b> 3	<b>Make/Desc.:</b> RENN BELLY DUMP
<b>Serial Type:</b> Trailer	<b>Model:</b>
<b>Serial #:</b> 2S9ND8695E1029477	<b>Color:</b>
<b>Override:</b> No	

**General Property**

- (1) 2011 SCHULTE ROCKPICKER 2500 ; S/N: R10010698007
- (1) J & M 620 GRAIN CART ; S/N: 6054
- (1) 2013 LUCKNOW MODEL 285 FEED MIXER ; S/N: 10-0632
- (1) 2001 TRAILMOBILE SEMI TRAILER
- (1) FARM KING 6650 - 29' DISC ; S/N: 53987
- (1) 2000 JOHN DEERE 7510 MFWD TRACTOR ; S/N: RW7510R054066 AS DESCRIBED IN LEASE #11318 AND PROCEEDS THEREOF INCLUDING ALL GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INTANGIBLES.

## History - Amendment



**Saskatchewan  
Personal Property Registry  
Search Result**

**Amendment Date:** 27-Jun-2018 14:51:23

**Registration #:** 301279480  
**Transaction #:** 4  
**Expiry Date:** 01-Sep-2021

**Event Type:** Amendment  
**Transaction Reason:** Regular

**Life Time:** Life Time Amended

**Registrant**

---

**Party ID:** 152039997 - 1  
**Entity Type:** Business  
**Name:** Calidon Financial Services Inc.

**Address:** #10-3903 Millar Avenue  
Saskatoon, Saskatchewan  
S7P0C1  
Canada

---

---



**Saskatchewan  
Personal Property Registry  
Search Result**

**Current - Exact**

**Registration Type:** Personal Property Security Agreement  
**Registration Date:** 07-Aug-2015 14:28:08

**Registration #:** 301374674  
**Expiry Date:** 07-Aug-2025

**Event Type:** Setup  
**Transaction Reason:** Regular

**Notations**

**Trust Indenture:** No

**Registrant**

---

<b>Party ID:</b> 150161646 - 1	<b>Address:</b> 7 BROADWAY STREET EAST P.O. BOX 1148
<b>Entity Type:</b> Business	YORKTON, Saskatchewan
<b>Name:</b> RUSNAK BALACKO KACHUR & RUSNAK	S3N2X3
	Canada

**Secured Party**

---

<b>Item #:</b> 1	<b>Address:</b> Box 1148
<b>Party ID:</b> 152386998 - 1	Yorkton, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> EMW INDUSTRIAL LTD.	Canada

**Debtor Party**

---

<b>*Item #:</b> 1	<b>Address:</b> 7 Broadway Street E., P.O. Box 1148
<b>Party ID:</b> 152386999 - 1	Yorkton, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> BECKERLAND FARMS INC.	Canada

**General Property**

---

ALL PRESENT AND AFTER ACQUIRED PROPERTY.

---

---



**Saskatchewan  
Personal Property Registry  
Search Result**

**Current - Exact**

**Registration Type:** Enforcement Charge - Provincial Judgment  
**Registration Date:** 26-Nov-2018 14:30:06  
**Judgment Date:** 16-Nov-2018

**Registration #:** 301842665  
**Expiry Date:** 16-Nov-2028

**Event Type:** Setup  
**Transaction Reason:** Regular

**Notations**

**Court #:** 151 of 2018  
**Judicial Centre:** Yorkton  
**Amount:** \$5,415,972.52

**Registrant**

<b>Party ID:</b> 152330264 - 1	<b>Address:</b> 500 - 616 Main Street
<b>Entity Type:</b> Business	Saskatoon, Saskatchewan
<b>Name:</b> McDougall Gauley LLP	S7H0J6
	Canada

**Creditor**

<b>Item #:</b> 1	<b>Address:</b> Suite 200 One Bentall Centre
<b>Party ID:</b> 153133684 - 1	505 Burrard Street
<b>Entity Type:</b> Business	Vancouver, British Columbia
<b>Name:</b> Business Development Bank of Canada	V7X1M3
	Canada

**Debtor**

<b>*Item #:</b> 1	<b>Address:</b> 7 Broadway Street
<b>Party ID:</b> 153133685 - 1	Yorkton, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> Beckerland Farms Inc.	Canada
<b>Item #:</b> 2	<b>Address:</b> 7 Broadway Street
<b>Party ID:</b> 153133686 - 1	Yorkton, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> Tyland Management Group Inc.	Canada

**General Property**

All of the personal property and lands of the debtor within Saskatchewan.





**Saskatchewan  
Personal Property Registry  
Search Result**

**Current - Exact**

**Registration Type:** Enforcement Charge - Provincial Judgment  
**Registration Date:** 26-Nov-2018 14:39:43  
**Judgment Date:** 16-Nov-2018

**Registration #:** 301842672  
**Expiry Date:** 16-Nov-2028

**Event Type:** Setup  
**Transaction Reason:** Regular

**Notations**

**Court #:** 151 of 2018  
**Judicial Centre:** Yorkton  
**Amount:** \$45,469.87

**Registrant**

<b>Party ID:</b> 152330264 - 1 <b>Entity Type:</b> Business <b>Name:</b> McDougall Gauley LLP	<b>Address:</b> 500 - 616 Main Street Saskatoon, Saskatchewan S7H0J6 Canada
---	--

**Creditor**

<b>Item #:</b> 1 <b>Party ID:</b> 153133696 - 1 <b>Entity Type:</b> Business <b>Name:</b> Business Development Bank of Canada	<b>Address:</b> Suite 200 One Bentall Centre 505 Burrard Street Vancouver, Saskatchewan V7X1M3 Canada
--	---

**Debtor**

<b>*Item #:</b> 1 <b>Party ID:</b> 153133685 - 1 <b>Entity Type:</b> Business <b>Name:</b> Beckerland Farms Inc.	<b>Address:</b> 7 Broadway Street Yorkton, Saskatchewan S3N2X3 Canada
<b>Item #:</b> 2 <b>Party ID:</b> 153133686 - 1 <b>Entity Type:</b> Business <b>Name:</b> Tyland Management Group Inc.	<b>Address:</b> 7 Broadway Street Yorkton, Saskatchewan S3N2X3 Canada
<b>Item #:</b> 3 <b>Party ID:</b> 153133694 - 1 <b>Entity Type:</b> Person <b>Name:</b> Becker, Tyson Steven	<b>Address:</b> 150 York Rd E Yorkton, Saskatchewan S3N2X3 Canada

**General Property**

All of the personal property and lands of the debtor within Saskatchewan.



**Saskatchewan  
Personal Property Registry  
Search Result**

**Current - Similar**

**Registration Type:** Commercial Lien  
**Registration Date:** 02-Nov-2018 12:01:35

**Registration #:** 301834917  
**Expiry Date:** 02-Nov-2019

**Event Type:** Setup  
**Transaction Reason:** Regular

**Registrant**

---

<b>Party ID:</b> 153120777 - 1	<b>Address:</b> Box 1207
<b>Entity Type:</b> Business	Yorkton, Saskatchewan
<b>Name:</b> Dave's Diesel Ltd.	S3N2X3
	Canada

**Secured Party**

---

<b>Item #:</b> 1	<b>Address:</b> Box 1207
<b>Party ID:</b> 153120777 - 1	Yorkton, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> Dave's Diesel Ltd.	Canada

**Debtor Party**

---

<b>*Item #:</b> 1	<b>Address:</b> Box 1167
<b>Party ID:</b> 153120778 - 1	Yorkton, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> Beckerland Farms	Canada

**Serial Property**

---

<b>Item #:</b> 1	<b>Year:</b> 2003
<b>Serial Type:</b> Motor Vehicle	<b>Make/Desc.:</b> Kenworth
<b>Serial #:</b> 1XKDD49X43J968294	<b>Model:</b> T800
<b>Override:</b> No	<b>Color:</b>

---

---



**Saskatchewan  
Personal Property Registry  
Search Result**

**Current - Similar**

**Registration Type:** Commercial Lien  
**Registration Date:** 06-Dec-2018 09:53:11

**Registration #:** 301846632  
**Expiry Date:** 06-Dec-2019

**Event Type:** Setup  
**Transaction Reason:** Regular

**Registrant**

---

<b>Party ID:</b> 153140214 - 1	<b>Address:</b> Box 1207
<b>Entity Type:</b> Business	Yorkton, Saskatchewan
<b>Name:</b> Dave's Diesel Ltd.	S3N2X3
	Canada

**Secured Party**

---

<b>Item #:</b> 1	<b>Address:</b> Box 1207
<b>Party ID:</b> 153140214 - 1	Yorkton, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> Dave's Diesel Ltd.	Canada

**Debtor Party**

---

<b>*Item #:</b> 1	<b>Address:</b> Box 1167
<b>Party ID:</b> 153120778 - 1	Yorkton, Saskatchewan
<b>Entity Type:</b> Business	S3N2X3
<b>Name:</b> Beckerland Farms	Canada

**Serial Property**

---

<b>Item #:</b> 1	<b>Year:</b> 2013
<b>Serial Type:</b> Motor Vehicle	<b>Make/Desc.:</b> Volvo
<b>Serial #:</b> 4V4NC9KK6DN563499	<b>Model:</b>
<b>Override:</b> No	<b>Color:</b>

---

---

**End of Search Result**

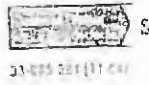


THIS IS EXHIBIT "H" REFERRED TO  
 IN THE AFFIDAVIT OF JENNIFER KOH  
 SWORN BEFORE ME AT THE CITY OF  
 VANCOUVER, IN THE PROVINCE OF  
 BRITISH COLUMBIA  
 THIS 27 DAY OF June, 2019.

Adam Borden  
 A NOTARY PUBLIC IN AND FOR THE  
 PROVINCE OF BRITISH COLUMBIA  
 My appointment expires N/A  
 OR being a solicitor.

April 14, 2016

Beckerland Farms Inc.  
 Box 1167  
 Yorkton, SK S3N 2X3

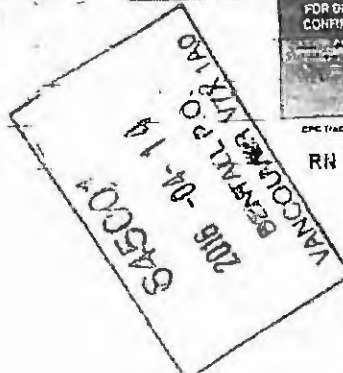


REGISTERED  
 DOMESTIC  
 CUSTOMER RECEIPT

RECOMMANDE  
 RÉGIME INTÉRIEUR  
 REÇU DU CLIENT



Destinataire



RN 007 073 736 CA

**Re: BDC Loans. Account No.079659-02 & 03**

Dear Mr. Tyson Becker:

You are in DEFAULT under the terms of the security for the subject loan and BDC hereby invokes the acceleration clause contained in the security and demands the repayment of the loans in full

The amount due and payable on the date of this letter is:

	Loan No. 02	Loan No. 03
Principal	\$4,740,000.00	\$46,800.00
Interest	\$76,693.55	\$29.16
Fees	\$50.00	
<b>TOTAL</b>	<b>\$4,816,743.55</b>	<b>\$46,829.16</b>
Daily interest	\$815.39	\$7.29

Daily interest is required up to and including the date of payment. Interest is compounded monthly and the daily interest amount will increase as a result

If the sum is not received within 10 days from the date of this letter, BDC shall take such action as may be necessary to enforce its rights as set out in the security

We enclose the Form 86 Notice of Intention to Enforce Security pursuant to Subsection 244(l) of the *Bankruptcy and Insolvency Act*

Yours truly,

Jennifer Koh  
 Jennifer Koh  
 Senior Account Manager, Special Accounts  
 Phone: 604-666-1653  
 Fax: 604-666-7251  
 Email: jennifer.koh@bdc.ca

Helen Huang  
 Helen Huang  
 Regional Director, Special Accounts  
 Phone: 604-666-4267  
 Fax: 604-666-7251  
 Email: helen.huang@bdc.ca

Encl. Form 86

CC: Tyland Management Group Inc & Tyson Steven Becker



REGISTERED DOMESTIC

RECOMMANDÉ RÉGIME INTÉRIEUR



CUSTOMER RECEIPT

REÇU DU CLIENT

To Name	Destinataire Nom	FOR DELIVERY CONFIRMATION	CONFIRMATION DE LA LIVRAISON
Address	Adresse	www.bdc.ca	www.bdc.ca
City / Province / Postal Code	Ville / Province / Code postal	1 888 550-6333	
Registered Money Order	\$	BDC Tracking Number	Numéro de suivi de la BDC
33-036 034 (11-04)		RN 007 073 705 CA	

April 14, 2016

Tyson Steven Becker  
150 York Road East  
Yorkton, SK. S3N 2X3

**Re: BDC Loan Beckerland Farms Inc. Account no. 079659-02 & 03**

Dear Tyson Becker:

We enclose herewith a copy of our notice of our demand addressed to the above named borrower, which you will find self-explanatory.

As you are aware, BDC holds guarantees from yourself as underlying security for the above loans. We remind you that pursuant to the terms of the guarantees, BDC is not required to realize on the assets of the borrower mortgaged to BDC before making demand for payment upon you as the guarantor.

This letter constitutes demand upon you for the satisfaction of your guarantee obligation, concurrent with BDC's demand upon the company, and, if the indebtedness to BDC is not settled within 10 days from date of this letter, we propose to take such action as may be necessary for collection thereof.

	Loan No. 02	Loan No. 03
Guarantee Detail	\$500,000.00	Full loan outstanding
		\$46,829.16
<b>Guarantee Amount Now Due</b>	<b>\$500,000.00</b>	<b>\$46,829.16</b>
Daily interest on the guarantee amount	\$84.93	\$7.29

Daily interest is required up to and including the date of payment. Interest is compounded monthly and the daily interest amount will increase as a result.

Yours truly,

  
 Jennifer Koh  
 Senior Account Manager, Special Accounts  
 Phone: 604-666-1653  
 Fax: 604-666-7251  
 Email: jennifer.koh@bdc.ca

  
 Helen Huang  
 Regional Director, Special Accounts  
 Phone: 604-666-4267  
 Fax: 604-666-7251  
 Email: helen.huang@bdc.ca

Encl.



REGISTERED DOMESTIC

RECOMMANDÉ RÉGIME INTÉRIEUR



CUSTOMER RECEIPT

REÇU DU CLIENT

To Nom	Destinataire Nom	FOR DELIVERY CONFIRMATION INQUIRY/PHYSICAL OR/OU 1888 540 6333	CONFIRMATION DE LA LIVRAISON INTELEPHONE/PHYSICAL OR/OU 1888 540 6333
Address Adresse	Address Adresse		
City / Town / Postal Code	City / Town / Postal Code	RN 007 073 719 CA	
33 035 584 (11-04)		CPC Tracking Number Numéro de suivi de la BDC	

April 14, 2016

Tyland Management Group Inc.  
7 Broadway ST. E.  
PO Box 1148  
Yorkton, SK. S3N 2X3

**Re: BDC Loan Beckerland Farms Inc. Account no. 079659-02 & 03**

Dear Tyson Becker:

We enclose herewith a copy of our notice of our demand addressed to the above named borrower, which you will find self-explanatory.

As you are aware, BDC holds guarantees from yourself as underlying security for the above loans. We remind you that pursuant to the terms of the guarantees, BDC is not required to realize on the assets of the borrower mortgaged to BDC before making demand for payment upon you as the guarantor.

This letter constitutes demand upon you for the satisfaction of your guarantee obligation, concurrent with BDC's demand upon the company, and, if the indebtedness to BDC is not settled within 10 days from date of this letter, we propose to take such action as may be necessary for collection thereof.

	Loan No. 02	Loan No. 03
Guarantee Detail	Full loan outstanding	Full loan outstanding
	\$4,816,743.55	\$46,829.16
<b>Guarantee Amount Now Due</b>	<b>\$4,816,743.55</b>	<b>\$46,829.16</b>
Daily interest on the guarantee amount	\$815.29	\$7.29

Daily interest is required up to and including the date of payment. Interest is compounded monthly and the daily interest amount will increase as a result.

We enclose the Form 86 Notice of Intention to Enforce Security pursuant to Subsection 244(l) of the *Bankruptcy and Insolvency Act*.

Yours truly,

  
Jennifer Koh  
Senior Account Manager, Special Accounts  
Phone: 604-666-1653  
Fax: 604-666-7251  
Email: jennifer.koh@bdc.ca

  
Helen Huang  
Regional Director, Special Accounts  
Phone: 604-666-4267  
Fax: 604-666-7251  
Email: helen.huang@bdc.ca

Encl. Form 86

Business Development Bank of Canada  
Special Accounts  
One Bantall Centre  
505 Burrard Street, Suite 200 P.O. Box 6  
Vancouver, British Columbia V7X 1M3

Banque de développement du Canada  
Comptes spéciaux  
One Bantall Centre  
505, rue Burrard, bureau 200 C.P. 6  
Vancouver (Colombie-Britannique) V7X 1M3

F 604-666-7251  
www.bdc.ca

Canada

THIS IS EXHIBIT "I" REFERRED TO  
IN THE AFFIDAVIT OF JENNIFER KOH  
SWORN BEFORE ME AT THE CITY OF  
VANCOUVER, IN THE PROVINCE OF  
BRITISH COLUMBIA  
THIS 27 DAY OF June, 2019.

COURT FILE NUMBER \_\_\_\_\_

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE OF YORKTON

PROPOSED PLAINTIFF

BUSINESS DEVELOPMENT BANK OF CANADA

PROPOSED DEFENDANT

BECKERLAND FARMS INC.

Adam Borker  
A NOTARY PUBLIC IN AND FOR THE  
PROVINCE OF BRITISH COLUMBIA  
My appointment expires N/A  
OR being a solicitor.

### AFFIDAVIT OF SERVICE

I, COLLEEN GRIEMAN, of the City of Saskatoon, in the Province of Saskatchewan, MAKE OATH AND SAY

1. THAT I served the Proposed Defendant, BECKERLAND FARMS INC., with a true copy of a Notice pursuant to the Bankruptcy and Insolvency Act, attached hereto and marked as Exhibit "A" to this my Affidavit by mailing the same by prepaid registered mail addressed as follows:

Beckerland Farms Inc.  
7 Broadway Street East  
Box 1148  
YORKTON, SK S3N 2X3

2. THAT attached hereto and marked as Exhibit "B" to this my Affidavit is the Canada Post receipt for such registered mail evidencing that the documents were mailed to the Proposed Defendant, BECKERLAND FARMS INC., on the 16th day of June, 2016.

3. THAT attached hereto and marked as Exhibit "C" to this my Affidavit is the Acknowledgement of Receipt therefor purporting to be signed by or on behalf of the said addressee on the 17<sup>th</sup> day of June, 2016.

4. THAT the basis of my information and belief as to the postal address of the said




Proposed Defendant is that a search of the Corporate Registry for the Province of Saskatchewan revealed that the registered office for the said Proposed Defendant is above.

SWORN BEFORE ME at Saskatoon  
in the Province of  
Saskatchewan this 19<sup>th</sup> day  
of June, 2019.



A Commissioner for Oaths in and for  
the Province of Saskatchewan.  
My commission expires October 31, 2022.

)  
)  
)   
) Colleen Grieman

This Affidavit of Service was delivered by MCDUGALL GAULEY LLP

FORM 115

**NOTICE OF INTENTION TO ENFORCE SECURITY**

(Subsection 244(1))

TO: BECKERLAND FARMS INC., an insolvent person

TAKE NOTICE THAT:

1. Business Development Bank of Canada ("**BDC**"), a secured creditor, intends to enforce its security on the property of Beckerland Farms Inc. described below:

All present and after acquired property of Beckerland Farms Inc.  
NE 29-26-31 W1M  
Blk/Par A Plan No 102173701

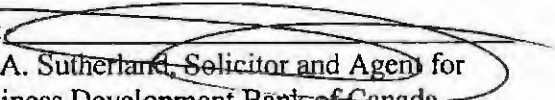
2. The security that is to be enforced is in the form of a General Security Agreement dated August 15, 2014, a Mortgage dated August 15, 2014 in the amount of \$3,300,000.00, a Mortgage dated August 15, 2014 in the amount of \$3,600,000.00 and General Assignment of Rentals dated August 15, 2014.

3. The total amount of indebtedness secured by the security is \$4,913,911.19 plus interest thereon from June 13, 2016, to the date of payment in accordance with the various agreements between the parties.

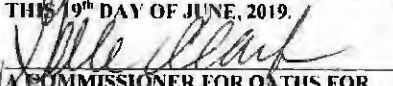
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at the City of Saskatoon, this 16<sup>th</sup> day of June, 2016.

**MCDUGALL GAULEY LLP**

Per:   
Ian A. Sutherland, Solicitor and Agent for  
Business Development Bank of Canada

THIS IS EXHIBIT "A" REFERRED TO IN  
THE AFFIDAVIT OF COLLEEN GRIEMAN  
SWORN BEFORE ME AT SASKATOON,  
IN THE PROVINCE OF SASKATCHEWAN,  
THIS 19<sup>th</sup> DAY OF JUNE, 2019.

  
A COMMISSIONER FOR OATHS FOR  
SASKATCHEWAN

My commission expires October 31, 2022

Q.B. No. of 2019

BETWEEN: **BUSINESS DEVELOPMENT BANK OF CANADA, (PROPOSED PLAINTIFF)** and **BECKERLAND FARMS INC. (PROPOSED DEFENDANT)**



This is Exhibit "B" referred to in the Affidavit of Colleen Grieman sworn before me at Saskatoon, in the Province of Saskatchewan, this 19<sup>th</sup> day of June, 2019.

A Commissioner for Oaths in and for the Province of Saskatchewan

My Commission expires October 31, 2022.



Date: 2016/07/05

Dear Sir or Madam

Please find below the scanned delivery date and signature of the recipient of the item identified below:

Item Number RN131291677CA  
Product Name Registered Mail/Courrier recommandé  
Reference Number 1 Not Applicable  
Reference Number 2 Not Applicable  
Delivery Date (yyyy/mm/dd) 2016/06/17  
Signatory Name RUSNAK LAW

Signature

Yours sincerely,

Customer Relationship Network

1-888-550-6333.

(From outside Canada 1 416 979-3033)

*This copy confirms to the delivery date and signature of the individual who accepted and signed for the item in question. This information has been extracted from the Canadapost data warehouse*

THIS IS EXHIBIT "C" REFERRED TO IN THE AFFIDAVIT OF COLLEEN GRIEMAN SWORN BEFORE ME AT SASKATOON, IN THE PROVINCE OF SASKATCHEWAN, THIS 19<sup>th</sup> DAY OF JUNE, 2019.

A COMMISSIONER FOR OATHS FOR SASKATCHEWAN  
My commission expires October 31, 2022

COURT FILE NUMBER \_\_\_\_\_

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE OF YORKTON

PROPOSED PLAINTIFF BUSINESS DEVELOPMENT BANK OF CANADA

PROPOSED DEFENDANT BECKERLAND FARMS INC.

**AFFIDAVIT OF SERVICE**

I, COLLEEN GRIEMAN, of the City of Saskatoon, in the Province of Saskatchewan, MAKE OATH AND SAY:

1. THAT I served the Proposed Defendant, BECKERLAND FARMS INC., with a true copy of a Notice pursuant to the Farm Debt Mediation Act, attached hereto and marked as Exhibit "A" to this my Affidavit by mailing the same by prepaid registered mail addressed as follows:

Beckerland Farms Inc.  
7 Braodway Street East  
Box 1148  
YORKTON, SK S3N 2X3

2. THAT attached hereto and marked as Exhibit "B" to this my Affidavit is the Canada Post receipt for such registered mail evidencing that the documents were mailed to the Proposed Defendant, BECKERLAND FARMS INC., on the 16th day of June, 2016.

3. THAT attached hereto and marked as Exhibit "C" to this my Affidavit is the Acknowledgement of Receipt therefor purporting to be signed by or on behalf of the said addressee on the 17<sup>th</sup> day of June, 2016.

4. THAT the basis of my information and belief as to the postal address of the said

Proposed Defendant is that a search of the Corporate Registry for the Province of Saskatchewan revealed that the registered office for the said Proposed Defendant is above.

5. THAT I served the Farm Debt Mediation Services with a true copy of a Notice pursuant to the Farm Debt Mediation Act, attached hereto and marked as Exhibit "A" to this my Affidavit, by mailing the same by prepaid registered mail addressed as follows:

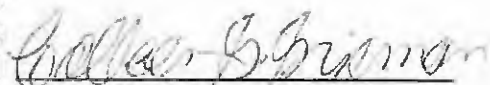
Farm Debt Mediation Services  
401-1800 Hamilton Street  
REGINA, SK S4P 4K7

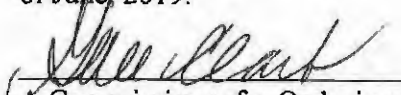
6. THAT attached hereto and marked as Exhibit "D" to this my Affidavit is the Canada Post receipt for such registered mail evidencing that the documents were mailed to the said addressee, on the 16th day of June, 2016.

7. THAT attached hereto and marked as Exhibit "E" to this my Affidavit is the Acknowledgement of Receipt therefor purporting to be signed by or on behalf of the said addressee on the 20<sup>th</sup> day of June, 2016.

8. THAT the basis of my information and belief as to the postal address of the Farm Debt Mediation Services is that it is the recorded address for the addressee maintained by the law firm of MCDOUGALL GAULEY LLP.

SWORN BEFORE ME at Saskatoon )  
in the Province of )  
Saskatchewan this 19<sup>th</sup> day )  
of June, 2019. )

  
Colleen Grieman

  
\_\_\_\_\_ )

A Commissioner for Oaths in and for  
the Province of Saskatchewan.  
My commission expires October 31, 2022.

This Affidavit of Service was delivered by MCDOUGALL GAULEY LLP



Agriculture and  
Agri-Food Canada  
Farm Debt  
Mediation Service

Agriculture et  
Agroalimentaire Canada  
Service de médiation en  
matière d'endettement agricole

**NOTICE OF INTENT TO REALIZE ON SECURITY  
PRÉAVIS DE RÉALISATION DE SÛRETÉ**

As required under Section 21 of the *Farm Debt Mediation Act*, you are hereby notified that it is the intent of:  
Conformément à l'article 21 de la *Loi sur la médiation en matière d'endettement agricole*, vous êtes, par la présente, avisé qu'il est dans l'intention de :

To realize on security given against the assets of:  
De réaliser sur la sûreté contre les biens de :

of  
domicilié au :

The security being:  
La sûreté qui est :

See attached Schedule "A"

(type(s) of security / genre(s) de sûreté)

BUSINESS DEVELOPMENT BANK OF CANADA

(name of creditor / nom du créancier)

BECKERLAND FARMS INC.

(name of farmer / nom de l'agriculteur(trice))

Box 1148, Yorkton, SK S3N 2X3

(address / adresse)

on / sur See attached Schedule "A"

(asset(s) / bien(s))

Dated this 16<sup>th</sup> day of June 2016 at Saskatoon, Saskatchewan  
Daté ce 16<sup>th</sup> jour de June 2016 à Saskatoon, Saskatchewan

Business Development Bank of  
Canada per: McDougall Gauley

306-665-5417

Printed Creditor Name  
Imprimez le nom du créancier

Signature of Secured Creditor or authorized representative  
Signature du créancier garanti ou du représentant autorisé

Creditor Phone Number  
Numéro de téléphone du créancier

You are hereby notified of your right to make application under Section 5 of the *Farm Debt Mediation Act* for a review of your financial affairs, mediation with your creditors, and to obtain a stay of proceedings against this action. Provided you are:

Vous êtes, par la présente, avisé de votre droit de présenter une demande en vertu de l'article 5 de la *Loi sur la médiation en matière d'endettement agricole* en vue d'un examen de vos affaires financières, de la médiation avec vos créanciers et de l'obtention d'une suspension des procédures contre cette action. Sous réserve que vous êtes :

- a) currently engaged in farming for commercial purposes; and
- b) insolvent, meaning that you are:
  - unable to meet your obligations as they generally become due; or
  - have ceased paying your current obligations in the ordinary course of business as they generally become due; or
  - the aggregate of your property is not, at fair valuation, sufficient, or if disposed of at a fairly conducted sale under legal process would not be sufficient, to enable payment of all your obligations, due and accruing due.

- a) actuellement engagé en agriculture à des fins commerciales;
- b) insolvable, ce qui signifie :
  - que vous ne pouvez vous acquitter de vos obligations au fur et à mesure de leurs échéances; ou
  - que vous ayez cessé de vous acquitter de vos obligations courantes dans le cours ordinaire de vos affaires au fur et à mesure de leurs échéances; ou
  - que la totalité de vos biens n'est pas suffisante, d'après une juste estimation, ou ne suffirait pas, s'il en était disposé lors d'une vente régulièrement effectuée par autorité de justice, pour permettre l'acquittement de toutes vos obligations échues ou à échoir.

A secured creditor must wait 15 business days after this notice has been deemed served before beginning action to realize on their security. You may apply for mediation and a stay of proceedings at any time, before, during, or after the 15 business day period, by making an application to the Farm Debt Mediation Service.

Le créancier garanti doit attendre 15 jours ouvrables après que cet avis ait été réputé avoir été signifié pour prendre des mesures en vue de réaliser la garantie. Vous pouvez demander une médiation et une suspension des procédures en tout temps, c'est-à-dire avant, pendant ou après les 15 jours ouvrables, en présentant une demande en ce sens au Service de médiation en matière d'endettement agricole.

The Farm Debt Mediation Service provides qualified farm financial counsellors to conduct a financial review and to prepare a recovery plan for your mediation meeting. Qualified mediators are provided to help you and your creditors reach a mutually satisfactory arrangement.

Le Service de médiation en matière d'endettement agricole offre les services de conseillers financiers compétents en agriculture qui peuvent mener un examen financier et préparer un plan de recouvrement en prévision de votre réunion de médiation. Les services de médiateurs compétents sont offerts pour vous aider ainsi que vos créanciers à conclure un accord satisfaisant pour toutes les parties.

Application forms and more information about the service can be obtained from:

Vous pouvez obtenir les formulaires de demande et un complément d'information sur le service auprès de :

**Farm Debt Mediation Service / Service de médiation en matière d'endettement agricole**  
**1-866-452-5556**

The information you provide on this document is collected by Agriculture and Agri-Food Canada under the authority of the *Farm Debt Mediation Act* for the purpose of facilitating financial arrangements between farmers and their creditors. Personal information will be protected under the provisions of the *Privacy Act* and will be stored in Personal Information Bank AAC-PPU-227. Information may be accessible or protected as required under the provisions of the *Access to Information Act*.

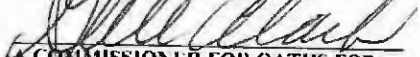
Les renseignements que vous fournissez dans le présent document sont recueillis par Agriculture et Agroalimentaire Canada en vertu de la *Loi sur la médiation en matière d'endettement agricole* afin de faciliter la conclusion d'arrangements financiers entre les agriculteurs(trices) et leurs créanciers. Les renseignements personnels seront protégés en vertu de la *Loi sur la protection des renseignements personnels* et seront versés au Fichier de renseignements personnels AAC-PPU-227. Les renseignements peuvent être accessibles ou protégés selon ce que prescrit la *Loi sur l'accès à l'information*.



**SCHEDULE "A"**  
**TO FARM DEBT MEDIATION ACT NOTICE**  
**OF BECKERLAND FARMS INC.**

<b>LIST OF ASSETS</b>	<b>LIST OF SECURITY</b>
NE 29-26-31 W1M	Mortgage dated August 15, 2014 In the amount of \$3,300,000.00
Blk/Par A Plan No 102173701	Mortgage dated August 15, 2014 In the amount of \$3,600,000.00
All of the debtor's present and after acquired property	General Security Agreement dated August 15, 2014
Rentals from NE 29-26-31 W1M	General Assignment of Rentals Dated August 14, 2014

THIS IS EXHIBIT "A" REFERRED TO IN  
THE AFFIDAVIT OF COLLEEN GRIEMAN  
SWORN BEFORE ME AT SASKATOON,  
IN THE PROVINCE OF SASKATCHEWAN,  
THIS 19<sup>TH</sup> DAY OF JUNE, 2019.

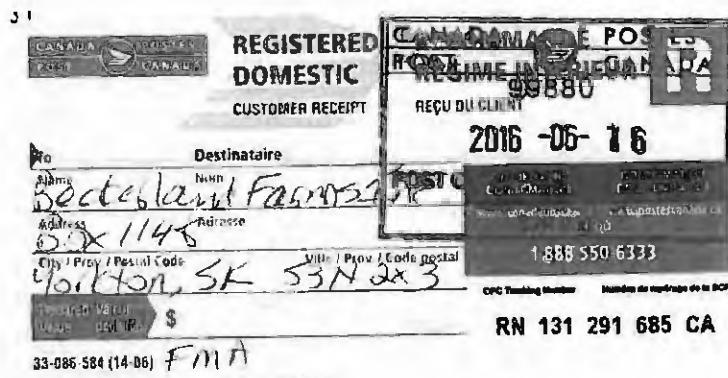


A COMMISSIONER FOR OATHS FOR  
SASKATCHEWAN

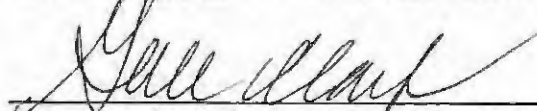
My commission expires October 31, 2022

Q.B. No. of 2019

BETWEEN: **BUSINESS DEVELOPMENT BANK OF CANADA, (PROPOSED PLAINTIFF)** and **BECKERLAND FARMS INC. (PROPOSED DEFENDANT)**



This is Exhibit "B" referred to in the Affidavit of Colleen Grieman sworn before me at Saskatoon, in the Province of Saskatchewan, this 19<sup>th</sup> day of June, 2019.

  
A Commissioner for Oaths in and for the Province of Saskatchewan  
My Commission expires October 31, 2022.



Date: 2016/07/05

Dear Sir or Madam

Please find below the scanned delivery date and signature of the recipient of the item identified below:

Item Number RN131291685CA

Product Name Registered Mail/Courrier recommandé

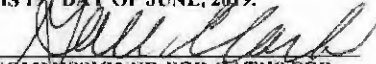
Reference Number 1 Not Applicable

Reference Number 2 Not Applicable

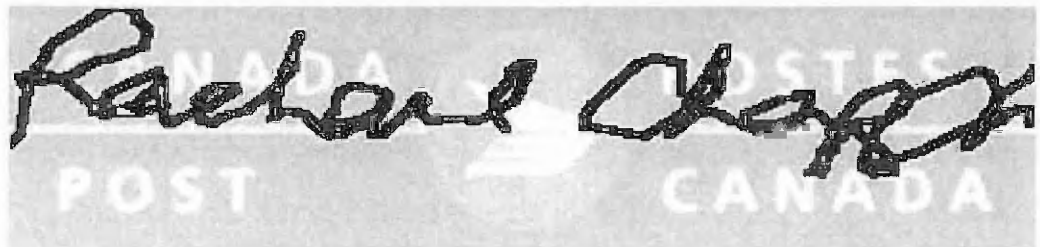
Delivery Date (yyyy/mm/dd) 2016/06/17

Signatory Name RUSNAK LAW

THIS IS EXHIBIT "C" REFERRED TO IN  
 THE AFFIDAVIT OF COLLEEN GRIEMAN  
 SWORN BEFORE ME AT SASKATOON,  
 IN THE PROVINCE OF SASKATCHEWAN,  
 THIS 19<sup>TH</sup> DAY OF JUNE, 2019.

  
 A COMMISSIONER FOR OATHS FOR  
 SASKATCHEWAN  
 My commission expires October 31, 2022

Signature



Yours sincerely,

Customer Relationship Network

1-888-550-6333.

(From outside Canada 1 416 979-3033)

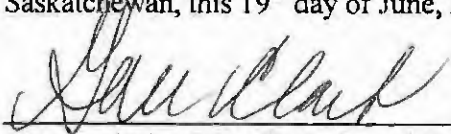
*This copy confirms to the delivery date and signature of the individual who accepted and signed for the item in question. This information has been extracted from the Canadapost data warehouse*

Q.B. No. of 2019

BETWEEN: **BUSINESS DEVELOPMENT BANK OF CANADA, (PROPOSED PLAINTIFF)** and **BECKERLAND FARMS INC. (PROPOSED DEFENDANT)**

		<b>REGISTERED DOMESTIC</b>	<b>RECOMMANDÉ RÉGIME INTÉRIEUR</b>
		CUSTOMER RECEIPT	REÇU DU CLIENT
To	Destinataire	2016 -06- 16	
Name	Nom	Farm Direct Med Services	
Address	Adresse	401-1300 Hamilton St.	
City / Prov. / Postal Code	Ville / Prov. / Code postal	Saskatoon, SK S4P 4K7	
CPC Tracking Number		1 888 550-6333	
		RN 131 291 703 CA	
33-086-584 (14-06)			

This is Exhibit "D" referred to in the Affidavit of Colleen Grieman sworn before me at Saskatoon, in the Province of Saskatchewan, this 19<sup>th</sup> day of June, 2019.



A Commissioner for Oaths in and for the Province of Saskatchewan

My Commission expires October 31, 2022.



Date: 2016/07/05

Dear Sir or Madam

Please find below the scanned delivery date and signature of the recipient of the item identified below:

Item Number                   RN131291703CA

Product Name                 Registered Mail/Courrier recommandé

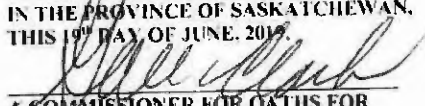
Reference Number 1         Not Applicable

Reference Number 2         Not Applicable

Delivery Date (yyyy/mm/dd) 2016/06/20

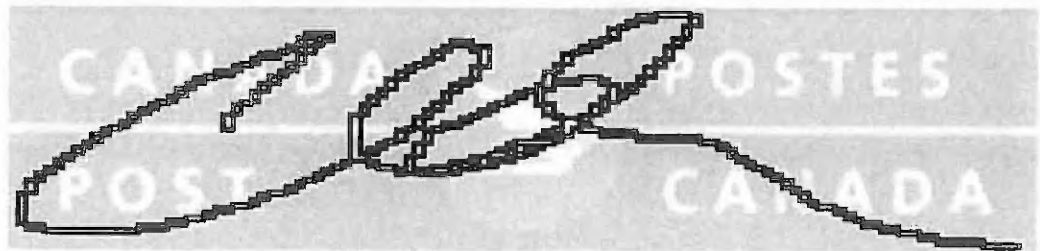
Signatory Name              FCC/CLARENCE MOHR

THIS IS EXHIBIT "E" REFERRED TO IN  
 THE AFFIDAVIT OF COLLEEN GRIEMAN  
 SWORN BEFORE ME AT SASKATOON,  
 IN THE PROVINCE OF SASKATCHEWAN,  
 THIS 19<sup>TH</sup> DAY OF JUNE, 2016.



\_\_\_\_\_  
 A COMMISSIONER FOR OATHS FOR  
 SASKATCHEWAN  
 My commission expires October 31, 2022

Signature



Yours sincerely,

Customer Relationship Network

1-888-550-6333.

(From outside Canada 1 416 979-3033)

*This copy confirms to the delivery date and signature of the individual who accepted and signed for the item in question. This information has been extracted from the Canadapost data warehouse*

COURT FILE NUMBER \_\_\_\_\_

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE OF YORKTON

PROPOSED PLAINTIFF BUSINESS DEVELOPMENT BANK OF CANADA

PROPOSED DEFENDANT BECKERLAND FARMS INC.

**AFFIDAVIT OF SERVICE**

I, COLLEEN GRIEMAN, of the City of Saskatoon, in the Province of Saskatchewan, MAKE OATH AND SAY:

1. THAT I served the Proposed Defendant, BECKERLAND FARMS INC., with a true copy of a Notice pursuant to The Saskatchewan Farm Security Act, attached hereto and marked as Exhibit "A" to this my Affidavit by mailing the same by prepaid registered mail addressed as follows:

Beckerland Farms Inc.  
7 Braodway Street East  
Box 1148  
YORKTON, SK S3N 2X3

2. THAT attached hereto and marked as Exhibit "B" to this my Affidavit is the Canada Post receipt for such registered mail evidencing that the documents were mailed to the Proposed Defendant, BECKERLAND FARMS INC., on the 16th day of June, 2016.

3. THAT attached hereto and marked as Exhibit "C" to this my Affidavit is the Acknowledgement of Receipt therefor purporting to be signed by or on behalf of the said addressee on the 17<sup>th</sup> day of June, 2016.

4. THAT the basis of my information and belief as to the postal address of the said

Proposed Defendant is that a search of the Corporate Registry for the Province of Saskatchewan revealed that the registered office for the said Proposed Defendant is above.

5. THAT I served the Farm Land Security Board with a true copy of a Notice pursuant to The Saskatchewan Farm Security Act, attached hereto and marked as Exhibit "A" to this my Affidavit, by mailing the same by prepaid registered mail addressed as follows:

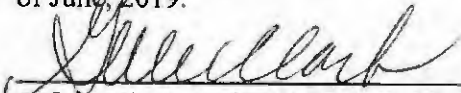
Farm Land Security Board  
315-3085 Albert Street  
REGINA, SK S4S 0B1

6. THAT attached hereto and marked as Exhibit "D" to this my Affidavit is the Canada Post receipt for such registered mail evidencing that the documents were mailed to the said addressee, on the 16th day of June, 2016.

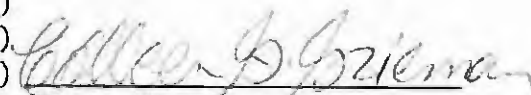
7. THAT attached hereto and marked as Exhibit "E" to this my Affidavit is the Acknowledgement of Receipt therefor purporting to be signed by or on behalf of the said addressee on the 17<sup>th</sup> day of June, 2016.

8. THAT the basis of my information and belief as to the postal address of the Farm Land Security Board is that it is the recorded address for the addressee maintained by the law firm of MCDOUGALL GAULEY LLP.

SWORN BEFORE ME at Saskatoon  
in the Province of  
Saskatchewan this 19<sup>th</sup> day  
of June, 2019.



A Commissioner for Oaths in and for  
the Province of Saskatchewan.  
My commission expires October 31, 2022.

)  
)   
) Colleen Grieman

This Affidavit of Service was delivered by MCDOUGALL GAULEY LLP

IN THE MATTER OF:

**BUSINESS DEVELOPMENT BANK OF CANADA**  
Main Floor  
One Bentall Centre  
505 Burrard Street  
Vancouver, BC V7X 1V3


Mortgagee,

- AND -

**BECKERLAND FARMS INC.**  
7 Broadway Street, P.O. Box 1148  
Yorkton, SK S3N 2X3

Mortgagors,

THIS IS EXHIBIT "A" REFERRED TO IN  
THE AFFIDAVIT OF COLLEEN GRIEMAN  
SWORN BEFORE ME AT SASKATOON,  
IN THE PROVINCE OF SASKATCHEWAN,  
THIS 19<sup>th</sup> DAY OF JUNE, 2019.



A COMMISSIONER FOR OATHS FOR  
SASKATCHEWAN

My commission expires October 31, 2022

---

**NOTICE PURSUANT TO THE  
SASKATCHEWAN FARM SECURITY ACT**

---

MCDUGALL GAULEY LLP  
Barristers & Solicitors  
500-616 Main Street  
SASKATOON, Saskatchewan  
S7H 0J6



IN THE MATTER OF: **BUSINESS DEVELOPMENT BANK OF CANADA**, (Mortgagee) and  
**BECKERLAND FARMS INC.** (Mortgagor)

**NOTICE PURSUANT TO THE  
SASKATCHEWAN FARM SECURITY ACT**

TAKE NOTICE that the Business Development Bank of Canada intends to make an application, not less than 150 days after the date of service of the within Notice, to the Court of Queen's Bench of Saskatchewan, Judicial Centre of Yorkton, for an Order that Section 9(d) of The Saskatchewan Farm Security Act does not apply with respect to a mortgage of farm land granted in favour of Business Development Bank of Canada by Beckerland Farms Inc., registered in the Information Services Corporation as Interest Register No. 120278796.

AND TAKE NOTICE THAT:

- A. Business Development Bank of Canada claims an interest as Mortgagee in the farm property described in Schedule "A" to this Notice.
- B. Business Development Bank of Canada says that the mortgage, a copy of which is attached to this Notice as Schedule "B", was executed by Beckerland Farms Inc. as Mortgagor against the farm lands described in Schedule "A" hereto in favour of Business Development Bank of Canada.
- C. The particulars of the subject mortgage are as described in Schedule "C" to this Notice.

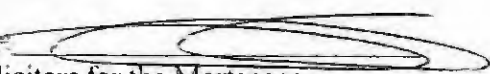
AND FURTHER TAKE NOTICE THAT the Mortgagee's address for service and correspondence with respect to the within action is as follows:

In care of:  
MCDOUGALL GAULEY LLP  
Barristers & Solicitors  
500-616 Main Street  
Saskatoon, Saskatchewan  
S7H 0J6

Attention: Mr. Ian A. Sutherland

DATED at the City of Saskatoon, in the Province of Saskatchewan this <sup>16</sup> day of June  
2016.

MCDOUGALL GAULEY LLP

Per   
Solicitors for the Mortgagee

**SCHEDULE "A"**

Title #145632225

Surface Parcel #141199296

Reference Land Description: NE Sec 29 Twp 26 Rge 31 W1 Extension 0 as described on  
Certificate of Title 85Y03106

SCHEDULE "B"



**MORTGAGE**

---

**MORTGAGOR:** BECKERLAND FARMS INC.

the "Borrower",

**MORTGAGEE:** BUSINESS DEVELOPMENT BANK OF CANADA

"BDC",

**DATED:** the 15 day of Aug, 2014

**FOR:** \$3,300,000.00 (the "Principal Sum") and other indebtedness.

the Borrower, being or entitled to be registered as owner of an estate in fee simple (or such other estate as hereinafter provided) subject, however, to such encumbrances, liens, and interests, as are notified by memorandum underwritten (or endorsed hereon) that piece or pieces of land described as follows:

Surface Parcel #141199296  
Reference Land Description: NE Sec 29 Twp 26 Rge 31 W1 Extension 0  
As described on Certificate of Title 85Y03106

(the "Lands")

**IN CONSIDERATION** of the Principal Sum lent to the Borrower by BDC, incorporated by Special Act of the Parliament of Canada, having its head office at the City of Montreal, in the Province of Quebec, with a business centre at 320, 2220 12<sup>th</sup> Avenue, Regina, Saskatchewan S4P 0M8

the receipt of which sum is hereby acknowledged, the Borrower hereby mortgages and charges its entire estate and interest in the Lands as security for repayment of the Secured Obligations, not to exceed \$3,300,000.00 together with interest and costs, and acknowledges and covenants with BDC, as follows:

**1. DEFINITIONS**

"you" and "your" refers to the Borrower and "we" and "us" refers to BDC

"Secured Obligations" means the aggregate of all indebtedness and obligations of the Borrower to BDC as may arise pursuant to Article 2 of this mortgage.

"floating base rate" means the rate of interest declared from time to time and at any time by BDC from its head office in Montreal, Quebec, as its floating base rate of interest charged on Canadian dollar loans to its commercial customers.

## 2. DEBT

You promise to pay to BDC, at such office of BDC as we may direct, the aggregate of:

- (a) the Principal Sum outstanding from time to time;
- (b) all your other present or future debts, liabilities or obligations hereunder, or under any letter of offer, commitment letter, guarantee, or any other agreement, arrangement, document, or negotiable or other instrument, present or future, with or given to BDC (including those in replacement of, and any amendment of, any of the foregoing, and including all future advances and re-advances, protective disbursements, interest, and interest on overdue interest), whether direct or indirect, absolute or contingent, joint or several, matured or not, extended or renewed, wherever and however incurred, of whatsoever nature or kind, whether or not provided for herein, and whether owed by you to BDC, as principal, guarantor, indemnitor, surety or otherwise;
- (c) interest on the Principal Sum at an annual rate equal to the floating base rate of the announced from to time to time plus 10.00% per year, calculated monthly and payable monthly, both after as well as before maturity, default and/or judgment (the "Interest Rate") provided that if you and BDC have agreed to a lower interest rate as to the Principal Sum or any particular Secured Obligations then that lower interest rate will apply thereto. In the absence of an agreement as to the interest rate applicable to any Secured Obligations the rate shall be the lesser of the Interest Rate and the highest rate of interest applicable to any of the Secured Obligations;
- (d) interest on interest past due at the Interest Rate and calculated in the same manner as interest on the Principal Sum; and
- (e) interest on each protective disbursement from the day the protective disbursement (as hereinafter defined) is made, at the Interest Rate and calculated in the same manner as interest on the Principal Sum.

## 3. READVANCES

It is our mutual Intention that BDC may wish to make advances and re-advances to you up to an aggregate outstanding balance at any time equal to the Principal Sum. Accordingly, this mortgage shall be considered to be a revolving line of credit mortgage within the meaning of, and shall take priority in accordance with the provisions dealing with same in, *The Land Titles Act or The Land Titles Act, 2000* of Saskatchewan. This mortgage is and shall be a continuing security to BDC for the repayment of all present and future amounts owing in respect of the Secured Obligations. Any portion of the Principal Sum may be advanced or re-advanced by BDC in one or more advances at any future date or dates and the amount of such advances and re-advances when so made shall be secured by this mortgage and shall be repayable with interest at the Interest Rate. This mortgage shall be deemed to be taken as security for the ultimate balance of the Secured Obligations. This mortgage shall not be void if the Secured Obligations have been repaid in full if such ability to borrow continues to be available to you. This mortgage shall be void only when the Secured Obligations have been repaid in full and BDC gives written notice to you that you will not be allowed to borrow further monies and there has been performance of all covenants, provisos and conditions herein contained. Notwithstanding that this mortgage may be deemed to be a revolving line of credit mortgage, there shall be no right of prepayment except as provided elsewhere in this mortgage.

## 4. SECURITY

As security for payment of the Secured Obligations, and for the performance of your other obligations under this agreement, you grant, bargain and sell to BDC the Lands (including fixtures, appurtenances, leasehold improvements and rights of way). This mortgage is void upon payment of the Secured Obligations and the performance of those other obligations. This mortgage is granted in addition to, and not in substitution for, any other security held to secure payment of the Secured Obligations.

## 5. FIXTURES

In this mortgage the expression "the Lands" includes fixtures and improvements, appurtenances, leasehold improvements and rights of way. All erections, buildings or improvements that now are or that shall hereafter be put or built upon the Lands shall be fixtures and be a part of the realty and form a part of this security even though not attached to the Lands otherwise than by their own weight and shall not be removed during the continuance of this mortgage. Fixtures shall include without limitation, all trade fixtures, all heating, ventilating, air conditioning, plumbing and electrical systems and equipment comprised in the Lands, all safes, cooking, refrigeration and washing equipment on or in the Lands, all telecommunication and telephone equipment serving the Lands, and all maintenance equipment used in connection with the Lands.

## 6. MORTGAGE OF LEASE

If your interest is as a lessee, sub-lessee, licensee or sub-licensee (collectively a "lessee") of the whole or any portion of the Lands pursuant to a lease:

- (a) you hereby demise, sub-lease and mortgage your interest and the lease and any renewals, extensions or replacements of the lease to BDC, by way of a sub-lease, except for the last day of the term of the lease (the "reversion") which is excepted out of the charge created by this mortgage but which shall be deemed to be held by you in trust for BDC to be assigned or disposed of as BDC or anyone claiming through BDC may direct, and BDC shall have power on any realization to appoint a new person as Trustee of the reversion;
- (b) if the lease cannot be effectively charged without consent, any charge intended to be created by this mortgage upon your interest in the lease shall not become effective until, but shall become effective immediately when, all consents necessary for the validity and effectiveness of such charge have been obtained or waived by all appropriate persons;
- (c) you represent to BDC that the lease is valid and in good standing, in full force and effect and unsurrendered, you have the right to mortgage your interest and the lease to BDC, all rents or other amounts payable under the lease have been paid and all other obligations under the lease, whether yours or the landlords, have been performed or complied with;
- (d) you will promptly perform and observe all of the terms, covenants and conditions required to be performed and observed by you under the lease, including payment of rent and the renewing of the lease;
- (e) you shall take no action or be guilty of any default which shall or may cause the lease to be terminated or forfeited, or, without BDC's prior written consent, surrender or give any notice which would have the effect of terminating, or permitting the termination of, the lease;
- (f) you will promptly notify BDC in writing of any default or of any condition that with or without the passage of time or the giving of any notice might result in a default under, or the termination of, the lease, and you will promptly cause a copy of each notice you receive under the lease to be delivered to BDC;
- (g) in the event that you, at any time or from time to time, extend the size of the leasehold land herein or increases the size of your equity in the leasehold land or become registered as owner or entitled to become registered as owner of the full fee simple then the mortgage of the leasehold land shall become enlarged to be a mortgage of the increased size of the mortgaged premises or of the increased size of the equity or of the full fee simple, as the case may be;
- (h) you will not during the continuance of this mortgage, without BDC's prior written consent, modify, alter or suffer or permit any modification or alteration of the lease and any such altered or modified lease shall be charged by this mortgage;
- (i) you will promptly obtain from the lessor under the lease and deliver to BDC, a certificate stating that the lease is in full force and effect, is unmodified or modified as the case may be, that no notice of termination

thereon has been served on you thereunder, stating the date to which the rent has been paid and stating whether or not there are any defaults thereunder and specifying the nature of such defaults, if any;

- (j) you shall not consent to the subordination of the lease to any mortgage of the interest of the lessor (or leasehold interest of the sub-lessor) thereof in the Lands; and
- (k) you will at the proper time and times take such proceedings, and make, do and execute such acts, deeds, matters and things as may be requisite for obtaining a renewal of the lease.

#### **7. MORTGAGE OF CONDOMINIUM UNIT**

If the Lands include a condominium unit:

- (a) you shall comply with, observe and perform all provisions of the applicable condominium legislation, its regulations and the by-laws, rules and regulations of the condominium corporation (the "Condo Corporation") of which you are a member by virtue of your ownership of the condominium unit hereby charged;
- (b) you shall pay, on or before the due date thereof, each and every assessment, contribution, expense, fine or levy made by or on behalf of the Condo Corporation in respect of the Lands;
- (c) you will forward to BDC within 10 days of our demand a certificate in any form required by the applicable condominium legislation certifying that no monies are owing by you to the Condo Corporation;
- (d) you agree that nothing done by BDC in protecting its interests in the Lands, including without limiting the generality of the foregoing BDC exercising your right to vote as provided in the applicable condominium legislation generally, shall render BDC a mortgagee in possession;
- (e) if for any reason whatsoever you vote at any meeting of the Condo Corporation, you shall, if directed by BDC, vote in such manner as BDC directs with respect to each and every matter to be voted;
- (f) at least five days prior to each general meeting of the Condo Corporation, you shall deliver to BDC written notice of the meeting specifying the place, date, hour and purpose of the meeting;
- (g) you hereby authorize any of BDC's officers to apply at any time and from time to time during the term of this mortgage to the Condo Corporation to deliver to BDC copies of all notices, financial statements and other documents given or available to you from the Condo Corporation; and
- (h) in the event of any occurrence or event whereby BDC, acting reasonably, has determined that any act or the operation of the Condo Corporation is, has or will diminish the value of Lands as security for the Secured Obligations, BDC shall be at liberty to demand immediate repayment of the Principal Sum.

#### **8. MORTGAGE OF VENDOR'S INTEREST IN RIGHT TO PURCHASE**

If your interest in the Lands includes the full fee simple subject to a right to purchase (in this clause called the "Right to Purchase"):

- (a) you transfer and assign to BDC absolutely all of your right, title and interest in and to the Right to Purchase and the monies now and hereafter owing thereunder, together with the full benefit of all powers and all covenants and provisions in the Right to Purchase, and full power and authority to use your name for enforcing the performance of the covenants and other matters and things contained in the Right to Purchase; and
- (b) you shall not accept any prepayment of the Right to Purchase other than in accordance with the terms thereof; provided that, if you are obliged to accept a prepayment, the amount thereof shall be paid to us as a prepayment on account of the Secured Obligations unless we waive such prepayment; and



- (c) we shall be under no obligation to commence action or take any proceeding or step to enforce the Right to Purchase and shall not be liable for any loss arising from any omission by us to take any such action, proceeding or step.

## 9. COVENANTS

You covenant with BDC that:

- (a) you will keep all the Lands in good repair and shall not allow waste in respect of the Lands, not to allow the Lands to be or remain vacant and to immediately notify BDC of any damage to the Lands;
- (b) you have good title in fee simple to the Lands, other than those lands that are expressed herein to be held in leasehold, and the right to convey the Lands as hereby conveyed;
- (c) you have done no act to encumber the Lands, except as set out herein;
- (d) you will execute or provide such further assurances as BDC may reasonably require and shall do so at your expense;
- (e) you shall discharge any debt or obligation that may be the subject of a demand upon BDC or an agent of BDC in the event that BDC enforces one of the remedies;
- (f) you shall pay all rents, taxes, rates, levies, assessments and impositions, government, municipal or otherwise which are now or may hereafter be levied, charged, assessed, imposed or payable against or in respect of the Lands, as and when due and produce to BDC the receipts for those payments;
- (g) you will pay and discharge all claims and obligations to labourers, mechanics and material men and others and all other claims, debts and obligations which by the law of Canada or any Province thereof have or might have priority over the security hereby created, and produce to BDC the receipts.
- (h) you, if a corporation, have taken all necessary corporate action to authorize the execution of this mortgage and to bind yourself to each of the terms of this mortgage and you shall maintain your corporate existence;
- (i) on default BDC may enter and have quiet enjoyment of the Lands;
- (j) you shall do all acts necessary to give BDC access from time to time to the Lands;
- (k) you shall carry on, in a proper business-like manner, the business or businesses you have represented to BDC as being your present or prospective businesses, and shall maintain in good standing all necessary licenses, permits, approvals and consents, and shall comply with all laws, regulations and ordinances applicable to your business.
- (l) you will not change, or agree to any change of, the present use of the Lands without BDC's prior express written consent;
- (m) you will not permit any of the following activities to occur on the Lands:
- businesses that are sexually exploitive or that are inconsistent with generally accepted community standard of conduct and propriety, including those that feature sexually explicit entertainment, products or services;
  - businesses trading with countries that are proscribed by the Federal Government;
  - businesses which operate as a separate and sole entity nightclubs, bars, lounges, cabarets, casinos, discotheques and similar operations; or
  - businesses that are engaged in or associated with illegal activities.

You also agree that if your business or the business of a tenant of yours fails to comply with this paragraph at any time that will constitute an Event of Default. Any leases of the Lands you may, as landlord, enter into should have a clause to this effect.

#### 10. EXPROPRIATION

If an early payout of the Secured Obligations is caused by an act any act of expropriation, including but not limited to expropriation proceedings or sale of the Land under *The Builders' Lien Act* of Saskatchewan:

- (a) You hereby assign to BDC such portion of any proceeds which becomes due and payable to you by an expropriating authority upon such expropriation equal to the difference, if any, between all Secured Obligations at the date of the expropriation, and the compensation payable or paid to BDC for the expropriation of its interest in the Lands by the expropriating authority.
- (b) You shall forward to BDC copies of any documentation relating to an expropriation or a proposed expropriation of the Land or any portion thereof forthwith upon receipt of the said documentation by it.
- (c) Notwithstanding anything to the contrary contained herein, if you or BDC receives notice of intention to expropriate in relation to the Lands, or any portion thereof, at the option of BDC, the whole of the Secured Obligations (including principal, interest and compensation payments) under this mortgage at the date of the expropriation, shall immediately become due and payable in like manner and to all intents and purposes as if the time for payment of the said balance had fully come and expired.
- (d) Service of a copy of this mortgage on the expropriating authority shall be sufficient authority for the expropriating authority to deliver proceeds to BDC in accordance with the terms of the assignment contained herein.

#### 11. ALTERATIONS

Except for any construction contemplated by this mortgage, you shall not make or permit to be made any additions or alterations to the Lands without the written consent of BDC being first obtained; and you shall not use the Lands or permit the Lands to be used, without BDC's written consent, for a purpose other than that disclosed to BDC in the application for this mortgage. If, with BDC's written consent, you commence work on the Lands, the following will apply:

- (a) You will carry on diligently to completion the construction of the development, and will complete such construction in compliance with the requirements of all municipal and other governmental authorities, laws, by-laws or regulations; and, when so required by BDC, supply BDC with confirmation from any such municipal or governmental authority of such compliance and confirmation from an independent engineer or architect as may be designated by BDC that construction is being completed in accordance with such requirements; it being understood and agreed that BDC, by reason of its approval of any Plans and Specifications shall not be liable to you or any third party for the safety, adequacy, soundness or sufficiency of the development or the Plans and Specifications,
- (b) If any part of the development remains unfinished and without any work being done for a period of ten consecutive days, BDC may enter the Lands and do all work necessary to protect such work from deterioration and to complete the construction in such manner as BDC may see fit, and any monies expended by BDC pursuant to this paragraph shall constitute part of the Secured Obligations,
- (c) BDC shall be entitled, at your expense, to inspect all aspects of the construction and make tests of materials and you will not cover any portion of the construction work requiring inspection by BDC until BDC has inspected the same and any defects in the construction or variation in construction as reported to BDC by its consultants shall be promptly corrected by you to the satisfaction of BDC;



- (d) You will pay, or cause to be paid as soon as the same are due, all claims and demands of contractors and materialmen and all wages, salaries, holiday pay, Workers' Compensation assessments or other charges of any nature or kind (hereinafter called "Charges") which could in any circumstances constitute a lien or charge having priority over this mortgage or any future advance on this mortgage and you will from time to time, on demand, provide BDC with such books, payrolls or other records, receipts, certificates and declarations as BDC may deem necessary to satisfy itself that such Charges have been paid as soon as the same are due; and,
- (e) BDC shall not be obliged to hold back advances or any portion of advances to provide the lien fund or other protection to you under *The Builders' Lien Act* of Saskatchewan; provided that if BDC makes a holdback in a manner similar to the way the said Act provides for an owner to make holdbacks, then notwithstanding such holdbacks by BDC, such holdbacks shall not constitute the lien fund under the said Act and BDC shall not be a mortgagee authorized by the owner to disburse money secured by a mortgage as referred to in the said Act.

## 12. INSURANCE

While this mortgage is in effect you will:

- (d) maintain or cause to be maintained insurance on the Lands with a reputable insurer, of kinds, for amounts and payable to such person or persons, all as BDC may require;
- (e) cause the insurance policy or policies required by this mortgage to name BDC as a loss payee as BDC's interest may appear in respect of the Lands, and include a standard mortgage clause as approved by the Insurance Bureau of Canada;
- (f) pay all premiums respecting such insurance, and deliver all policies to BDC if required;
- (g) upon request, immediately assign, transfer and deliver over to BDC each and every policy or policies of insurance and all receipts pertaining to same;
- (h) on the happening of any loss or damage to the Lands, immediately notify and furnish to BDC, at your expense, all necessary proofs and do all necessary acts to enable BDC to obtain payment of any insurance monies otherwise payable to you, but nothing shall limit BDC's right to submit to the insurer a proof of loss on its own behalf; and
- (i) authorize and direct the insurer under any required policy of insurance to include BDC as loss payee on any policy of insurance and on any cheque or draft which may be issued respecting a claim settlement under and by virtue of such insurance, and the production by us to any insurer of a certified copy of this mortgage shall be its complete authority for so doing.

If you fail to maintain insurance as required, BDC may, but shall not be obliged to, maintain or effect such insurance coverage, or so much insurance coverage as BDC considers necessary for the protection of BDC's interest. If proceeds of any required insurance become payable, BDC may, in its absolute discretion, hold such funds as security for the Secured Obligations, apply the proceeds to the Secured Obligations as BDC sees fit or release any insurance proceeds to you to repair, replace or rebuild, but any release of insurance proceeds to you shall not operate as a payment on account of the Secured Obligations or in any way affect this mortgage or the charges created hereby. To ensure that we may apply such insurance monies in the manner herein contemplated, you also assign and release to us all of your rights to receive the insurance monies and expressly waive all your rights and benefits under *The Insurance Act* and the *Fire Prevention (Metropolis) Act 1774* each as amended or replaced from time to time.

## 13. ENVIRONMENTAL MATTERS

### 13.1 Definitions

For the purposes of this article 13:

- (a) **"Environmental/Hazardous Materials Claims"** means enforcement or other governmental or regulatory actions, agreements or orders threatened, instituted or completed pursuant to any Environmental/Hazardous Materials Laws, together with claims made or threatened by any third party against you or in respect of the Lands relating to the environment, health, safety, any Wastes/Hazardous Materials or any Environmental/Hazardous Materials Laws;
- (b) **"Environmental/Hazardous Materials Laws"** means laws, by-laws, rules, ordinances, regulations, notices, approvals, orders, licenses, permits, standards, guidelines and policies from time to time of an Environmental Authority relating to the environment, health, safety or any Wastes/Hazardous Materials;
- (c) **"Hazardous Materials"** means wastes, materials and substances the storage, manufacture, disposal, treatment, generation, use or transport of which is prohibited, controlled or licensed under any Environmental/Hazardous Materials Laws, or the remediation or release of which into the environment is likely, immediately or in the future, to cause harm or degradation to any of the Lands or the environment, including contaminants, pollutants, corrosive substances, toxic substances, special wastes, substances deleterious to fish or wildlife, explosives, radioactive materials, asbestos, urea formaldehyde, and compounds known as chlorobiphenyls.
- (d) **"Environmental Authority"** means any level of government or other authorized agency relating to the environment, health, safety or any Hazardous Materials with appropriate jurisdiction over the Lands or your activities or both, as the case may be; and
- (e) **"Environmental Risks"** means any risk of liability, culpability or obligation of remediation under Environmental/Hazardous Materials Laws applicable to either or both the Lands or yourself.

### 13.2 Environmental Representations

You represent, warrant, covenant and promise to BDC that:

- (a) The Lands are free of any and all Environmental Risks and you are not aware of any Environmental Risks which have not been disclosed to BDC and approved by BDC in writing.
- (b) The Lands do not contain any Hazardous Materials whatsoever, and no Hazardous Materials have ever been released into the environment as a result of any of the activities conducted on the Lands.
- (c) You possess and will maintain all environmental licenses, permits and other approvals from Environmental Authority as may be necessary for the continued conduct of your business. All operations on the Lands are and will be kept in compliance with all such environmental licenses, permits and other approvals, and Environmental/Hazardous Materials Laws and, all future usage of the Lands will be limited to environmentally acceptable activities in compliance with all Environmental/Hazardous Materials Laws, it being agreed without limiting the generality of the above, you will not install in, on or under the Lands storage tanks for any Hazardous Materials without BDC's prior written consent and only upon full compliance with BDC's requirements and the standards and requirements of all boards and governmental authorities having jurisdiction over the Lands and your activities and assets.
- (d) You will advise BDC immediately upon becoming aware of any Environmental Risks.
- (e) There are no claims, actions, investigations, liens, prosecutions, notices, work orders, control orders, stop orders or directives, written or oral ("Orders") of any kind issued or pending by any Environmental Authority with respect to any of your activities, or any of your property, past or present, as they relate to any and all Environmental/Hazardous Materials Laws; and there are no circumstances, current or contemplated, which might give rise to such Orders and you will provide BDC with copies of all communications from or to any person relating to Environmental/Hazardous Materials Laws and any Environmental/Hazardous Materials Claims in connection with the Lands that become known to you, and

all environmental studies or assessments prepared for you, and you consent to BDC contacting and making enquiries of environmental officials or assessors.

- (f) You have an environmental emergency response plan and all your officers and employees are familiar with that plan and their duties under it. You will ensure your staff is trained as required for such purpose and for all purposes relating to the use, handling and storage of Hazardous Materials.
- (g) You will from time to time and at any time required by BDC, provide evidence satisfactory to BDC that you and the Lands are compliant with all Environmental/Hazardous Materials Laws, and, if BDC considers it necessary, cause such inspections, reports and audits and provide the results thereof to BDC as it may require. You shall pay the entire cost of any such inspections, reports and audits of the Lands, and such inspections, reports and audits shall be performed by a duly licensed engineer acceptable to BDC. The scope of any environmental audit shall be at BDC's sole discretion, and the auditor performing or conducting the environmental audit shall be granted full access to the Lands to perform or conduct any testing or investigation deemed necessary by the auditor in the auditor's sole discretion.

### **13.3 Environmental Repair**

You will, at your sole cost and expense, comply, and cause all of your tenants, agents and invitees to comply, with all Environmental/Hazardous Materials Laws and with all permits and licenses issued by any Environmental Authority with respect to the storage, discharge and removal of Hazardous Materials, and you shall pay, immediately when due, the cost of removal of any such Hazardous Materials. You shall pay the cost of any improvements necessary to deal with such Hazardous Materials and shall keep the Lands free and clear of any lien imposed pursuant to any law including all Environmental/Hazardous Materials Laws. If you fail to do so, BDC may, after notice to you and the expiration of the earlier of:

- (a) any applicable cure period under this mortgage charge; or
- (b) the cure period under the applicable law, rule, regulation or order;

without any responsibility or liability in connection therewith, enter upon the Lands and do the work required and the cost thereof will be added to the Secured Obligations and become immediately due and payable, or alternatively at the option of BDC, may declare this mortgage to be in default.

### **13.4 Environmental Assessments and Audits**

It is expressly understood that BDC has no responsibility to monitor your compliance or to take any action in the event of non-compliance. You will provide to BDC copies of any and all environmental reports or studies in respect of the Lands that you receive or possess from time to time

### **13.5 Exclusion of Liability**

No action taken by BDC in doing remedial work or repairs or in conducting assessments, audits, appraisals or inspections as provided in this Article shall constitute BDC as a mortgagee in possession and BDC by taking any such action shall not be considered to have care, management or control of the Lands; it being expressly understood that you have complete responsibility to ensure compliance with all Environmental/Hazardous Materials Laws and BDC's right to monitor such compliance shall not be construed as a responsibility to ensure such compliance.

### **13.6 Indemnity**

You hereby indemnify BDC, its officers, directors, employees, agents, shareholders and members, and agrees to hold each of them harmless, from and against any and all losses, liabilities, damages, costs, demands, expenses and claims of any and every kind whatsoever relating to any breach or non-compliance with Environmental/Hazardous Materials Laws by yourself or by your directors, officers, servants, agents, tenants or invitees, or relating to any Hazardous Materials handled, placed, held, located or disposed of on or in the Lands or

related to any claims or proceedings (whether by civil action or related to any enforcement or recovery action under statute or regulation) for injury or damage to person or property from or relating directly or indirectly to the use, presence, handling, disposal, escape or release of any Hazardous Materials on or from the Lands. Such indemnity includes, without limitation, indemnity against:

- (a) all costs (including legal expenses on a solicitor and his own client basis) of defending, counterclaiming and/or claiming against you or any third parties in respect of any such action or matter;
- (b) all costs of every kind and nature whatsoever incurred by BDC directly in order, either, to comply with Environmental/Hazardous Materials Laws or to remediate the Lands to comply with Environmental/Hazardous Materials Laws; and
- (c) any and all costs, liabilities, claims or damages arising out of a settlement of any action entered into by BDC with or without your consent, which at any time or from time to time may be paid, incurred or asserted against any of the parties indemnified hereby for, with respect to, or as a direct or indirect result of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from, the Lands or into or upon any land, the atmosphere, or any water course, body of water or wetland, of any Hazardous Materials.

This indemnity shall survive foreclosure or judicial sale (including by "Rice Order") of the Lands and any other exercise of BDC's rights hereunder or under any security collateral hereto.

#### 14. POWERS AND PROTECTIVE DISBURSEMENTS

BDC and any of its agents, may at such time and from time to time, as BDC deems necessary and without the concurrence of any person, enter upon any part of the Lands and make arrangements for completing the construction, repairing or putting in of improvements, or for inspecting, appraising, taking care of, leasing, collecting the rents of, and generally managing any or all of your interest, as BDC may deem expedient, and BDC may, without notifying you, purchase any material or service and make any payments to preserve, protect or enhance the Lands or to remedy any default by you in respect of any promise or covenant contained in this mortgage and, without restricting the generality of the foregoing, BDC may:

- (a) retire fees, expenses and borrowings of a receiver;
- (b) acquire insurance against direct damage, liability to third parties or any other risk associated with the Lands on such terms and at such limits as BDC may find advisable;
- (c) discharge any lien, mortgage or encumbrance which, in the opinion of BDC, has priority over this mortgage;
- (d) improve the title of BDC or of any purchaser of the Lands who purchases them through a sale having the effect of foreclosing your interest in the Lands or who purchases them from BDC after your interest in the Lands has been foreclosed;
- (e) discharge any debt or obligation which BDC may find should be discharged in order to better market, sell or protect the Lands;
- (f) cause the Lands to be inspected, investigated (including environmental audits), appraised, surveyed or subdivided;
- (g) cause your books and records to be audited and the financial health of your business to be investigated;
- (h) retire the fees, commissions or expenses of any agent retained by BDC to market the Lands;
- (i) retire all costs and expenses, including legal fees on a solicitor and client basis, in relation to the preparation, execution and delivery of this mortgage and any amendment or discharge of it, in relation to

the collection of any amount due hereunder and in relation to the enforcement of any remedy including the actual fees and expenses of solicitors who act on behalf of BDC in proceedings for the appointment of a receiver, foreclosure, foreclosure and sale, judicial sale, sale by power of sale or possession of the Lands;

- (j) pay the fees and expenses of a trustee in Bankruptcy of the Borrower, should BDC determine to make itself liable for such;
- (k) retire all costs and expenses including fees on a solicitor and client basis in respect of any suit concerning this mortgage, any lands that may be mortgaged hereunder, BDC's title to the Lands, or the priority of BDC's interest in the Lands;
- (l) cause any environmental rehabilitation, investigation, removal or repair necessary to protect, preserve or remediate the Lands; and
- (m) contact and make inquiries of the your lessors/lessees, as well as environmental officials, assessors, municipal authorities and any taxing body.

A purchase or payment mentioned in this clause is referred to in this mortgage as a "protective disbursement". BDC is not obliged to make any protective disbursement. All protective disbursements, including solicitor and client fees and expenses upon foreclosure and sale, are secured by this mortgage and are payable out of the proceeds of the exercise of any remedy notwithstanding that BDC's liability for the protective disbursement arises after or is discharged after a sale of the mortgaged property.

#### **15. EVENTS OF DEFAULT**

The occurrence of any of the following events will constitute an Event of Default:

- (a) If you fail, or threaten to fail, to observe or perform any covenant, agreement, condition or obligation in BDC's favour, whether or not herein contained, including your failure to pay or perform any of the Secured Obligations when due;
- (b) if any representation, warranty or statement made to BDC either by you or on your behalf and whether or not contained herein or elsewhere, is not or ceases to be true;
- (c) If you, or any other person (the "obligant") liable, in respect of any of the Secured Obligations, ceases or threatens to cease to carry on business, as the case may be, or any material part thereof or to sell all or substantially all of your or the obligant's assets, or becomes insolvent or files a proposal, a notice of intention to file a proposal, or an assignment for the benefit of creditors under applicable bankruptcy or similar legislation, or if a petition is filed, an order is made, a resolution is passed, or any other step is taken for your, or the obligant's, bankruptcy, liquidation, dissolution, winding-up or reorganization or for any arrangement or composition of debts or any protection from your or the obligant's creditors
- (d) if you are in default under any other charge of the Lands or under any indebtedness other than Secured Obligations, or you permit the acceleration of any indebtedness (other than Secured Obligations) owed by you to any creditor other than BDC;
- (e) if a Receiver, trustee or similar official of any of your property is appointed;
- (f) if you are a corporation and any member or shareholder commences an action against you or gives notice of dissent to you in accordance with the provisions of any applicable legislation;
- (g) the holder of any other charge on, or claim against, any of the Lands does anything to enforce or realize on such charge or claim, or any execution, sequestration, or other process becomes enforceable against you, or if a distress, seizure or similar process is levied upon or exercised against any of the Lands;



- (h) if the lessor under any lease to you of any of the Lands takes any step to or threatens to terminate such or otherwise exercise any of its remedies under such lease as a result of any default or alleged default by you under such lease;
- (i) if any of the Lands are destroyed, substantially damaged, expropriated, or designated or considered for designation as a contaminated site;
- (j) if any permit, licence, certification, quota or order granted to or held by you is cancelled, reduced or revoked, or any order against you is enforced, with the effect of preventing your business from being carried on for more than five days or materially adversely changing the condition (financial or otherwise) of your business;
- (k) if you sell, transfer, convey, lease, assign, release, surrender or otherwise disposes of or parts with possession of any of the Lands or agrees to do so;
- (l) if you are in arrears of payment to any taxing authority;
- (m) if you cause or allow Hazardous Materials to be brought upon the Lands or incorporated into any of your assets without BDC's prior consent, or if you cause, permit or fail to remedy any environmental contamination upon, in or under the Lands or fails to comply with any abatement or remediation order given by a responsible authority;
- (n) if you use any of the monies advanced hereunder for any purpose other than as declared to and agreed upon by BDC;
- (o) if BDC deems itself insecure or believes that the assets secured hereby are in danger of loss, damage or misuse; or
- (p) if there is a deemed Event of Default pursuant to this mortgage.

Upon the occurrence of an Event of Default, at the option of BDC, without notice to you, BDC's security shall immediately become enforceable and all of the money hereby secured remaining unpaid shall become due and payable. If, in respect of a default, BDC chooses not to exercise the option hereby given to it or waives its right to call in the balance of the loan, such does not constitute a waiver of BDC's rights under this clause in respect of any other default.

## 16. NOTICE RESPECTING DEFAULT AND ENFORCEMENT

BDC may exercise any remedy or remedies immediately upon the occurrence of an Event of Default, without making a demand for payment or giving time for payment or notifying you of BDC's intention to exercise the remedy or remedies. If BDC chooses to notify you of such an intention or to demand payment, it shall not thereby be taken to have waived its rights under this clause or to have subjected itself to a duty to give reasonable notice to you respecting BDC's intention or to give you reasonable time for payment.

## 17. ENFORCEMENT

**17.1 Enforcement.** Upon the occurrence of an Event of Default BDC may declare any or all of the Secured Obligations immediately due and payable, and BDC's security will immediately become enforceable. To enforce and realize on the charges created hereby we may take (or refrain from taking) any action permitted by law or in equity as we may deem expedient, including any of the following:

- (a) enter upon, take possession of, occupy, use, preserve and protect the Lands, with power to exclude you, your agents and employees therefrom and may inspect, use, operate, manage, lease and control the Lands and conduct the business thereof;

- (b) maintain, repair, replace and complete any development of the Lands in accordance with existing plans or otherwise as BDC, in its our absolute discretion, may determine;
- (c) collect all Assigned Rents and other assets BDC holds as security for the Secured Obligations;
- (d) sell, lease or otherwise dispose of all or part of the Lands and other assets of yours over which BDC holds security, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions as BDC may consider reasonable, provided that if any sale, lease or other disposition is on credit you will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received. No purchaser shall be bound to inquire into the legality or propriety of any such sale or be affected by notice of any irregularity or impropriety. BDC may take sale proceedings hereunder even if other mortgage proceedings have been taken or are pending;
- (e) exercise any or all of your rights and remedies in respect of the Lands;
- (f) as your agent, appoint by instrument a Receiver of the Lands and of all your properties, assets, effects and undertakings related to or arising out of the Lands with or without bond as BDC may determine, and in BDC's absolute discretion and from time to time, remove any Receiver so appointed and appoint another in its stead, but BDC shall be under no liability for the remuneration, acts or omissions of the Receiver, its employees and agents;
- (g) exercise any other rights and remedies under this mortgage; or
- (h) exercise any other right and power a Receiver could exercise.

BDC shall not be liable for any debts BDC contracts during enforcement of this mortgage, for damages to persons or property, salaries or non-fulfilment of contracts during any period when BDC takes any action referred to above, for any misconduct, negligence or misfeasance by us, or any employee or agent of ours, and neither the provisions of this mortgage nor the exercise of any of the powers provided in this mortgage shall render us a mortgagee in possession, and we shall not be accountable except for the monies we actually receive. You waive any provision of law which may be waived which imposes any greater obligations on us than described above.

**17.2 Receiver.** A Receiver appointed pursuant to this mortgage shall be your agent and not ours, and, to the extent permitted by law or its appointment, shall, in our discretion, have all of our rights and powers (including those under this mortgage), including the power to:

- (j) take possession of and enter upon the Lands;
- (k) sell or lease or concur in selling or leasing of the Lands;
- (l) make any arrangement or compromise which it shall think expedient;
- (m) carry on, or concur in the carrying on of, any development then in progress or otherwise contemplated by you with respect to the Lands or your business relating to the Lands and for such purposes from time to time to borrow money either secured or unsecured, and if secured by security on the whole or any part of the Lands, such security may rank before or pari passu with or behind this mortgage; and
- (n) commence, continue or defend proceedings in the name of the Receiver or in your name, which the Receiver considers necessary or advisable for the proper protection of the whole or any portion of the Lands or the enforcement of this mortgage.

We may from time to time fix the remuneration of every such Receiver and direct the payment thereof out of the proceeds of the receivership. The rights and powers conferred by this paragraph are in addition and not in substitution for any right we may from time to time possess.

**17.3 Application of Proceeds.** Any money from time to time received by the Receiver shall, subject to the claims of creditors, if any, which are secured by any Charges ranking in priority to this mortgage, be paid, subject to our direction otherwise, by it, **Firstly**, in payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise by it of all or any of the powers aforesaid including the reasonable remuneration of the Receiver and all amounts properly payable by it, **Secondly**, in or towards payment to us of the amounts comprised in the Secured Obligations in such manner and order as we shall, in our absolute discretion, deem advisable and, **Thirdly**, any surplus shall be paid to you provided that in the event any party claims a charge against all or a portion of the surplus, the Receiver shall make such disposition of all or any portion of the surplus as the Receiver deems appropriate in the circumstances.

**17.4 Appointment of Attorney.** You irrevocably appoint us or the Receiver, as the case may be, with full power of substitution, as your attorney for and in your name to do everything necessary or incidental to the exercise of any or all of the powers conferred on us or the Receiver, as the case may be, pursuant to this mortgage.

#### **18. LIABILITY RESPECTING ENFORCEMENT OF SECURITY**

Once BDC has determined to exercise a remedy or remedies, it may deal with and dispose of the Lands as BDC may see fit and neither you nor those claiming by, though from or under you shall maintain any action, advance any claim or rely on any set-off by reason of the order of enforcement of remedies against parts of the Lands, the abandonment or discharge of the Lands or part of them, BDC's failure to maintain or insure the Lands, BDC's failure to secure an adequate price for the Lands or anything relating to the manner in which the Lands are dealt with or disposed of (in this clause "BDC" includes the receiver).

Further, BDC may, in its sole discretion, realize on various securities (including this mortgage) and any parts thereof in any order that BDC considers advisable and no realization or exercise by BDC of any power or right under this mortgage or other security shall in any way prejudice any further realization or exercise until all Secured Obligations are satisfied. All rights and remedies available to BDC are cumulative and not restrictive of remedies at law and in equity and by statute.

#### **19. RELEASES**

You are and will not be released from any of your obligations to pay the Secured Obligations nor is any security held to secure the Secured Obligations released by reason of BDC releasing any person who may be obligated to pay the Secured Obligations or any part of them, or by reason of BDC releasing any security held to secure payment of the Secured Obligations. BDC is only accountable for money actually received by it in consideration of the release of any person or security.

#### **20. INDULGENCES**

BDC may grant extensions of time and other indulgences, take and give up security, accept compositions, compromise, make settlements, grant releases and discharges, refrain from registering or maintaining registration of charges, and otherwise deal with you, any other obligant, your other creditors, sureties and other persons and with the Lands and other security, all as BDC sees fit in its absolute discretion and without prejudice to your liability or BDC's rights or remedies. You agree that you will not be released nor your liability in any way reduced because BDC has done, not done, or concurred in doing or not doing, anything whereby a surety would or might be released in whole or in part.

#### **21. SASKATCHEWAN LAW**

Where land or leasehold land or both situate in the Province of Saskatchewan are, by a corporation, granted as security by this mortgage:

- (a) that *The Land Contracts (Actions) Act* of Saskatchewan shall have no application to any action, as defined in *The Land Contracts (Actions) Act* of Saskatchewan, respecting this mortgage, any mortgage, charge or other security for the payment of money made, given or created by this mortgage, any agreement or instrument which renews or extends or is collateral to this mortgage, or the rights, powers or remedies of



BDC under this mortgage or any charge created by this mortgage as BDC is specifically exempted from the operation of that Act, and

- (b) that *The Limitation of Civil Rights Act* of Saskatchewan shall have no application to this mortgage, any mortgage, charge or other security for the payment of money made, given or created by this mortgage, any agreement or instrument which renews or extends or is collateral to this mortgage, or the rights, powers or remedies of BDC under this mortgage or any mortgage or charge created by this mortgage.
- (c) that if it is an agricultural corporation, as defined in *The Saskatchewan Farm Security Act*, it has received independent legal advice prior to the execution of this mortgage, and agrees that the provisions of Part IV of *The Saskatchewan Farm Security Act*, other than Section 46, shall not apply to you.

**22. ASSIGNS**

This mortgage is binding upon you and your successors, assigns, heirs, executors and administrators and is granted to and for the benefit of BDC, its successors and its assigns.

**23. BORROWER AUTHORITY**

You hereby represent and warrant to BDC that you are duly and appropriately authorized and empowered to grant this mortgage, incur the Secured Obligations and observe, adhere to and perform (as the case may be) all of your obligations, promises and covenants under this mortgage without either breach or default under any other obligation (whether imposed by law or by contract) or promise made by you or any further consent or approval of any person, party, authority or regulator, and, further, that this mortgage constitutes a valid and binding obligation on your part to BDC.

**24. GENDER AND NUMBER**

The use in this mortgage of the neuter gender includes the masculine and the feminine; the use of the plural includes the singular, the use of the singular includes the plural.

**25. FURTHER ASSURANCES**

You shall execute and deliver to BDC upon request any further or additional documentation which BDC in its sole discretion deems necessary to give full effect to this mortgage and each and every provision contained in this mortgage.

The Borrower has properly executed and sealed this mortgage on the day and year stated on the first page.



BECKERLAND FARMS INC.  
by its authorized signatory:

per.

A handwritten signature in black ink, appearing to be "J. M.", written over a horizontal line.

SCHEDULE "C"

PARTICULARS OF CLAIM AND MORTGAGE

1. Judicial Centre where application is proposed to be made: Yorkton
2. Mortgagee's name and address:  
  
BUSINESS DEVELOPMENT BANK OF CANADA  
Main Floor  
One Bentall Centre  
505 Burrard Street  
Vancouver, BC V7X 1V3
3. Mortgagor's name and address:  
  
BECKERLAND FARMS INC.  
7 Broadway Street, P.O. Box 1148  
Yorkton, SK S3N 2X3
4. Particulars of mortgage:
  - (a) Date of Execution: August 15, 2014
  - (b) Principal Amount: \$3,300,000.00
  - (c) Balance Outstanding  
as at June 13, 2016: \$4,866,636.17
  - (d) Interest Rate: Floating base rate of BDC plus 1.5% per annum
  - (e) Instalments payable: \$49,028.75 (February, March and April, 2016)
  - (f) Arrears of Principal: \$73,650.00  
Arrears of Interest: \$73,436.24  
(as at June 13, 2016)  
  
Total Arrears: \$147,086.24

(g) Amounts and dates of all instalments paid during the three years preceding the date of the Notice:

	<u>Amount</u>
August 21, 2014	\$400.68
October 6, 2014	\$1,380.78
October 28, 2014	\$1,342.75
November 10, 2014	\$7,668.45
December 10, 2014	\$23,392.40
January 12, 2015	\$24,644.96
February 10, 2015	\$25,392.69
March 10, 2015	\$23,089.64
April 10, 2015	\$25,563.53
May 11, 2015	\$24,738.91
June 10, 2015	\$25,563.53
July 10, 2015	\$24,738.91
August 10, 2015	\$25,096.02
September 10, 2015	\$24,959.67
December 2, 2015	\$49,237.29
December 10, 2015	\$24,325.89
January 11, 2016	\$24,939.87

(h) Renewal Date: N/A

Q.B. No. of 2019

BETWEEN: **BUSINESS DEVELOPMENT BANK OF CANADA, (PROPOSED PLAINTIFF)** and **BECKERLAND FARMS INC. (PROPOSED DEFENDANT)**



This is Exhibit "B" referred to in the Affidavit of Colleen Grieman sworn before me at Saskatoon, in the Province of Saskatchewan, this 19<sup>th</sup> day of June, 2019.

A Commissioner for Oaths in and for the Province of Saskatchewan

My Commission expires October 31, 2022.



Date: 2016/07/05

Dear Sir or Madam

Please find below the scanned delivery date and signature of the recipient of the item identified below:

Item Number                    RN131291663CA

Product Name                 Registered Mail/Courrier recommandé

Reference Number 1         Not Applicable

Reference Number 2         Not Applicable

Delivery Date (yyyy/mm/dd) 2016/06/17

Signatory Name                RUSNAK LAW

THIS IS EXHIBIT "C" REFERRED TO IN  
 THE AFFIDAVIT OF COLLEEN GRIEMAN  
 SWORN BEFORE ME AT SASKATOON,  
 IN THE PROVINCE OF SASKATCHEWAN,  
 THIS 19<sup>th</sup> DAY OF JUNE, 2019.

*[Signature]*

COMMISSIONER FOR OATHS FOR  
 SASKATCHEWAN

My commission expires October 31, 2022

Signature

*Rachael Oros*

Yours sincerely,

Customer Relationship Network

1-888-550-6333.

(From outside Canada 1 416 979-3033)

*This copy confirms to the delivery date and signature of the individual who accepted and signed for the item in question. This information has been extracted from the Canadapost data warehouse*

COURT FILE NUMBER \_\_\_\_\_

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE OF YORKTON

PROPOSED PLAINTIFF BUSINESS DEVELOPMENT BANK OF CANADA

PROPOSED DEFENDANT BECKERLAND FARMS INC.

**AFFIDAVIT OF SERVICE**

I, COLLEEN GRIEMAN, of the City of Saskatoon, in the Province of Saskatchewan, MAKE OATH AND SAY:

1. THAT I served the Proposed Defendant, BECKERLAND FARMS INC., with a true copy of a Notice pursuant to The Saskatchewan Farm Security Act, attached hereto and marked as Exhibit "A" to this my Affidavit by mailing the same by prepaid registered mail addressed as follows:

Beckerland Farms Inc.  
7 Braodway Street East  
Box 1148  
YORKTON, SK S3N 2X3

2. THAT attached hereto and marked as Exhibit "B" to this my Affidavit is the Canada Post receipt for such registered mail evidencing that the documents were mailed to the Proposed Defendant, BECKERLAND FARMS INC., on the 16th day of June, 2016.

3. THAT attached hereto and marked as Exhibit "C" to this my Affidavit is the Acknowledgement of Receipt therefor purporting to be signed by or on behalf of the said addressee on the 17<sup>th</sup> day of June, 2016.

4. THAT the basis of my information and belief as to the postal address of the said

Proposed Defendant is that a search of the Corporate Registry for the Province of Saskatchewan revealed that the registered office for the said Proposed Defendant is above.

5. THAT I served the Farm Land Security Board with a true copy of a Notice pursuant to The Saskatchewan Farm Security Act, attached hereto and marked as Exhibit "A" to this my Affidavit, by mailing the same by prepaid registered mail addressed as follows:

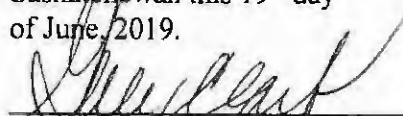
Farm Land Security Board  
315-3085 Albert Street  
REGINA, SK S4S 0B1

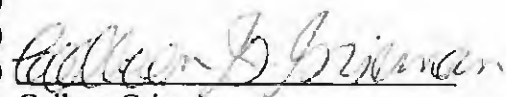
6. THAT attached hereto and marked as Exhibit "D" to this my Affidavit is the Canada Post receipt for such registered mail evidencing that the documents were mailed to the said addressee, on the 16th day of June, 2016.

7. THAT attached hereto and marked as Exhibit "E" to this my Affidavit is the Acknowledgement of Receipt therefor purporting to be signed by or on behalf of the said addressee on the 17th day of June, 2016.

8. THAT the basis of my information and belief as to the postal address of the Farm Land Security Board is that it is the recorded address for the addressee maintained by the law firm of MCDUGALL GAULEY LLP.

SWORN BEFORE ME at Saskatoon  
in the Province of  
Saskatchewan this 19th day  
of June, 2019.

  
A Commissioner for Oaths in and for  
the Province of Saskatchewan.  
My commission expires October 31, 2022.

)  
)  
)   
) Colleen Grieman  
)  
)

This Affidavit of Service was delivered by MCDUGALL GAULEY LLP

IN THE MATTER OF:

**BUSINESS DEVELOPMENT BANK OF CANADA**

Main Floor  
One Bentall Centre  
505 Burrard Street  
Vancouver, BC V7X 1V3

Mortgagee,

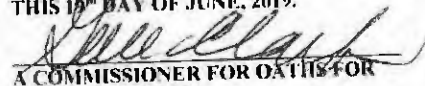
- AND -

**BECKERLAND FARMS INC.**

7 Broadway Street, P.O. Box 1148  
Yorkton, SK S3N 2X3

Mortgagors,

THIS IS EXHIBIT "A" REFERRED TO IN  
THE AFFIDAVIT OF COLLEEN GRIEMAN  
SWORN BEFORE ME AT SASKATOON,  
IN THE PROVINCE OF SASKATCHEWAN,  
THIS 10<sup>th</sup> DAY OF JUNE, 2019.

  
A COMMISSIONER FOR OATHS FOR  
SASKATCHEWAN  
My commission expires October 31, 2022

---

**NOTICE PURSUANT TO THE  
SASKATCHEWAN FARM SECURITY ACT**

---

MCDUGALL GAULEY LLP  
Barristers & Solicitors  
500-616 Main Street  
SASKATOON, Saskatchewan  
S7H 0J6



IN THE MATTER OF: **BUSINESS DEVELOPMENT BANK OF CANADA**, (Mortgagee) and  
**BECKERLAND FARMS INC.** (Mortgagor)

**NOTICE PURSUANT TO THE  
SASKATCHEWAN FARM SECURITY ACT**

TAKE NOTICE that the Business Development Bank of Canada intends to make an application, not less than 150 days after the date of service of the within Notice, to the Court of Queen's Bench of Saskatchewan, Judicial Centre of Yorkton, for an Order that Section 9(d) of The Saskatchewan Farm Security Act does not apply with respect to a mortgage of farm land granted in favour of Business Development Bank of Canada by Beckerland Farms Inc., registered in the Information Services Corporation as Interest Register No. 120424362.

AND TAKE NOTICE THAT:

- A. Business Development Bank of Canada claims an interest as Mortgagee in the farm property described in Schedule "A" to this Notice.
- B. Business Development Bank of Canada says that the mortgage, a copy of which is attached to this Notice as Schedule "B", was executed by Beckerland Farms Inc. as Mortgagor against the farm lands described in Schedule "A" hereto in favour of Business Development Bank of Canada.
- C. The particulars of the subject mortgage are as described in Schedule "C" to this Notice.


AND FURTHER TAKE NOTICE THAT the Mortgagee's address for service and correspondence with respect to the within action is as follows:

In care of:  
MCDOUGALL GAULEY LLP  
Barristers & Solicitors  
500-616 Main Street  
Saskatoon, Saskatchewan  
S7H 0J6

Attention: Mr. Ian A. Sutherland

DATED at the City of Saskatoon, in the Province of Saskatchewan this 16<sup>th</sup> day of June,  
2016.

MCDOUGALL GAULEY LLP

  
Per: \_\_\_\_\_  
Solicitors for the Mortgagee

**SCHEDULE "A"**

Title #145873457

Surface Parcel #203043114

Reference Land Description: Blk/Par A Plan No 102173701 Extension 0

SCHEDULE "B"



**MORTGAGE**

---

**MORTGAGOR:** BECKERLAND FARMS INC.

the "Borrower",

**MORTGAGEE:** BUSINESS DEVELOPMENT BANK OF CANADA

"BDC",

**DATED:** the 15 day of AUG, 2014

**FOR:** \$3,600,000.00 (the "Principal Sum") and other indebtedness.

the Borrower, being or entitled to be registered as owner of an estate in fee simple (or such other estate as hereinafter provided) subject, however, to such encumbrances, liens, and interests, as are notified by memorandum underwritten (or endorsed hereon) that piece or pieces of land described as follows:

**SEE ATTACHED SCHEDULE OF LAND**

(the "Lands")

**IN CONSIDERATION** of the Principal Sum lent to the Borrower by BDC, incorporated by Special Act of the Parliament of Canada, having its head office at the City of Montreal, in the Province of Quebec, with a business centre at 320, 2220 12<sup>th</sup> Avenue, Regina, Saskatchewan S4P 0M8:

the receipt of which sum is hereby acknowledged, the Borrower hereby mortgages and charges its entire estate and interest in the Lands as security for repayment of the Secured Obligations, not to exceed \$3,600,000.00 together with interest and costs, and acknowledges and covenants with BDC, as follows:

**1. DEFINITIONS**

"you" and "your" refers to the Borrower and "we" and "us" refers to BDC.

"Secured Obligations" means the aggregate of all indebtedness and obligations of the Borrower to BDC as may arise pursuant to Article 2 of this mortgage.

"floating base rate" means the rate of interest declared from time to time and at any time by BDC from its head office in Montreal, Quebec, as its floating base rate of interest charged on Canadian dollar loans to its commercial customers.

**2. DEBT**

You promise to pay to BDC, at such office of BDC as we may direct, the aggregate of:

- (a) the Principal Sum outstanding from time to time;
- (b) all your other present or future debts, liabilities or obligations hereunder, or under any letter of offer, commitment letter, guarantee, or any other agreement, arrangement, document, or negotiable or other instrument, present or future, with or given to BDC (including those in replacement of, and any amendment of, any of the foregoing, and including all future advances and re-advances, protective disbursements, interest, and interest on overdue interest), whether direct or indirect, absolute or contingent, joint or several, matured or not, extended or renewed, wherever and however incurred, of whatsoever nature or kind, whether or not provided for herein, and whether owed by you to BDC, as principal, guarantor, indemnitor, surety or otherwise;
- (c) interest on the Principal Sum at an annual rate equal to the floating base rate of the announced from time to time plus 10.00% per year, calculated monthly and payable monthly, both after as well as before maturity, default and/or judgment (the "Interest Rate") provided that if you and BDC have agreed to a lower interest rate as to the Principal Sum or any particular Secured Obligations then that lower interest rate will apply thereto. In the absence of an agreement as to the Interest rate applicable to any Secured Obligations the rate shall be the lesser of the Interest Rate and the highest rate of interest applicable to any of the Secured Obligations;
- (d) interest on interest past due at the Interest Rate and calculated in the same manner as interest on the Principal Sum; and
- (e) interest on each protective disbursement from the day the protective disbursement (as hereinafter defined) is made, at the Interest Rate and calculated in the same manner as interest on the Principal Sum.

### 3. READVANCES

It is our mutual intention that BDC may wish to make advances and re-advances to you up to an aggregate outstanding balance at any time equal to the Principal Sum. Accordingly, this mortgage shall be considered to be a revolving line of credit mortgage within the meaning of, and shall take priority in accordance with the provisions dealing with same in, *The Land Titles Act* or *The Land Titles Act, 2000* of Saskatchewan. This mortgage is and shall be a continuing security to BDC for the repayment of all present and future amounts owing in respect of the Secured Obligations. Any portion of the Principal Sum may be advanced or re-advanced by BDC in one or more advances at any future date or dates and the amount of such advances and re-advances when so made shall be secured by this mortgage and shall be repayable with interest at the Interest Rate. This mortgage shall be deemed to be taken as security for the ultimate balance of the Secured Obligations. This mortgage shall not be void if the Secured Obligations have been repaid in full if such ability to borrow continues to be available to you. This mortgage shall be void only when the Secured Obligations have been repaid in full and BDC gives written notice to you that you will not be allowed to borrow further monies and there has been performance of all covenants, provisos and conditions herein contained. Notwithstanding that this mortgage may be deemed to be a revolving line of credit mortgage, there shall be no right of prepayment except as provided elsewhere in this mortgage.

### 4. SECURITY

As security for payment of the Secured Obligations, and for the performance of your other obligations under this agreement, you grant, bargain and sell to BDC the Lands (including fixtures, appurtenances, leasehold improvements and rights of way). This mortgage is void upon payment of the Secured Obligations and the performance of those other obligations. This mortgage is granted in addition to, and not in substitution for, any other security held to secure payment of the Secured Obligations.

### 5. FIXTURES

In this mortgage the expression "the Lands" includes fixtures and improvements, appurtenances, leasehold improvements and rights of way. All erections, buildings or improvements that now are or that shall hereafter be put or built upon the Lands shall be fixtures and be a part of the realty and form a part of this security even though

not attached to the Lands otherwise than by their own weight and shall not be removed during the continuance of this mortgage. Fixtures shall include without limitation, all trade fixtures, all heating, ventilating, air conditioning, plumbing and electrical systems and equipment comprised in the Lands, all safes, cooking, refrigeration and washing equipment on or in the Lands, all telecommunication and telephone equipment serving the Lands, and all maintenance equipment used in connection with the Lands.

## 6. MORTGAGE OF LEASE

If your interest is as a lessee, sub-lessee, licensee or sub-licensee (collectively a "lessee") of the whole or any portion of the Lands pursuant to a lease:

- (a) you hereby demise, sub-lease and mortgage your interest and the lease and any renewals, extensions or replacements of the lease to BDC, by way of a sub-lease, except for the last day of the term of the lease (the "reversion") which is excepted out of the charge created by this mortgage but which shall be deemed to be held by you in trust for BDC to be assigned or disposed of as BDC or anyone claiming through BDC may direct, and BDC shall have power on any realization to appoint a new person as Trustee of the reversion;
- (b) if the lease cannot be effectively charged without consent, any charge intended to be created by this mortgage upon your interest in the lease shall not become effective until, but shall become effective immediately when, all consents necessary for the validity and effectiveness of such charge have been obtained or waived by all appropriate persons;
- (c) you represent to BDC that the lease is valid and in good standing, in full force and effect and unsurrendered, you have the right to mortgage your interest and the lease to BDC, all rents or other amounts payable under the lease have been paid and all other obligations under the lease, whether yours or the landlords, have been performed or complied with;
- (d) you will promptly perform and observe all of the terms, covenants and conditions required to be performed and observed by you under the lease, including payment of rent and the renewing of the lease;
- (e) you shall take no action or be guilty of any default which shall or may cause the lease to be terminated or forfeited, or, without BDC's prior written consent, surrender or give any notice which would have the effect of terminating, or permitting the termination of, the lease;
- (f) you will promptly notify BDC in writing of any default or of any condition that with or without the passage of time or the giving of any notice might result in a default under, or the termination of, the lease, and you will promptly cause a copy of each notice you receive under the lease to be delivered to BDC;
- (g) in the event that you, at any time or from time to time, extend the size of the leasehold land herein or increases the size of your equity in the leasehold land or become registered as owner or entitled to become registered as owner of the full fee simple then the mortgage of the leasehold land shall become enlarged to be a mortgage of the increased size of the mortgaged premises or of the increased size of the equity or of the full fee simple, as the case may be;
- (h) you will not during the continuance of this mortgage, without BDC's prior written consent, modify, alter or suffer or permit any modification or alteration of the lease and any such altered or modified lease shall be charged by this mortgage;
- (i) you will promptly obtain from the lessor under the lease and deliver to BDC, a certificate stating that the lease is in full force and effect, is unmodified or modified as the case may be, that no notice of termination thereon has been served on you thereunder, stating the date to which the rent has been paid and stating whether or not there are any defaults thereunder and specifying the nature of such defaults, if any;
- (j) you shall not consent to the subordination of the lease to any mortgage of the interest of the lessor (or leasehold interest of the sub-lessor) thereof in the Lands; and

- (k) you will at the proper time and times take such proceedings, and make, do and execute such acts, deeds, matters and things as may be requisite for obtaining a renewal of the lease.

#### **7. MORTGAGE OF CONDOMINIUM UNIT**

If the Lands include a condominium unit:

- (a) you shall comply with, observe and perform all provisions of the applicable condominium legislation, its regulations and the by-laws, rules and regulations of the condominium corporation (the "Condo Corporation") of which you are a member by virtue of your ownership of the condominium unit hereby charged;
- (b) you shall pay, on or before the due date thereof, each and every assessment, contribution, expense, fine or levy made by or on behalf of the Condo Corporation in respect of the Lands;
- (c) you will forward to BDC within 10 days of our demand a certificate in any form required by the applicable condominium legislation certifying that no monies are owing by you to the Condo Corporation;
- (d) you agree that nothing done by BDC in protecting its interests in the Lands, including without limiting the generality of the foregoing BDC exercising your right to vote as provided in the applicable condominium legislation generally, shall render BDC a mortgagee in possession;
- (e) if for any reason whatsoever you vote at any meeting of the Condo Corporation, you shall, if directed by BDC, vote in such manner as BDC directs with respect to each and every matter to be voted;
- (f) at least five days prior to each general meeting of the Condo Corporation, you shall deliver to BDC written notice of the meeting specifying the place, date, hour and purpose of the meeting;
- (g) you hereby authorize any of BDC's officers to apply at any time and from time to time during the term of this mortgage to the Condo Corporation to deliver to BDC copies of all notices, financial statements and other documents given or available to you from the Condo Corporation; and
- (h) in the event of any occurrence or event whereby BDC, acting reasonably, has determined that any act or the operation of the Condo Corporation is, has or will diminish the value of Lands as security for the Secured Obligations, BDC shall be at liberty to demand immediate repayment of the Principal Sum.

#### **8. MORTGAGE OF VENDOR'S INTEREST IN RIGHT TO PURCHASE**

If your interest in the Lands includes the full fee simple subject to a right to purchase (in this clause called the "Right to Purchase"):

- (a) you transfer and assign to BDC absolutely all of your right, title and interest in and to the Right to Purchase and the monies now and hereafter owing thereunder, together with the full benefit of all powers and all covenants and provisions in the Right to Purchase, and full power and authority to use your name for enforcing the performance of the covenants and other matters and things contained in the Right to Purchase, and
- (b) you shall not accept any prepayment of the Right to Purchase other than in accordance with the terms thereof, provided that, if you are obliged to accept a prepayment, the amount thereof shall be paid to us as a prepayment on account of the Secured Obligations unless we waive such prepayment; and
- (c) we shall be under no obligation to commence action or take any proceeding or step to enforce the Right to Purchase and shall not be liable for any loss arising from any omission by us to take any such action, proceeding or step.



## 9. COVENANTS

You covenant with BDC that:

- (a) you will keep all the Lands in good repair and shall not allow waste in respect of the Lands, not to allow the Lands to be or remain vacant and to immediately notify BDC of any damage to the Lands;
- (b) you have good title in fee simple to the Lands, other than those lands that are expressed herein to be held in leasehold, and the right to convey the Lands as hereby conveyed;
- (c) you have done no act to encumber the Lands, except as set out herein;
- (d) you will execute or provide such further assurances as BDC may reasonably require and shall do so at your expense;
- (e) you shall discharge any debt or obligation that may be the subject of a demand upon BDC or an agent of BDC in the event that BDC enforces one of the remedies;
- (f) you shall pay all rents, taxes, rates, levies, assessments and impositions, government, municipal or otherwise which are now or may hereafter be levied, charged, assessed, imposed or payable against or in respect of the Lands, as and when due and produce to BDC the receipts for those payments;
- (g) you will pay and discharge all claims and obligations to labourers, mechanics and material men and others and all other claims, debts and obligations which by the law of Canada or any Province thereof have or might have priority over the security hereby created, and produce to BDC the receipts.
- (h) you, if a corporation, have taken all necessary corporate action to authorize the execution of this mortgage and to bind yourself to each of the terms of this mortgage and you shall maintain your corporate existence;
- (i) on default BDC may enter and have quiet enjoyment of the Lands;
- (j) you shall do all acts necessary to give BDC access from time to time to the Lands;
- (k) you shall carry on, in a proper business-like manner, the business or businesses you have represented to BDC as being your present or prospective businesses, and shall maintain in good standing all necessary licenses, permits, approvals and consents, and shall comply with all laws, regulations and ordinances applicable to your business.
- (l) you will not change, or agree to any change of, the present use of the Lands without BDC's prior express written consent;
- (m) you will not permit any of the following activities to occur on the Lands:
  - businesses that are sexually exploitive or that are inconsistent with generally accepted community standard of conduct and propriety, including those that feature sexually explicit entertainment, products or services;
  - businesses trading with countries that are proscribed by the Federal Government;
  - businesses which operate as a separate and sole entity nightclubs, bars, lounges, cabarets, casinos, discotheques and similar operations, or
  - businesses that are engaged in or associated with illegal activities.

You also agree that if your business or the business of a tenant of yours fails to comply with this paragraph at any time that will constitute an Event of Default. Any leases of the Lands you may, as landlord, enter into should have a clause to this effect.

## 10. EXPROPRIATION

If an early payout of the Secured Obligations is caused by an act any act of expropriation, including but not limited to expropriation proceedings or sale of the Land under *The Builders' Lien Act* of Saskatchewan:

- (a) You hereby assign to BDC such portion of any proceeds which becomes due and payable to you by an expropriating authority upon such expropriation equal to the difference, if any, between all Secured Obligations at the date of the expropriation, and the compensation payable or paid to BDC for the expropriation of its interest in the Lands by the expropriating authority.
- (b) You shall forward to BDC copies of any documentation relating to an expropriation or a proposed expropriation of the Land or any portion thereof forthwith upon receipt of the said documentation by it.
- (c) Notwithstanding anything to the contrary contained herein, if you or BDC receives notice of Intention to expropriate in relation to the Lands, or any portion thereof, at the option of BDC, the whole of the Secured Obligations (including principal, interest and compensation payments) under this mortgage at the date of the expropriation, shall immediately become due and payable in like manner and to all intents and purposes as if the time for payment of the said balance had fully come and expired.
- (d) Service of a copy of this mortgage on the expropriating authority shall be sufficient authority for the expropriating authority to deliver proceeds to BDC in accordance with the terms of the assignment contained herein.

## 11. ALTERATIONS

Except for any construction contemplated by this mortgage, you shall not make or permit to be made any additions or alterations to the Lands without the written consent of BDC being first obtained; and you shall not use the Lands or permit the Lands to be used, without BDC's written consent, for a purpose other than that disclosed to BDC in the application for this mortgage. If, with BDC's written consent, you commence work on the Lands, the following will apply:

- (a) You will carry on diligently to completion the construction of the development, and will complete such construction in compliance with the requirements of all municipal and other governmental authorities, laws, by-laws or regulations, and, when so required by BDC, supply BDC with confirmation from any such municipal or governmental authority of such compliance and confirmation from an independent engineer or architect as may be designated by BDC that construction is being completed in accordance with such requirements; it being understood and agreed that BDC, by reason of its approval of any Plans and Specifications shall not be liable to you or any third party for the safety, adequacy, soundness or sufficiency of the development or the Plans and Specifications;
- (b) If any part of the development remains unfinished and without any work being done for a period of ten consecutive days, BDC may enter the Lands and do all work necessary to protect such work from deterioration and to complete the construction in such manner as BDC may see fit, and any monies expended by BDC pursuant to this paragraph shall constitute part of the Secured Obligations;
- (c) BDC shall be entitled, at your expense, to inspect all aspects of the construction and make tests of materials and you will not cover any portion of the construction work requiring inspection by BDC until BDC has inspected the same and any defects in the construction or variation in construction as reported to BDC by its consultants shall be promptly corrected by you to the satisfaction of BDC;
- (d) You will pay, or cause to be paid as soon as the same are due, all claims and demands of contractors and materialmen and all wages, salaries, holiday pay, Workers' Compensation assessments or other charges of any nature or kind (hereinafter called "Charges") which could in any circumstances constitute a lien or charge having priority over this mortgage or any future advance on this mortgage and you will from time to time, on demand, provide BDC with such books, payrolls or other records, receipts, certificates and



declarations as BDC may deem necessary to satisfy itself that such Charges have been paid as soon as the same are due; and,

- (e) BDC shall not be obliged to hold back advances or any portion of advances to provide the lien fund or other protection to you under *The Builders' Lien Act* of Saskatchewan; provided that if BDC makes a holdback in a manner similar to the way the said Act provides for an owner to make holdbacks, then notwithstanding such holdbacks by BDC, such holdbacks shall not constitute the lien fund under the said Act and BDC shall not be a mortgagee authorized by the owner to disburse money secured by a mortgage as referred to in the said Act.

## 12. INSURANCE

While this mortgage is in effect you will:

- (d) maintain or cause to be maintained insurance on the Lands with a reputable insurer, of kinds, for amounts and payable to such person or persons, all as BDC may require;
- (e) cause the insurance policy or policies required by this mortgage to name BDC as a loss payee as BDC's interest may appear in respect of the Lands, and include a standard mortgage clause as approved by the Insurance Bureau of Canada;
- (f) pay all premiums respecting such insurance, and deliver all policies to BDC if required;
- (g) upon request, immediately assign, transfer and deliver over to BDC each and every policy or policies of insurance and all receipts pertaining to same;
- (h) on the happening of any loss or damage to the Lands, immediately notify and furnish to BDC, at your expense, all necessary proofs and do all necessary acts to enable BDC to obtain payment of any insurance monies otherwise payable to you, but nothing shall limit BDC's right to submit to the insurer a proof of loss on its own behalf, and
- (i) authorize and direct the insurer under any required policy of insurance to include BDC as loss payee on any policy of insurance and on any cheque or draft which may be issued respecting a claim settlement under and by virtue of such insurance, and the production by us to any insurer of a certified copy of this mortgage shall be its complete authority for so doing.

If you fail to maintain insurance as required, BDC may, but shall not be obliged to, maintain or effect such insurance coverage, or so much insurance coverage as BDC considers necessary for the protection of BDC's interest. If proceeds of any required insurance become payable, BDC may, in its absolute discretion, hold such funds as security for the Secured Obligations, apply the proceeds to the Secured Obligations as BDC sees fit or release any insurance proceeds to you to repair, replace or rebuild, but any release of insurance proceeds to you shall not operate as a payment on account of the Secured Obligations or in any way affect this mortgage or the charges created hereby. To ensure that we may apply such insurance monies in the manner herein contemplated, you also assign and release to us all of your rights to receive the insurance monies and expressly waive all your rights and benefits under *The Insurance Act* and the *Fire Prevention (Metropolis) Act 1774* each as amended or replaced from time to time.

## 13. ENVIRONMENTAL MATTERS

### 13.1 Definitions

For the purposes of this article 13:

- (a) "**Environmental/Hazardous Materials Claims**" means enforcement or other governmental or regulatory actions, agreements or orders threatened, instituted or completed pursuant to any Environmental/Hazardous Materials Laws, together with claims made or threatened by any third party

against you or in respect of the Lands relating to the environment, health, safety, any Wastes/Hazardous Materials or any Environmental/Hazardous Materials Laws;

- (b) **"Environmental/Hazardous Materials Laws"** means laws, by-laws, rules, ordinances, regulations, notices, approvals, orders, licenses, permits, standards, guidelines and policies from time to time of an Environmental Authority relating to the environment, health, safety or any Wastes/Hazardous Materials;
- (c) **"Hazardous Materials"** means wastes, materials and substances the storage, manufacture, disposal, treatment, generation, use or transport of which is prohibited, controlled or licensed under any Environmental/Hazardous Materials Laws, or the remediation or release of which into the environment is likely, immediately or in the future, to cause harm or degradation to any of the Lands or the environment, including contaminants, pollutants, corrosive substances, toxic substances, special wastes, substances deleterious to fish or wildlife, explosives, radioactive materials, asbestos, urea formaldehyde, and compounds known as chlorobiphenyls.
- (d) **"Environmental Authority"** means any level of government or other authorized agency relating to the environment, health, safety or any Hazardous Materials with appropriate jurisdiction over the Lands or your activities or both, as the case may be; and
- (e) **"Environmental Risks"** means any risk of liability, culpability or obligation of remediation under Environmental/Hazardous Materials Laws applicable to either or both the Lands or yourself.

### 13.2 Environmental Representations

You represent, warrant, covenant and promise to BDC that:

- (a) The Lands are free of any and all Environmental Risks and you are not aware of any Environmental Risks which have not been disclosed to BDC and approved by BDC in writing.
- (b) The Lands do not contain any Hazardous Materials whatsoever, and no Hazardous Materials have ever been released into the environment as a result of any of the activities conducted on the Lands.
- (c) You possess and will maintain all environmental licenses, permits and other approvals from Environmental Authority as may be necessary for the continued conduct of your business. All operations on the Lands are and will be kept in compliance with all such environmental licenses, permits and other approvals, and Environmental/Hazardous Materials Laws and, all future usage of the Lands will be limited to environmentally acceptable activities in compliance with all Environmental/Hazardous Materials Laws, it being agreed without limiting the generality of the above, you will not install in, on or under the Lands storage tanks for any Hazardous Materials without BDC's prior written consent and only upon full compliance with BDC's requirements and the standards and requirements of all boards and governmental authorities having jurisdiction over the Lands and your activities and assets.
- (d) You will advise BDC immediately upon becoming aware of any Environmental Risks.
- (e) There are no claims, actions, investigations, liens, prosecutions, notices, work orders, control orders, stop orders or directives, written or oral ("Orders") of any kind issued or pending by any Environmental Authority with respect to any of your activities, or any of your property, past or present, as they relate to any and all Environmental/Hazardous Materials Laws; and there are no circumstances, current or contemplated, which might give rise to such Orders and you will provide BDC with copies of all communications from or to any person relating to Environmental/Hazardous Materials Laws and any Environmental/Hazardous Materials Claims in connection with the Lands that become known to you, and all environmental studies or assessments prepared for you, and you consent to BDC contacting and making enquiries of environmental officials or assessors.

- (f) You have an environmental emergency response plan and all your officers and employees are familiar with that plan and their duties under it. You will ensure your staff is trained as required for such purpose and for all purposes relating to the use, handling and storage of Hazardous Materials.
- (g) You will from time to time and at any time required by BDC, provide evidence satisfactory to BDC that you and the Lands are compliant with all Environmental/Hazardous Materials Laws, and, if BDC considers it necessary, cause such inspections, reports and audits and provide the results thereof to BDC as it may require. You shall pay the entire cost of any such inspections, reports and audits of the Lands, and such inspections, reports and audits shall be performed by a duly licensed engineer acceptable to BDC. The scope of any environmental audit shall be at BDC's sole discretion, and the auditor performing or conducting the environmental audit shall be granted full access to the Lands to perform or conduct any testing or investigation deemed necessary by the auditor in the auditor's sole discretion.

### **13.3 Environmental Repair**

You will, at your sole cost and expense, comply, and cause all of your tenants, agents and invitees to comply, with all Environmental/Hazardous Materials Laws and with all permits and licenses issued by any Environmental Authority with respect to the storage, discharge and removal of Hazardous Materials, and you shall pay, immediately when due, the cost of removal of any such Hazardous Materials. You shall pay the cost of any improvements necessary to deal with such Hazardous Materials and shall keep the Lands free and clear of any lien imposed pursuant to any law including all Environmental/Hazardous Materials Laws. If you fail to do so, BDC may, after notice to you and the expiration of the earlier of:

- (a) any applicable cure period under this mortgage charge; or
- (b) the cure period under the applicable law, rule, regulation or order;

without any responsibility or liability in connection therewith, enter upon the Lands and do the work required and the cost thereof will be added to the Secured Obligations and become immediately due and payable, or alternatively at the option of BDC, may declare this mortgage to be in default.

### **13.4 Environmental Assessments and Audits**

It is expressly understood that BDC has no responsibility to monitor your compliance or to take any action in the event of non-compliance. You will provide to BDC copies of any and all environmental reports or studies in respect of the Lands that you receive or possess from time to time.

### **13.5 Exclusion of Liability**

No action taken by BDC in doing remedial work or repairs or in conducting assessments, audits, appraisals or inspections as provided in this Article shall constitute BDC as a mortgagee in possession and BDC by taking any such action shall not be considered to have care, management or control of the Lands; it being expressly understood that you have complete responsibility to ensure compliance with all Environmental/Hazardous Materials Laws and BDC's right to monitor such compliance shall not be construed as a responsibility to ensure such compliance.

### **13.6 Indemnity**

You hereby indemnify BDC, its officers, directors, employees, agents, shareholders and members, and agrees to hold each of them harmless, from and against any and all losses, liabilities, damages, costs, demands, expenses and claims of any and every kind whatsoever relating to any breach or non-compliance with Environmental/Hazardous Materials Laws by yourself or by your directors, officers, servants, agents, tenants or invitees, or relating to any Hazardous Materials handled, placed, held, located or disposed of on or in the Lands or related to any claims or proceedings (whether by civil action or related to any enforcement or recovery action under statute or regulation) for injury or damage to person or property from or relating directly or indirectly to the

use, presence, handling, disposal, escape or release of any Hazardous Materials on or from the Lands. Such indemnity includes, without limitation, indemnity against:

- (a) all costs (including legal expenses on a solicitor and his own client basis) of defending, counterclaiming and/or claiming against you or any third parties in respect of any such action or matter;
- (b) all costs of every kind and nature whatsoever incurred by BDC directly in order, either, to comply with Environmental/Hazardous Materials Laws or to remediate the Lands to comply with Environmental/Hazardous Materials Laws; and
- (c) any and all costs, liabilities, claims or damages arising out of a settlement of any action entered into by BDC with or without your consent, which at any time or from time to time may be paid, incurred or asserted against any of the parties indemnified hereby for, with respect to, or as a direct or indirect result of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from, the Lands or into or upon any land, the atmosphere, or any water course, body of water or wetland, of any Hazardous Materials.

This indemnity shall survive foreclosure or judicial sale (including by "Rice Order") of the Lands and any other exercise of BDC's rights hereunder or under any security collateral hereto.

#### **14. POWERS AND PROTECTIVE DISBURSEMENTS**

BDC and any of its agents, may at such time and from time to time, as BDC deems necessary and without the concurrence of any person, enter upon any part of the Lands and make arrangements for completing the construction, repairing or putting in of improvements, or for inspecting, appraising, taking care of, leasing, collecting the rents of, and generally managing any or all of your interest, as BDC may deem expedient, and BDC may, without notifying you, purchase any material or service and make any payments to preserve, protect or enhance the Lands or to remedy any default by you in respect of any promise or covenant contained in this mortgage and, without restricting the generality of the foregoing, BDC may:

- (a) retire fees, expenses and borrowings of a receiver;
- (b) acquire insurance against direct damage, liability to third parties or any other risk associated with the Lands on such terms and at such limits as BDC may find advisable;
- (c) discharge any lien, mortgage or encumbrance which, in the opinion of BDC, has priority over this mortgage;
- (d) improve the title of BDC or of any purchaser of the Lands who purchases them through a sale having the effect of foreclosing your interest in the Lands or who purchases them from BDC after your interest in the Lands has been foreclosed;
- (e) discharge any debt or obligation which BDC may find should be discharged in order to better market, sell or protect the Lands;
- (f) cause the Lands to be inspected, investigated (including environmental audits), appraised, surveyed or subdivided;
- (g) cause your books and records to be audited and the financial health of your business to be investigated;
- (h) retire the fees, commissions or expenses of any agent retained by BDC to market the Lands;
- (i) retire all costs and expenses, including legal fees on a solicitor and client basis, in relation to the preparation, execution and delivery of this mortgage and any amendment or discharge of it, in relation to the collection of any amount due hereunder and in relation to the enforcement of any remedy including the

actual fees and expenses of solicitors who act on behalf of BDC in proceedings for the appointment of a receiver, foreclosure, foreclosure and sale, judicial sale, sale by power of sale or possession of the Lands;

- (j) pay the fees and expenses of a trustee in Bankruptcy of the Borrower, should BDC determine to make itself liable for such;
- (k) retire all costs and expenses including fees on a solicitor and client basis in respect of any suit concerning this mortgage, any lands that may be mortgaged hereunder, BDC's title to the Lands, or the priority of BDC's interest in the Lands;
- (l) cause any environmental rehabilitation, investigation, removal or repair necessary to protect, preserve or remediate the Lands; and
- (m) contact and make inquiries of the your lessors/lessees, as well as environmental officials, assessors, municipal authorities and any taxing body.

A purchase or payment mentioned in this clause is referred to in this mortgage as a "protective disbursement". BDC is not obliged to make any protective disbursement. All protective disbursements, including solicitor and client fees and expenses upon foreclosure and sale, are secured by this mortgage and are payable out of the proceeds of the exercise of any remedy notwithstanding that BDC's liability for the protective disbursement arises after or is discharged after a sale of the mortgaged property.

#### **15. EVENTS OF DEFAULT**

The occurrence of any of the following events will constitute an Event of Default:

- (a) if you fail, or threaten to fail, to observe or perform any covenant, agreement, condition or obligation in BDC's favour, whether or not herein contained, including your failure to pay or perform any of the Secured Obligations when due;
- (b) if any representation, warranty or statement made to BDC either by you or on your behalf and whether or not contained herein or elsewhere, is not or ceases to be true;
- (c) if you, or any other person (the "obligant") liable, in respect of any of the Secured Obligations, ceases or threatens to cease to carry on business, as the case may be, or any material part thereof or to sell all or substantially all of your or the obligant's assets, or becomes insolvent or files a proposal, a notice of intention to file a proposal, or an assignment for the benefit of creditors under applicable bankruptcy or similar legislation, or if a petition is filed, an order is made, a resolution is passed, or any other step is taken for your, or the obligant's, bankruptcy, liquidation, dissolution, winding-up or reorganization or for any arrangement or composition of debts or any protection from your or the obligant's creditors
- (d) if you are in default under any other charge of the Lands or under any indebtedness other than Secured Obligations, or you permit the acceleration of any indebtedness (other than Secured Obligations) owed by you to any creditor other than BDC;
- (e) if a Receiver, trustee or similar official of any of your property is appointed;
- (f) if you are a corporation and any member or shareholder commences an action against you or gives notice of dissent to you in accordance with the provisions of any applicable legislation;
- (g) the holder of any other charge on, or claim against, any of the Lands does anything to enforce or realize on such charge or claim, or any execution, sequestration, or other process becomes enforceable against you, or if a distress, seizure or similar process is levied upon or exercised against any of the Lands;



- (h) if the lessor under any lease to you of any of the Lands takes any step to or threatens to terminate such or otherwise exercise any of its remedies under such lease as a result of any default or alleged default by you under such lease;
- (i) if any of the Lands are destroyed, substantially damaged, expropriated, or designated or considered for designation as a contaminated site;
- (j) if any permit, licence, certification, quota or order granted to or held by you is cancelled, reduced or revoked, or any order against you is enforced, with the effect of preventing your business from being carried on for more than five days or materially adversely changing the condition (financial or otherwise) of your business;
- (k) if you sell, transfer, convey, lease, assign, release, surrender or otherwise disposes of or parts with possession of any of the Lands or agrees to do so;
- (l) if you are in arrears of payment to any taxing authority;
- (m) if you cause or allow Hazardous Materials to be brought upon the Lands or incorporated into any of your assets without BDC's prior consent, or if you cause, permit or fail to remedy any environmental contamination upon, in or under the Lands or fails to comply with any abatement or remediation order given by a responsible authority;
- (n) if you use any of the monies advanced hereunder for any purpose other than as declared to and agreed upon by BDC;
- (o) if BDC deems itself insecure or believes that the assets secured hereby are in danger of loss, damage or misuse; or
- (p) if there is a deemed Event of Default pursuant to this mortgage.

Upon the occurrence of an Event of Default, at the option of BDC, without notice to you, BDC's security shall immediately become enforceable and all of the money hereby secured remaining unpaid shall become due and payable. If, in respect of a default, BDC chooses not to exercise the option hereby given to it or waives its right to call in the balance of the loan, such does not constitute a waiver of BDC's rights under this clause in respect of any other default.

## **16. NOTICE RESPECTING DEFAULT AND ENFORCEMENT**

BDC may exercise any remedy or remedies immediately upon the occurrence of an Event of Default, without making a demand for payment or giving time for payment or notifying you of BDC's intention to exercise the remedy or remedies. If BDC chooses to notify you of such an intention or to demand payment, it shall not thereby be taken to have waived its rights under this clause or to have subjected itself to a duty to give reasonable notice to you respecting BDC's intention or to give you reasonable time for payment.

## **17. ENFORCEMENT**

**17.1 Enforcement.** Upon the occurrence of an Event of Default BDC may declare any or all of the Secured Obligations immediately due and payable, and BDC's security will immediately become enforceable. To enforce and realize on the charges created hereby we may take (or refrain from taking) any action permitted by law or in equity as we may deem expedient, including any of the following:

- (a) enter upon, take possession of, occupy, use, preserve and protect the Lands, with power to exclude you, your agents and employees therefrom and may inspect, use, operate, manage, lease and control the Lands and conduct the business thereof;

- (b) maintain, repair, replace and complete any development of the Lands in accordance with existing plans or otherwise as BDC, in its our absolute discretion, may determine;
- (c) collect all Assigned Rents and other assets BDC holds as security for the Secured Obligations;
- (d) sell, lease or otherwise dispose of all or part of the Lands and other assets of yours over which BDC holds security, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions as BDC may consider reasonable, provided that if any sale, lease or other disposition is on credit you will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received. No purchaser shall be bound to inquire into the legality or propriety of any such sale or be affected by notice of any irregularity or impropriety. BDC may take sale proceedings hereunder even if other mortgage proceedings have been taken or are pending;
- (e) exercise any or all of your rights and remedies in respect of the Lands;
- (f) as your agent, appoint by instrument a Receiver of the Lands and of all your properties, assets, effects and undertakings related to or arising out of the Lands with or without bond as BDC may determine, and in BDC's absolute discretion and from time to time, remove any Receiver so appointed and appoint another in its stead, but BDC shall be under no liability for the remuneration, acts or omissions of the Receiver, its employees and agents;
- (g) exercise any other rights and remedies under this mortgage; or
- (h) exercise any other right and power a Receiver could exercise.

BDC shall not be liable for any debts BDC contracts during enforcement of this mortgage, for damages to persons or property, salaries or non-fulfilment of contracts during any period when BDC takes any action referred to above, for any misconduct, negligence or misfeasance by us, or any employee or agent of ours, and neither the provisions of this mortgage nor the exercise of any of the powers provided in this mortgage shall render us a mortgagee in possession, and we shall not be accountable except for the monies we actually receive. You waive any provision of law which may be waived which imposes any greater obligations on us than described above.

**17.2 Receiver.** A Receiver appointed pursuant to this mortgage shall be your agent and not ours, and, to the extent permitted by law or its appointment, shall, in our discretion, have all of our rights and powers (including those under this mortgage), including the power to:

- (j) take possession of and enter upon the Lands;
- (k) sell or lease or concur in selling or leasing of the Lands;
- (l) make any arrangement or compromise which it shall think expedient;
- (m) carry on, or concur in the carrying on of, any development then in progress or otherwise contemplated by you with respect to the Lands or your business relating to the Lands and for such purposes from time to time to borrow money either secured or unsecured, and if secured by security on the whole or any part of the Lands, such security may rank before or pari passu with or behind this mortgage; and
- (n) commence, continue or defend proceedings in the name of the Receiver or in your name, which the Receiver considers necessary or advisable for the proper protection of the whole or any portion of the Lands or the enforcement of this mortgage.

We may from time to time fix the remuneration of every such Receiver and direct the payment thereof out of the proceeds of the receivership. The rights and powers conferred by this paragraph are in addition and not in substitution for any right we may from time to time possess.

**17.3 Application of Proceeds.** Any money from time to time received by the Receiver shall, subject to the claims of creditors, if any, which are secured by any Charges ranking in priority to this mortgage, be paid, subject to our direction otherwise, by it, **Firstly**, in payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise by it of all or any of the powers aforesaid including the reasonable remuneration of the Receiver and all amounts properly payable by it, **Secondly**, in or towards payment to us of the amounts comprised in the Secured Obligations in such manner and order as we shall, in our absolute discretion, deem advisable and, **Thirdly**, any surplus shall be paid to you provided that in the event any party claims a charge against all or a portion of the surplus, the Receiver shall make such disposition of all or any portion of the surplus as the Receiver deems appropriate in the circumstances.

**17.4 Appointment of Attorney.** You irrevocably appoint us or the Receiver, as the case may be, with full power of substitution, as your attorney for and in your name to do everything necessary or incidental to the exercise of any or all of the powers conferred on us or the Receiver, as the case may be, pursuant to this mortgage.

#### **18. LIABILITY RESPECTING ENFORCEMENT OF SECURITY**

Once BDC has determined to exercise a remedy or remedies, It may deal with and dispose of the Lands as BDC may see fit and neither you nor those claiming by, though from or under you shall maintain any action, advance any claim or rely on any set-off by reason of the order of enforcement of remedies against parts of the Lands, the abandonment or discharge of the Lands or part of them, BDC's failure to maintain or insure the Lands, BDC's failure to secure an adequate price for the Lands or anything relating to the manner in which the Lands are dealt with or disposed of (in this clause "BDC" includes the receiver).

Further, BDC may, in its sole discretion, realize on various securities (including this mortgage) and any parts thereof in any order that BDC considers advisable and no realization or exercise by BDC of any power or right under this mortgage or other security shall in any way prejudice any further realization or exercise until all Secured Obligations are satisfied. All rights and remedies available to BDC are cumulative and not restrictive of remedies at law and in equity and by statute.

#### **19. RELEASES**

You are and will not be released from any of your obligations to pay the Secured Obligations nor is any security held to secure the Secured Obligations released by reason of BDC releasing any person who may be obligated to pay the Secured Obligations or any part of them, or by reason of BDC releasing any security held to secure payment of the Secured Obligations. BDC is only accountable for money actually received by it in consideration of the release of any person or security.

#### **20. INDULGENCES**

BDC may grant extensions of time and other indulgences, take and give up security, accept compositions, compromise, make settlements, grant releases and discharges, refrain from registering or maintaining registration of charges, and otherwise deal with you, any other obligant, your other creditors, sureties and other persons and with the Lands and other security, all as BDC sees fit in its absolute discretion and without prejudice to your liability or BDC's rights or remedies. You agree that you will not be released nor your liability in any way reduced because BDC has done, not done, or concurred in doing or not doing, anything whereby a surety would or might be released in whole or in part.

#### **21. SASKATCHEWAN LAW**

Where land or leasehold land or both situate in the Province of Saskatchewan are, by a corporation, granted as security by this mortgage:

- (a) that *The Land Contracts (Actions) Act* of Saskatchewan shall have no application to any action, as defined in *The Land Contracts (Actions) Act* of Saskatchewan, respecting this mortgage, any mortgage, charge or other security for the payment of money made, given or created by this mortgage, any agreement or instrument which renews or extends or is collateral to this mortgage, or the rights, powers or remedies of



BDC under this mortgage or any charge created by this mortgage as BDC is specifically exempted from the operation of that Act, and

- (b) that *The Limitation of Civil Rights Act* of Saskatchewan shall have no application to this mortgage, any mortgage, charge or other security for the payment of money made, given or created by this mortgage, any agreement or instrument which renews or extends or is collateral to this mortgage, or the rights, powers or remedies of BDC under this mortgage or any mortgage or charge created by this mortgage.
- (c) that if it is an agricultural corporation, as defined in *The Saskatchewan Farm Security Act*, it has received independent legal advice prior to the execution of this mortgage, and agrees that the provisions of Part IV of *The Saskatchewan Farm Security Act*, other than Section 46, shall not apply to you.

**22. ASSIGNS**

This mortgage is binding upon you and your successors, assigns, heirs, executors and administrators and is granted to and for the benefit of BDC, its successors and its assigns.

**23. BORROWER AUTHORITY**

You hereby represent and warrant to BDC that you are duly and appropriately authorized and empowered to grant this mortgage, incur the Secured Obligations and observe, adhere to and perform (as the case may be) all of your obligations, promises and covenants under this mortgage without either breach or default under any other obligation (whether imposed by law or by contract) or promise made by you or any further consent or approval of any person, party, authority or regulator; and, further, that this mortgage constitutes a valid and binding obligation on your part to BDC.

**24. GENDER AND NUMBER**

The use in this mortgage of the neuter gender includes the masculine and the feminine; the use of the plural includes the singular; the use of the singular includes the plural.

**25. FURTHER ASSURANCES**

You shall execute and deliver to BDC upon request any further or additional documentation which BDC in its sole discretion deems necessary to give full effect to this mortgage and each and every provision contained in this mortgage.

The Borrower has properly executed and sealed this mortgage on the day and year stated on the first page.



**BECKERLAND FARMS INC.**  
by its authorized signatory:

per: \_\_\_\_\_

A handwritten signature in black ink, written over a horizontal line.

SCHEDULE OF LAND

**SURFACE PARCEL #203043114**

**REFERENCE LAND DESCRIPTION: BLK/PAR A PLAN NO 102173701  
EXTENSION 0**

SCHEDULE "C"

PARTICULARS OF CLAIM AND MORTGAGE

1. Judicial Centre where application is proposed to be made: Yorkton
2. Mortgagee's name and address:  
  
BUSINESS DEVELOPMENT BANK OF CANADA  
Main Floor  
One Bentall Centre  
505 Burrard Street  
Vancouver, BC V7X 1V3
3. Mortgagor's name and address:  
  
BECKERLAND FARMS INC.  
7 Broadway Street, P.O. Box 1148  
Yorkton, SK S3N 2X3
4. Particulars of mortgage:
  - (a) Date of Execution: August 15, 2014
  - (b) Principal Amount: \$3,600,000.00
  - (c) Balance Outstanding  
as at June 13, 2016: \$4,866,636.17
  - (d) Interest Rate: Floating base rate of BDC plus 1.5% per annum
  - (e) Instalments payable: \$49,028.75 (February, March and April, 2016)
  - (f) Arrears of Principal: \$73,650.00  
Arrears of Interest: \$73,436.24  
(as at June 13, 2016)  
  
Total Arrears: \$147,086.24

(g) Amounts and dates of all instalments paid during the three years preceding the date of the Notice:

	<u>Amount</u>
August 21, 2014	\$400.68
October 6, 2014	\$1,380.78
October 28, 2014	\$1,342.75
November 10, 2014	\$7,668.45
December 10, 2014	\$23,392.40
January 12, 2015	\$24,644.96
February 10, 2015	\$25,392.69
March 10, 2015	\$23,089.64
April 10, 2015	\$25,563.53
May 11, 2015	\$24,738.91
June 10, 2015	\$25,563.53
July 10, 2015	\$24,738.91
August 10, 2015	\$25,096.02
September 10, 2015	\$24,959.67
December 2, 2015	\$49,237.29
December 10, 2015	\$24,325.89
January 11, 2016	\$24,939.87

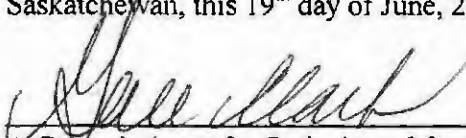
(h) Renewal Date: N/A

Q.B. No. of 2019

BETWEEN: **BUSINESS DEVELOPMENT BANK OF CANADA, (PROPOSED PLAINTIFF)** and **BECKERLAND FARMS INC. (PROPOSED DEFENDANT)**

		<b>REGISTERED DOMESTIC</b>	<b>REGIME INTERIEUR</b>
		CUSTOMER RECEIPT	REÇU DU CLIENT
To / Destinataire	Name / Nom	2016 -06- 16	
Beckerland Farms Inc		58880	
Address / Adresse	City / Prov. / Postal Code	1 888 550-6333	
Box 1148	Yorkton SK S3N 2K3	RN 131 291 650 CA	
33-086-584 (14-06)		3.6	

This is Exhibit "B" referred to in the Affidavit of Colleen Grieman sworn before me at Saskatoon, in the Province of Saskatchewan, this 19<sup>th</sup> day of June, 2019.

  
A Commissioner for Oaths in and for the Province of Saskatchewan  
My Commission expires October 31, 2022.



Date: 2016/07/05

Dear Sir or Madam

Please find below the scanned delivery date and signature of the recipient of the item identified below:

Item Number                   RN131291650CA

Product Name                Registered Mail/Courrier recommandé

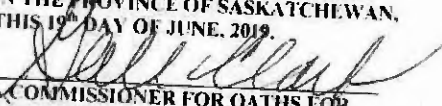
Reference Number 1         Not Applicable

Reference Number 2         Not Applicable

Delivery Date (yyyy/mm/dd) 2016/06/17

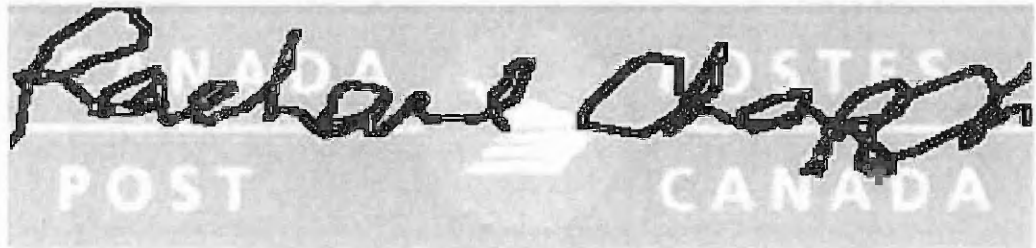
Signatory Name              RUSNAK LAW

THIS IS EXHIBIT "C" REFERRED TO IN  
 THE AFFIDAVIT OF COLLEEN GRIEMAN  
 SWORN BEFORE ME AT SASKATOON,  
 IN THE PROVINCE OF SASKATCHEWAN,  
 THIS 19<sup>th</sup> DAY OF JUNE, 2019.



AC COMMISSIONER FOR OATHS FOR  
 SASKATCHEWAN  
 My commission expires October 31, 2022

Signature



Rachael Ogor

Yours sincerely,

Customer Relationship Network

1-888-550-6333.

(From outside Canada 1 416 979-3033)

*This copy confirms to the delivery date and signature of the individual who accepted and signed for the item in question. This information has been extracted from the Canadapost data warehouse*

Q.B. No. of 2019

BETWEEN: **BUSINESS DEVELOPMENT BANK OF CANADA, (PROPOSED PLAINTIFF)** and **BECKERLAND FARMS INC. (PROPOSED DEFENDANT)**

CANADA POST POSTES CANADA		<b>REGISTERED AND RECOMMANDÉ</b> <b>DOMESTIC POST RÉGIMÉ INTÉRIEUR</b>		
CUSTOMER RECEIPT		REÇU DU CLIENT		
To	Destinataire	2016 -06- 16		
Name	Nom	Farm Land Sec. 351		POST OFFICE SA
Address	Adresse	315-3045 116th St		1 888 550-6333
City / Prov. / Postal Code	Ville / Prov. / Code postal	Regina, SK S4S 0B1		CPC Tracking Number
Postage	Taxe	\$ 3,600.00		Number de repère de la BCP
33-886-584 (14-06)		RN 131 291 632 CA		

This is Exhibit "D" referred to in the Affidavit of Colleen Grieman sworn before me at Saskatoon, in the Province of Saskatchewan, this 19<sup>th</sup> day of June, 2019.

A Commissioner for Oaths in and for the Province of Saskatchewan

My Commission expires October 31, 2022.



Date: 2016/07/05

Dear Sir or Madam

Please find below the scanned delivery date and signature of the recipient of the item identified below:

Item Number RN131291632CA

Product Name Registered Mail/Courrier recommandé

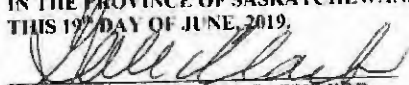
Reference Number 1 Not Applicable

Reference Number 2 Not Applicable

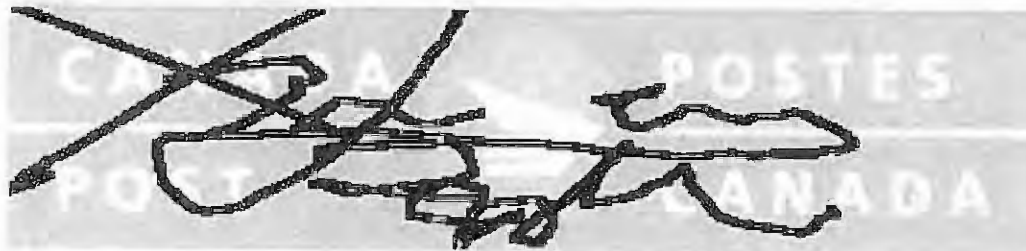
Delivery Date (yyyy/mm/dd) 2016/06/17

Signatory Name B DEPTUCK

THIS IS EXHIBIT "E" REFERRED TO IN THE AFFIDAVIT OF COLLEEN GRIEMAN SWORN BEFORE ME AT SASKATOON, IN THE PROVINCE OF SASKATCHEWAN, THIS 19<sup>TH</sup> DAY OF JUNE, 2019.

  
A COMMISSIONER FOR OATHS FOR SASKATCHEWAN  
My commission expires October 31, 2022

Signature



Yours sincerely,

Customer Relationship Network

1-888-550-6333.

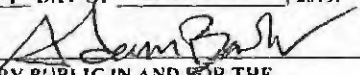
(From outside Canada 1 416 979-3033)

*This copy confirms to the delivery date and signature of the individual who accepted and signed for the item in question. This information has been extracted from the Canadapost data warehouse*



THIS IS EXHIBIT "J" REFERRED TO  
IN THE AFFIDAVIT OF JENNIFER KOH  
SWORN BEFORE ME AT THE CITY OF  
VANCOUVER, IN THE PROVINCE OF  
BRITISH COLUMBIA

THIS 27 DAY OF June, 2019.

  
A NOTARY PUBLIC IN AND FOR THE  
PROVINCE OF BRITISH COLUMBIA

My appointment expires N/A

OR being a solicitor.

## FORBEARANCE AGREEMENT

This Forbearance Agreement made effective the 1<sup>st</sup> day of September, 2016 (the "Effective Date").

BETWEEN:

**BUSINESS DEVELOPMENT BANK OF CANADA ("BDC");**

AND:

**BECKERLAND FARMS INC. (the "Debtor")**

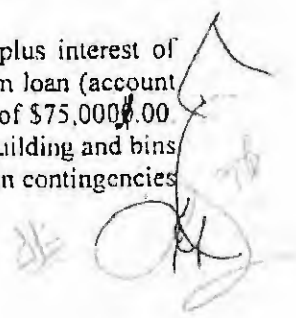
AND:

**TYLAND MANAGEMENT GROUP INC. ("Tyland")**

AND:

**TYSON STEVEN BECKER ("Tyson")**

WHEREAS:

- A. As at the Effective Date, the Debtor and Tyland are corporations incorporated pursuant to the laws of Saskatchewan. Tyson is the sole director, officer and shareholder of both the Debtor and Tyland.
  - B. As of June 14, 2016, the Debtor is indebted to BDC in the total aggregate amount of approximately \$4,913,911.19 (collectively, the "Indebtedness") in regard to debts, liabilities and obligations owed by the Debtor to BDC pursuant to a Letter Agreement dated July 25, 2014, as amended from time to time (collectively, the "Loan Agreement"), and, in particular:
    - i. \$4,866,636.17 (comprised of the principal amount of \$4,740,000.00, plus interest of \$126,586.17 accruing at the rate of \$823.83 per diem) in regard to a term loan (account number 079659-02) in the maximum aggregate principal amount of \$4,740,000.00, for the purpose of refinancing leases and mortgage, construction building and bins - Canora, ITC Software, Purchase Land - Canora, and construction contingencies - Canora, and
    - ii. \$47,275.02 (comprised of the principal amount of \$46,800.00, plus interest of \$475.02 accruing at the rate of \$7.35 per diem) in regard to a term loan (account number 079659-03) in the maximum aggregate principal amount of \$75,000.00 for the purpose of refinancing leases and mortgage, construction building and bins - Canora, ITC Software, Purchase Land - Canora, and construction contingencies - Canora.
- 

- C. In order to secure the repayment to BDC of the Indebtedness under the Loan Agreement, the Debtor and Tyland granted to BDC security over certain real and personal property as more particularly described (and pursuant to the various security documents listed) at Schedule "A" hereto (collectively, the "Security").
- D. Both Tyland and Tyson (the "Guarantors") have executed in favour of BDC the following Guarantees (collectively, the "Guarantees"), unconditionally guaranteeing payment of certain debts and liabilities (including the Indebtedness), including interest thereon, owing by the Debtor to BDC, namely:
- i. Guarantee of Tyson in favour of BDC dated August 15, 2014, to guarantee all promises under the Loan Agreement for loan account number 079659-02 to the limit of \$500,000.00, plus protective disbursements, interest and other amounts that the Debtor has promised to pay in regard to the Loan Agreement, together with all legal fees and disbursements, on a solicitor and client basis, incurred by BDC in relation to any suit upon such Guarantee;
  - ii. Guarantee of Tyland in favour of BDC dated August 15, 2014, to guarantee all promises under the Loan Agreement for loan account number 079659-02 in the maximum principal amount of \$4,740,000.00, plus protective disbursements, interest and other amounts that the Debtor has promised to pay in regard to the Loan Agreement, together with all legal fees and disbursements, on a solicitor and client basis, incurred by BDC in relation to any suit upon such Guarantee;
  - iii. Guarantee of Tyson in favour of BDC dated August 15, 2014, to guarantee all promises under the Loan Agreement for loan account number 079659-03 in the maximum principal amount of \$75,000.00, plus protective disbursements, interest and other amounts that the Debtor has promised to pay in regard to the Loan Agreement, together with all legal fees and disbursements, on a solicitor and client basis, incurred by BDC in relation to any suit upon such Guarantee; and
  - iv. Guarantee of Tyland in favour of BDC dated August 15, 2014, to guarantee all promises under the Loan Agreement for loan account number 079659-03 in the maximum principal amount of \$75,000, plus protective disbursements, interest and other amounts that the Debtor has promised to pay in regard to the Loan Agreement, together with all legal fees and disbursements, on a solicitor and client basis, incurred by BDC in relation to any suit upon such Guarantee.
- E. Each of the Debtor and Tyland have been served by BDC with a common law demand and a Notice of Intention to Enforce a Security under subsection 244(1) of the *Bankruptcy and Insolvency Act*, calling for payment of the Indebtedness and notifying the Debtor of the intention of BDC to enforce the Security, which demands and notices were served on the Debtor and Tyland on or about April 14, 2016.
- F. The Debtor has been served by BDC with a Notice pursuant to *The Saskatchewan Farm Security Act* calling for payment of the Indebtedness and notifying the Debtor of the intention of BDC to enforce the Security, which was served on the Debtor on or about

June 16, 2016. The Debtor has also been served by BDC with a Notice pursuant to the *Farm Debt Mediation Act* calling for payment of the Indebtedness and giving the Debtor notice of their right to make an application under section 5 of the *Farm Debt Mediation Act*.

- G. The Debtor is also presently indebted to the relevant taxing authorities for municipal property tax arrears totalling \$36,158.88 (the "Municipal Tax Debts").
- H. The Debtor is also presently indebted to Canada Revenue Agency ("CRA"), in the approximate amount of \$41,696.66 (the "CRA Debt").
- I. The Debtor is presently in default of its obligations to BDC under the Loan Agreement and the Security.
- J. The Debtor and the Guarantors (collectively the "Obligors") acknowledge and agree that the Indebtedness is due and payable, and that BDC is currently entitled to enforce the Loan Agreement, the Security and the Guarantees.
- K. The Obligors have requested that BDC forbear from enforcement of the Loan Agreement, the Security and the Guarantees in order to provide the Debtor with additional time within which to restructure their financial affairs.
- L. BDC has agreed, upon certain terms and subject to certain conditions more particularly described in this Forbearance Agreement, to forbear from immediate enforcement of the Loan Agreement, the Security and the Guarantees.
- M. The Debtor has retained Cameron Johnson of Johnson Advisory Services Inc. as an interim restructuring officer (the "Restructuring Officer"), who shall continue to assist the Debtor in managing its operations and marketing the Assets during the Forbearance Period, as hereinafter defined, and any extension thereof, at the sole expense of the Debtor.
- N. Each of the Obligors has agreed that BDC, at its sole discretion, shall be entitled to engage a monitor (the "Monitor") to conduct a review of and otherwise monitor the business operations of the Debtor and Tyland (including in relation to the Security), and each of the Obligors have consented to the appointment of such a Monitor at the sole cost of the Obligors.
- O. The Parties consider it to be in their best interests to enter into this Forbearance Agreement in order to confirm the terms and conditions upon which BDC has agreed to forbear from immediate enforcement of the Loan Agreement, the Security and the Guarantees.
- P. This paragraph and the preceding 15 paragraphs are hereinafter collectively referred to as the "Recitals".

**NOW THEREFORE THIS AGREEMENT WITNESSES THAT**, in consideration of the mutual covenants and obligations contained in this Forbearance Agreement, and other good and

valuable consideration, the receipt and sufficiency of each of which is hereby acknowledged by each of BDC and the Obligors, the parties agree as follows:

1. **Definitions.** Unless otherwise specifically defined in this Forbearance Agreement, all capitalized terms used in this Forbearance Agreement shall have the meanings ascribed to them in the Loan Agreement. The following terms shall have the following meanings:
  - (a) "Assets" means all of the personal and real property, tangible or intangible, of the Debtor and Tyland, including, without limitation, the property listed at Schedule "A" of the Consent Receivership Order;
  - (b) "BIA" means the *Bankruptcy and Insolvency Act* (Canada), as amended from time to time;
  - (c) "CCAA" means the *Companies' Creditors Arrangement Act* (Canada), as amended from time to time;
  - (d) "Consent Receivership Order" has the meaning ascribed to it in Article 5.1 below;
  - (e) "Consent Judgment" has the meaning ascribed to it in Article 5.2 below;
  - (f) "CRA" means the Canada Revenue Agency and any successor agency or agencies thereto;
  - (g) "CRA Debt" has the meaning ascribed to it at Recital H above;
  - (h) "Debtor" means Beckerland Farms Inc.;
  - (i) "Effective Date" means September 1, 2016;
  - (j) "Event of Default" means the occurrence of any one or more of the events set forth in Article 9 of this Forbearance Agreement;
  - (k) "Extensions" has the meaning ascribed to it at Article 6.6 below;
  - (l) "First Extension Date" has the meaning ascribed to it at Article 6.4 below;
  - (m) "Forbearance Agreement" means this Forbearance Agreement;
  - (n) "Forbearance Fee" has the meaning ascribed to it in Article 7.4(a) below;
  - (o) "Forbearance Period" means the period defined in 6.2 below;
  - (p) "Guarantee" means the Guarantees of the Guarantors as more particularly described in Recital D above;
  - (q) "Guarantors" means Tyland Management Group Inc. and Tyson Becker;

- (r) "Indebtedness" means the indebtedness described in Recital B above, in addition to all costs incurred in enforcement and all fees referenced in this Agreement;
- (s) "Invoices" has the meaning ascribed to it at Article 7.3 below;
- (t) "Listed Tractors" has the meaning ascribed to it at Article 7.1(t) below;
- (u) "Loan Agreement" means the Letter Agreement, as amended from time to time, executed by BDC with the Debtor, the details of which are set out Recital B above;
- (v) "Monitor" has the meaning ascribed to it in Recital N above;
- (w) "Municipal Tax Debts" means the debt of the Debtor to the Town of Canora and the Rural Municipality of Calder No. 241 as more particularly described at Recital G above;
- (x) "Obligors" means Becklerland Farms Inc. as principal Debtor, and Tyland Management Group Inc. and Tyson Becker as Guarantors;
- (y) "Parties" means any one or more of the parties referred to in this Forbearance Agreement, as the context may require;
- (z) "Plan" has the meaning ascribed to it in Article 7.6(d) below;
- (aa) "Prospective Buyers" has the meaning ascribed to it in Article 6.4(b)(i) below;
- (bb) "Proposed Transaction" has the meaning ascribed to it at Article 6.4(b)(ii) below;
- (cc) "Restructuring Officer" has the meaning ascribed to it at Recital M above;
- (dd) "Recitals" means paragraphs A-P above;
- (ee) "Second Extension Date" has the meaning ascribed to it at Article 6.5 below;
- (ff) "Security" includes any security delivered by the Debtor and Tyland to BDC and includes, without limitation, the security referenced in Schedule "A";
- (gg) "Target Bidders List" has the meaning ascribed to it in Article 6.4(a) below.
- (hh) "Tyland" means Tyland Management Group Inc.; and
- (ii) "Tyson" means Tyson Steven Becker.



2. Obligors' Representations, Warranties, Acknowledgements and Covenants

2.1 Recitals. Each of the Obligors acknowledges, represents and warrants to BDC that the Recitals to this Forbearance Agreement are accurate and complete in every respect and form an integral part of this Forbearance Agreement.

2.2 Acknowledgement of Indebtedness. Each of the Obligors hereby acknowledges, covenants and agrees that:

- (a) the Indebtedness (including such additional amounts as may form part of the Indebtedness in the future pursuant to this Forbearance Agreement or otherwise) is currently outstanding and owing to BDC by the Debtor pursuant to the Loan Agreement and by each of the Guarantors to BDC in such amounts described in and pursuant to the Guarantees, without any right or claim of set-off or any similar right or claim against BDC by any of them in connection with the Indebtedness;
- (b) each of the documents documenting the Indebtedness (including, without limitation, the Loan Agreement and the Guarantees) was duly and validly executed, as at the date appearing on the face of each such document, by the Debtor and the Guarantors (as the case may be); and
- (c) each of the loans and advances comprising the Indebtedness is a valid and enforceable obligation owed by the Debtor and the Guarantors to BDC, and is enforceable by BDC against the Debtor and the Guarantors in accordance with all terms agreed upon by BDC and the Debtor and the Guarantors pursuant to the Loan Agreement and the Guarantees (respectively).

2.3 Acknowledgement of the Loan Agreement, Security and Service of Demands and Notice. The Obligors further hereby acknowledge, covenant and agree that:

- (a) the Debtor is presently in default of its obligations to BDC in regard to the payment of the Indebtedness pursuant to the Loan Agreement and the Security;
- (b) all of the terms of the Security, and any other security delivered by the Debtor, Tyland and/or any other person or entity to BDC to secure the Indebtedness after the date hereof will be in full force and effect, constitute legal, valid and binding obligations of the Debtor, Tyland and/or such other person or entity, as applicable, enforceable against them, and each of the Debtor and Tyland hereby waives and agrees not to assert or cause to be asserted, and is hereby estopped from asserting or causing to be asserted, any defences or rights with respect to the legal effect of the Security or other security or the legality, validity or binding effect of the obligations of the Debtor, Tyland and/or such other person or entity thereunder and the enforceability of same;
- (c) the Debtor and the Guarantors have been served by BDC with a common law demand and a Notice of Intention to Enforce a Security under subsection 244(1) of the BIA (in the case of the Debtor and Tyland only) calling for payment of the

Indebtedness and notifying the Debtor and Tyland of the intention of BDC to enforce the Security (in the case of the Debtor and Tyland) and the Guarantees (in the case of the Guarantors), and that such demands and notices remain in full force and effect; and

- (d) the Debtor has been served by BDC with a Notice pursuant to *The Saskatchewan Farm Security Act* calling for payment of the Indebtedness and notifying the Debtor of the intention of BDC to enforce the Security. The Debtor has also been served by BDC with a Notice pursuant to the *Farm Debt Mediation Act* calling for payment of the Indebtedness and giving the Debtor notice of their right to make an application under section 5 of the *Farm Debt Mediation Act*.

2.4 Acknowledgment of Forbearance. Each of the Debtor and the Guarantors hereby acknowledges that it has requested of BDC, and BDC has agreed (upon the terms and conditions contained and more particularly described in this Forbearance Agreement), to forbear from the immediate enforcement of the rights of BDC under the Loan Agreement, the Security and the Guarantees (as the case may be).

2.5 Positive Covenants. From and after the Effective Date, and during the Forbearance Period, each of the Debtor and Tyland agrees to and shall:

- (a) pay or remit in accordance with legal requirements:
  - (i) any statutory deemed trust amounts in favour of the Crown in Right of Canada or any Province thereof which are required to be deducted from employees' wages, including, without limitation, amounts in respect of employment insurance, Canada Pension Plan and income tax;
  - (ii) amounts payable in respect of employment insurance, Canada Pension Plan and Workers' Compensation, and any other sums payable to the Crown in Right of Canada or any Province thereof;
  - (iii) to the extent applicable, all goods and services or sales tax payable to the Crown in Right of Canada or to any Province thereof; and
  - (iv) any amount payable to the Crown in Right of Canada or any Province thereof, or any political subdivision thereof in respect of any municipal realty, municipal business, or other taxes, assessments or levies of any kind or nature; and
- (b) keep current any other obligations of the Debtor and Tyland which would be paid in an insolvency proceeding in priority to the Security.

2.6 Negative Covenants. From and after the Effective Date, and during the Forbearance Period, each of the Debtor and Tyland agrees that it shall not:

- (a) sell any Assets out of the ordinary course of business, save and except with the express written consent of BDC;

- (b) grant any security to any creditor or any other person from and after the Effective Date, or suffer or permit any lien to be created against its property, save with the written consent of BDC;
- (c) declare any dividends or effect salary increases, save with the written consent of BDC; and
- (d) make any payment on any intercompany debt, on any shareholder loans nor on any indebtedness which is secured subordinate to the obligations of the Debtor and Tyland to BDC without written agreement of BDC.

### 3. Guarantors' Representations, Warranties and Acknowledgments

3.1 Recitals. Each of the Guarantors acknowledges, represents and warrants to BDC that the Recitals to this Forbearance Agreement are accurate and complete in every respect and form an integral part of this Forbearance Agreement.

3.2 Acknowledgement of Indebtedness. Without limiting in any way the representations, warranties and acknowledgments made by the Guarantors in Article 2 above or elsewhere in this Forbearance Agreement, each of the Guarantors represents, warrants and acknowledges that:

- (a) there is no dispute respecting the liability of the Guarantors in connection with the Indebtedness or any other obligations of the Guarantors to BDC. Each of the Guarantors hereby agrees to repay the Indebtedness and/or other obligations according to the terms of the Guarantees;
- (b) the Guarantees remain in full force and effect, constitute legal, valid and binding obligations of the Guarantors, enforceable against the Guarantors, and the Guarantors hereby waive and agree not to assert or cause to be asserted and are hereby estopped from asserting or causing to be asserted, any defences or rights with respect to the legal effect of the Guarantees and the legality, validity and binding nature of the obligations of the Guarantor under the Guarantees and the enforceability of the same; and
- (c) each of the Guarantors hereby acknowledges that, under the terms and conditions of this Forbearance Agreement, the Debtor will be permitted additional time to meet the obligations to BDC. The Guarantor agrees to the extension of time provided herein, and to all other terms and conditions of this Forbearance Agreement.

### 4. Waiver and Release

4.1 The Obligors:

- (a) acknowledge and confirm that the agreement of BDC, reflected by this Forbearance Agreement and by any negotiations and discussions, is in no way a novation of or waiver of BDC's rights or benefits as specified in the Loan